

20
25

Annual Report

Cultivating Trust for
Sustained Partnerships



→ Corporate Information

CRDB BANK BURUNDI S.A

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Website: www.crdbbank.co.bi
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BRANCHES

Inyenyeri

Rohero, Chaussée du Prince Louis
Rwagasore N 490/A
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Asiatique

Quartier Asiatique, Avenue Songa
Immeuble BATRALAC
P. O. Box 254 Bujumbura- Burundi

City Market

Quartier Industriel, Avenue de l'OUA
Immeuble Garage AUTOTECH
P. O. Box 254 Bujumbura- Burundi

Ngozi

Quartier Shikiro
Route Nationale N°6
P. O. Box 254
Bujumbura- Burundi

Intahe Premier

Immeuble Intahe House
33 Boulevard Mwezi Gisabo, Quartier Rohero 1, Bujumbura
P.O. BOX 254 Bujumbura-Burundi

City Center

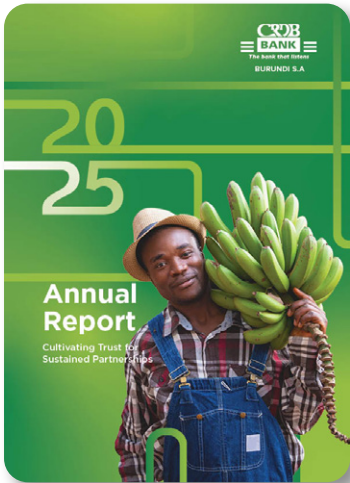
Avenue de la Science
P.O. BOX 254 Bujumbura-Burundi

Kamenge

Kamenge Business Center, 6eme Avenue
P.O. BOX 254 Bujumbura-Burundi



→ About Our Cover



Connected Pathways

This cover captures the essence of CRDB Bank Burundi S.A.'s 2025 narrative - grounded growth built on trust and partnership. The farmer, confidently carrying his harvest, symbolizes resilience, productivity, and the real economy that the Bank serves and empowers. The vibrant green palette reflects prosperity, sustainability, and the Bank's commitment to inclusive agricultural and community development.

The bold, structured lines convey stability and forward momentum, while the "2025" framing anchors the Bank's progress within a year of purposeful execution. Together, these elements illustrate a financial institution that not only listens but actively supports livelihoods, cultivates opportunity, and strengthens long-term partnerships that drive shared prosperity.

→ About this Report

Reporting period and boundary

This report covers the period from 1 January 2025 to 31 December 2025 and reports on CRDB Bank Burundi S.A. Comparative references to 2024 are included where relevant to explain performance movement, trend direction and context.

Reporting basis (IFRS + integrated reporting approach)

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and applicable local legal and regulatory requirements. Beyond statutory financial disclosure, this report applies an integrated reporting approach by linking strategy, governance, material matters, stakeholder priorities, risks, operating performance and outlook into one coherent value-creation narrative.

Scope, assumptions and limitations

Scope:

- Audited financial statements and notes
- Governance and risk disclosures
- Management commentary on strategy execution and operations
- Selected non-financial performance indicators

Assumptions:

- Monetary values are presented in BIF unless otherwise stated
- Percentage movements and ratios are based on approved underlying statements and governance reports
- Industry comparisons are based on official benchmarks used in the Bank's reporting

Limitations:

- Some non-financial metrics may be subject to system maturity constraints or reporting cut-off limitations
- Forward-looking statements involve uncertainty and may be affected by market, regulatory and macroeconomic changes
- This report should be read as a complete document to preserve context

Reporting Frameworks and Assurance

Financial statement assurance

The 2025 financial statements are externally audited. The Independent Auditor's Report sets out the audit opinion, basis for opinion, and responsibilities of management and those charged with governance.

Non-financial disclosures approach

Non-financial information in this report is compiled through internal management reporting, functional data-owner review, cross-checking by relevant departments, and governance oversight through established management and Board structures. Where external assurance is obtained for specific non-financial indicators, scope and level will be clearly disclosed in the relevant section.





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Acronyms & Abbreviations

ABC	Alternative Banking Channel	IFRS	International Financial Reporting Standards
ALCO	Asset Liability Management Committee	IVF	In vitro fertilization
ANC	Association of Ngozi Cyclists	KPI	Key Performance Indicator
ATM	Automated Teller Machine	MBO	Management and Board Oversight
BIF	Burundi Franc	MD	Managing Director
BVF	Beach Volleyball Federation	MO	Management Oversight
CAGR	Compound Annual Growth Rate	MSME	Micro, Small and Medium-sized Enterprises
CIR	Cost-to-Income Ratio	MTS	Medium-Term Strategy
CMCK	Centre Medico-Chirurgical de Kinindo	NPL	Non-Performing Loan
CSI	Corporate Social Investment	NPS	Net Promoter Score
CSR	Corporate Social Responsibility	PAT	Profit After Tax
ECL	Expected Credit Loss	PAYE	Pay As You Earn
EPS	Earnings Per Share	PBT	Profit Before Tax
ESG	Environmental, Social, and Governance	PLC	Publicly Listed Company
FX	Foreign Exchange	ROA	Return on Assets
FY	Financial Year	ROE	Return on Equity
GDP	Gross Domestic Product	RVC	Rukinzo Volleyball Club
GMBO	Group Management and Board Oversight	SDG	Sustainable Development Goals
HMK	Hopital Militaire de Kamenge	SME	Small and Medium Enterprise
HPO	High-Performance Organisation	TAT	Turnaround Time
ICT	Information and Communications Technology	USA	United States of America
IFC	International Finance Corporation	USD	United States Dollar
		VAT	Value-Added Tax
		YOY	Year-on-Year

Report Navigation / Quick Guide

This Annual Report is structured to provide a clear line of sight from strategy to performance, governance, risk, and future outlook. Readers can use the guide below to navigate sections efficiently:

Section	What it covers	Primary users
→ Preliminaries	→ Report guide, annual theme, 2025 snapshot.	→ All stakeholders
→ Company Overview	→ Business model, offerings, footprint, leadership, 2025 highlights.	→ Customers, investors, regulators
→ Strategy Review	→ Chairman and MD narrative, strategic priorities, outlook.	→ Investors, analysts, regulators
→ Governance and Risk	→ Board oversight, committees, ethics, controls, risk architecture.	→ Regulators, investors
→ Sustainability	→ Material matters, stakeholder engagement, ESG priorities and progress.	→ Investors, partners, communities
→ Financial Review	→ DFA narrative, detailed financial analysis, value added, capital, liquidity and cash flows.	→ Investors, regulators
→ Audited Financial Statements	→ Report by those charged with governance, independent audit opinion, IFRS statements and notes.	→ Regulators, auditors, investors

Reading tip:

For governance-to-performance linkage, read in sequence:

Chairman’s Statement → Managing Director’s Statement → Director of Finance & Administration Statement → Governance & Risk → Audited Financial Statements.



Non-financial channel indicators (2025 vs 2024)

Channel KPI	2025	2024	YoY
Mobile banking volume (transactions)	471,424	466,927	+1%
Mobile registered accounts	37,163	40,022	-7%
Internet banking volume (transactions)	128,101	58,311	+120%
Internet registered customers	25,711	16,901	+52%
Agency banking volume (transactions)	963,751	630,666	+53%
Registered agents	3,005	2,000	+50%
ATM transactions	277,027	246,779	+12%
Registered cards	56,139	41,651	+35%



Theme for 2025

The 2025 reporting theme is “Cultivating Trust for Sustained Partnerships.” The theme reflects the Bank’s strategic intent to deepen long-term customer and stakeholder relationships through dependable service, responsible governance, effective risk management, and disciplined growth.

Strategic message for 2025

CRDB Bank Burundi S.A. recorded strong franchise expansion in assets, deposits and credit, while maintaining sound asset quality relative to industry benchmarks. At the same time, the Bank continued implementation of its 2023–2027 strategy focused on customer-centric delivery, cost-effective channels, compliance, resilience, and technology-led transformation.



2025 At a Glance

KEY 2025 2024 YoY

1. Financial Performance

<p>Profit before tax (BIF m) ↑</p> <p>52 697 46 894 +12.4%</p> <p>Profitability improved year on year.</p>	<p>Net profit (BIF m) ↑</p> <p>51 224 44 516 +15.1%</p> <p>Strong bottom-line growth despite higher operating costs.</p>	<p>Interest income (BIF m) ↑</p> <p>198 678 122 765 +61.8%</p> <p>Growth driven by expansion in earning assets and loan book growth.</p>
<p>Fee & commission income (BIF m) ↑</p> <p>13 330 7 725 +72.6%</p> <p>Strong improvement in transaction-related income.</p>	<p>Total operating expenses (BIF m) ↑</p> <p>76 159 47 940 +58.9%</p> <p>Cost base increased with business scale-up, provisions and operating expansion.</p>	<p>Staff & administrative expenses (BIF m) ↑</p> <p>64 384 45 337 +42.0%</p> <p>Higher staffing and administrative spend supported growth and capacity build-out.</p>

2. Business Growth and Scale

<p>Total assets (BIF m) ↑</p> <p>2 743 091 1 803 696 +52.1%</p> <p>Significant balance sheet expansion.</p>	<p>Customer deposits (BIF m) ↑</p> <p>1 289 028 842 381 +53.0%</p> <p>Strong deposit mobilisation; current and savings deposits remained dominant.</p>	<p>Net loans / credit portfolio (BIF m) ↑</p> <p>1 479 816 911 982 +62.3%</p> <p>Strong credit growth in support of customer and economic activity.</p>
<p>Gross loans and advances (BIF m) ↑</p> <p>1,497,029 921,659 +62.4%</p> <p>Gross lending growth remained strong across the portfolio.</p>		

3. Financial Soundness and Resilience

NPL ratio



2.24%

1.20%

-2.76 pts

Asset quality improved materially and remained below industry average.

Return on assets (ROA)



2.32%

3.21%

-0.89 pts

Lower than prior year, but still well above industry average.

Return on equity (ROE)



27.83%

31.12%

-3.29 pts

Strong return profile maintained despite capital and asset growth.

Cost-to-income ratio



49.65%

47.17%

-2.48 pts

Efficiency softened slightly, but remained better than industry average.



4. Operating Capacity & Transformation

Staff & administrative expenses (BIF m)



64 384

45 337

+42.0%

Reflects continued investment in people operating platform and institutional capacity.

Total operating expenses (BIF m)



76 159

47 940

+58.9%

Increased cost base supported business expansion, controls, provisioning and operational readiness.

Fee & commission income (BIF m)



13 330

7 725

+72.6%

Growth in non-funded income reflects stronger transactional activity and channel usage.



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Company Overview



Company Overview



About CRDB Bank Burundi S.A.

CRDB Bank Burundi S.A. is a commercial bank operating in Burundi and a subsidiary within the CRDB banking group. The Bank provides retail, corporate, treasury and digital banking services and supports financial intermediation across key sectors of the economy. As at 31 December 2025, the Bank remained among the leading banks in Burundi by balance sheet size, with strong performance in total assets and customer deposits.

OUR Vision, Mission, Purpose



OUR Corporate Values



Market Presence (Branches, ATMs, Agency Network and Channels)

CRDB Bank Burundi S.A. continued to scale its multi-channel delivery model in 2025 in line with its strategic priority of expanding outreach through cost-effective and technology-enabled channels. The Bank's distribution infrastructure integrates physical touchpoints with digital and agency banking platforms, enabling broader access to financial services while supporting operational efficiency and customer convenience.

Delivery Network and Channel Footprint

Presence indicator	2025	2024	Status
Registered agents	3,005	2,000	Expanded
Agency banking transactions	963,751	630,666	Expanded
ATM cards issued	56,139	41,651	Expanded
ATM transactions	277,027	246,779	Expanded
Branches	7	5	Expanded
ATMs (devices)	13	11	Expanded



Channel Performance Overview

- Agency banking remained the primary driver of outreach, with a 50% increase in the number of agents and a 53% growth in transaction volumes, reinforcing its role as the Bank's most scalable distribution channel for financial inclusion and customer proximity.
- Card and ATM usage continued to grow, with:
 - ATM cards increasing by 35%
 - ATM transactions increasing by 12%
- This reflects increased customer adoption of electronic payment solutions and growing confidence in the Bank's digital infrastructure.
- Physical network (branches and ATMs) changed during the year. The Bank expanded its branch footprint from five to seven, and thirteen ATMs, leveraging digital and agency channels to scale efficiently without significant capital expansion in brick-and-mortar infrastructure.

Strategic Interpretation

The channel mix demonstrates the Bank's deliberate shift toward a low-cost, high-reach operating model, where:

- Agency banking drives geographic expansion
- Digital and card channels support transaction migration from branch counters
- Branches focus on high-value relationship banking and complex services

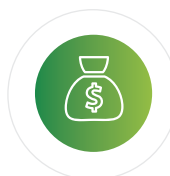
This model enhances financial inclusion, improves customer experience, and supports sustainable cost management while enabling the Bank to scale its balance sheet.

Market Position Context

The expansion of alternative channels supported the Bank's strong market position in 2025, where it remained:



One of the largest banks in Burundi by balance sheet size



Holding 22% market share in total assets



Holding 19% market share in customer deposits



Products & Services



Banking

SimBanking

A service that allows you to carry out banking transactions using a mobile phone wherever you are and anytime from your mobile phone.

Cards

Enjoy unlimited possibilities and convenience with TemboCard Visa. This card provides instant and safe access to your bank account from any place and at any time.

Internet Banking

An instant banking service delivery channel that allows you to access accounts information and perform various transactions over the Internet

Premier Banking

This is an elite banking service that is geared towards making personal financial goals manageable, achievable, and more rewarding.



Accounts

Current Account

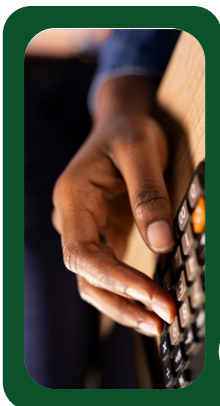
We recognize that in these unpredictable days you deserve convenient and reliable services. Our current account provides you with an easy way to handle transactions.

Mwamikazi Account - Malkia

Mwamikazi Account is a unique saving plan designed for a modern-day woman with dreams. The account enables you to meet all your financial obligations, as well as personal goals and dreams.

Savings Account

With the CRDB Bank savings account you can conveniently save for your future needs while at the same time enjoying unmatched benefits and competitive interests on the daily balance.



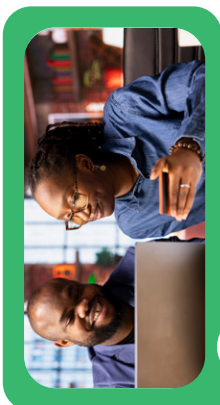
Loans

Personal Loan

This facility is granted to employees who have accounts at CRDB Bank Burundi S.A. The applicant must be in a group with his colleagues from the same institution and the employer must undertake to domiciliate the monthly salary in a specific account of the applicant.

Salary Advance

As a preferred financial service provider, our customers' needs inspire us to create innovative products and services, tailor-made especially for salaried employees, who have their salaries or regular income paid through us. The Salary advance facility offers a perfect solution for the unforeseen financial needs of any worker anywhere within Burundi.



Treasury

Fixed Deposit Account

It is a time deposit account with fixed terms where a certain amount of money is kept in the account for a predetermined fixed time and interest rate.

Forex

In this globalised economy, getting the best exchange rates for foreign currency gives your business an edge in business. This service allows your customers to save money by giving the best daily exchange rates.



Birashoboka (Microfinance)

A means to facilitate the financial inclusion of underserved segments and those with small income-generating activities to promote the socio-economic development of the country.

International Transfer

An International money transfer service that is safe and fast. The recipient of the transfer will receive the money within 24 to 48 hours.

Cross-border

A transactions service between DRC, Burundi and Tanzania where one's funded foreign currency account is used across the three countries.

Corporate Banking

We provide a wide range of customised solutions for corporations and government institutions to meet the specific needs and business dynamics of each sector.

Retail Banking

We are focused on meeting the financial needs of personal and small business customers who are looking for accessible and affordable banking and financial services

Turi Hose agency network

We have a network of bank agents for the proximity of banking services to its customers.



Salary Account

Salary account designed to meet the financial needs of a modern-day worker, who is keen to build a career while making progress in life.

Junior Jumbo Account

Junior Jumbo is an account tailored for children below 18 years of age and it is meant to enable them to live to see their dreams.

Scholar Account

Scholar Account is a student account designed to enable students to get the wings to fly to the highest point in their academic dream.

Diaspora Account

Diaspora account is specially designed for you! It is a savings account designed for Burundians living in the Diaspora to open and use foreign and local currency accounts with a bank in their home country



SME Loan

Our SME loan is designed to address the capital challenges for Small and Medium Enterprises (SMEs) with affordable credit provided on flexible terms.

Twige Twese (Education Loan)

Twige Twese is a specialised salary advance, aimed at enabling salaried employees to meet their needs for education expense purposes and to prepare for the beginning of the school year. The facility is designed to support salaried employees to purchase school materials and tuition fees.

Corporate Loan

We provide tailored loans to support both local and international trade to support the Corporate segment with a view to powering economic growth. Our Corporate loan products cover the diverse needs of our clientele and are designed with the client in mind.



Government Securities

We offer market-level investment solutions, drawing from our vast experience in capital markets and securities trading. Our Government Securities services provide a stable and reliable wealth creation avenue for the discerning investor.

Transactional Banking

We offer transactional banking solutions aimed at improving our clients' capacity to oversee their working capital, achieved through increased transparency, operational efficiencies, and enhanced risk management practices.

Senior Management



Mr. Fredrick Siwale

Managing Director / Chief Executive Officer

Overall executive leadership; responsible for strategy execution and overall operations under Board oversight



Mr. Mediateur Muhire

Deputy Managing Director

Supports the Managing Director in executive leadership and management of the Bank



Mr. Paul Mlay

Director of Finance and Administration

Financial stewardship, control, funding, liquidity and administrative leadership



Mr. Arnaud Rugema

Director of Corporate Banking

Corporate banking strategy, client relationship management, business growth in corporate segment



Mr. Icare Gafurero

Director of Banking Operations and Digital Banking

Operations leadership and digital banking delivery (operations + digital channel enablement)



Mr. Deuseddit Mchomba

Director of Credit Credit origination, underwriting oversight, credit portfolio management



Mrs. Bella Niyuhire

Director of Internal Audit Independent assurance on internal controls, governance processes, and risk management effectiveness



Mr. Gadi Pori

Director of Information and Communication Technology ICT strategy, systems, infrastructure, technology delivery and support



Mrs. Ines Mucowintore

Director of Human Resources People strategy, workforce resourcing, performance and HR governance



Mr. Ernest Ngendakumana

Director of Treasury and Capital Markets Treasury operations, market and liquidity management, capital markets activities



Mr. Rene-Espoir Ndayikeje

Director of Retail Banking Retail franchise leadership, product and customer growth in retail segment



Mr. Prosper Nyenimpundu

Director of Risk and Compliance Enterprise risk management and compliance oversight; risk monitoring and control framework support



Mrs. Neema Riwa

Assistant Board Secretary Board governance, meetings, compliance, documentation, communication, records management





Performance Highlights 2025

The Bank delivered strong growth in 2025, with material expansion in assets, deposits and lending, accompanied by improved earnings:

<p> Profit before tax increased to BIF 52 697 M (2024: BIF 46 894 million), a 12% increase.</p>	<p> Net profit increased to BIF 51 224 M million (2024: BIF 44 516 million), a 15% increase.</p>	<p> Interest income grew to BIF 198 678 M million (2024: BIF 122 765 million), up 62%.</p>
<p> Fee and commission income grew to BIF 25 925 M (2024: BIF 24 815 million), up 4%.</p>	<p> Total assets grew to BIF 2 743 091 M (2024: BIF 1 803 695 million), up 52%.</p>	<p> Customer deposits grew to BIF 1 289 028 M (2024: BIF 842 381 million), up 53%.</p>
<p> Credit portfolio grew to BIF 1 479 816 M (2024: BIF 911 982 million), up 62%.</p>	<p> NPL ratio stood at 2,2%, lower than the industry average of 3.6%.</p>	<p> Capital adequacy 16,0%, Core capital ratio remained strong with total capital ratio at 16.5%.</p>

Value Created in 2025

In 2025, CRDB Bank Burundi S.A. created value across key stakeholder groups through franchise growth, financial intermediation and disciplined governance.

Stakeholder	Value created in 2025	Evidence
	Customers Expanded access and transaction convenience through digital and agency channels.	Agency transactions +53%; internet transactions +120%; ATM transactions +12%.
	Shareholders Growth in earnings and strengthened franchise scale.	PBT +12%; net profit +15%; assets +52%.
	Regulators & financial system Prudential resilience and continued oversight of capital, liquidity and risk.	Core capital ratio 16.0%; total capital ratio 16.5%; short-term liquidity ratio 339% against 100% minimum.
	Economy & partners Increased credit support to economic segments and continued partnership financing.	Credit portfolio +62%; customer deposits +53%; borrowings accounted for 37% of funding mix in support of growth.
	Employees Supported growth and execution through organisational capability, control discipline and digital transformation.	Workforce optimisation, automation and process strengthening remained part of the 2025 strategic execution agenda.

Value Added Statement

VALUE ADDED STATEMENT FOR THE YEAR ENDING 2025 FOR 31 DECEMBER 2025

	BURUNDI 2025 BIF'Million		BURUNDI 2024 BIF'Million	
Income earned from banking services	198,678		122,765	
Cost incurred in provision of services	-		-	
	94,941		51,526	
Value added from banking services	103,738		71,239	
Non operating income	25,925		24,877	
Non operating expenditure	-		-	
	45,347		32,108	
Value added	84,316		64,009	
Distribution of value added				
Employees and Management				
Salaries and other benefits	19,037		13,230	
Other staff benefits				
	19,037	23%	13,230	21%
To shareholders				
Dividend Shareholders	17,929	21%	15,581	24%
Dividend to Government				
To Government				
Corporate Tax	1,473		2,378	
PAYE	3,164		2,111	
Development Tax	-		-	
Excise Duty/ Service Levy and other taxes	10,309		7,575	
VAT on services				
	14,945	18%	12,064	19%
Reinvestment				
Depreciation, deferred tax and retained earnings	32,405	38%	23,135	36%
	84,316	100%	64,009	100%

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**Strategy
Review**



Chairman’s Statement



“ During the year, Burundi’s economy continued to demonstrate resilience in the face of evolving challenges ”

Dear Shareholders,

2025 was a year of renewed momentum at CRDB Bank Burundi S.A., marked by continued execution of our 2023–2027 strategy and a further strengthening of the Bank’s foundations for sustainable growth.

I am pleased to present this report for the year ended 31 December 2025, grounded in the Bank’s audited financial statements and the performance and risk information formally presented to the Board throughout the year. This report also builds on the gains made and commitments set out in our previous Annual Report, where we reported continued momentum in growth, digital adoption and financial inclusion as the Bank executed the second year of its five-year business strategy (2023-2027).

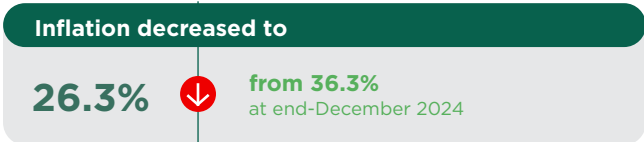
The year under review marked the third year of implementing that medium-term strategy. The Board’s role throughout 2025 was to provide clear governance direction and disciplined oversight; ensuring that the Bank’s ambition to expand outreach in Burundi through cost-effective delivery channels is pursued alongside prudent capital, liquidity and risk foundations, and within the required regulatory and compliance expectations.

Operating environment and context for 2025 reporting

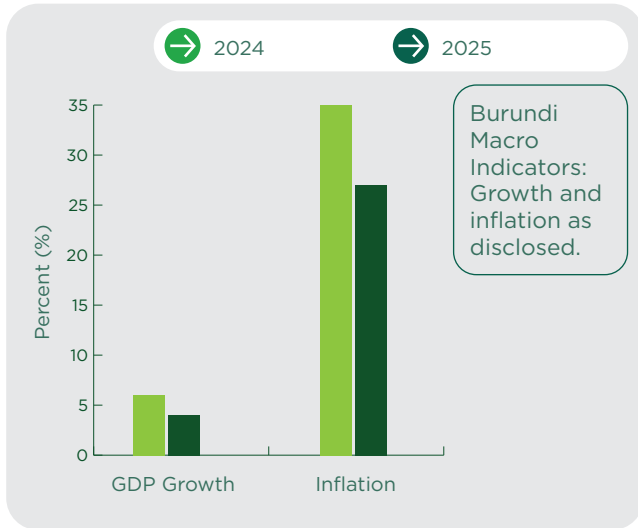
Our 2025 performance and strategic execution took place in a macroeconomic environment that continued to test both businesses and households. During the year, Burundi’s economy continued to demonstrate resilience in the face of evolving challenges. The outlook was favorable, supported by sustained public investments, with a projected GDP growth rate of 4.1% in 2025 and 4.1% in 2026.

Inflation remained a defining feature of the environment. During the period, the country’s overall inflation decreased to 26.3% from 36.3% at end-December 2024, and is expected to decline further (to around 10-15%) by end-2027 if stabilization efforts remain in place. Foreign exchange dynamics also remained important for pricing, liquidity planning and customer affordability. The Bank of the Republic reported the BIF/USD closing at 2,970.29 on 31 December 2025 compared to 2,915 on 31 December 2024.

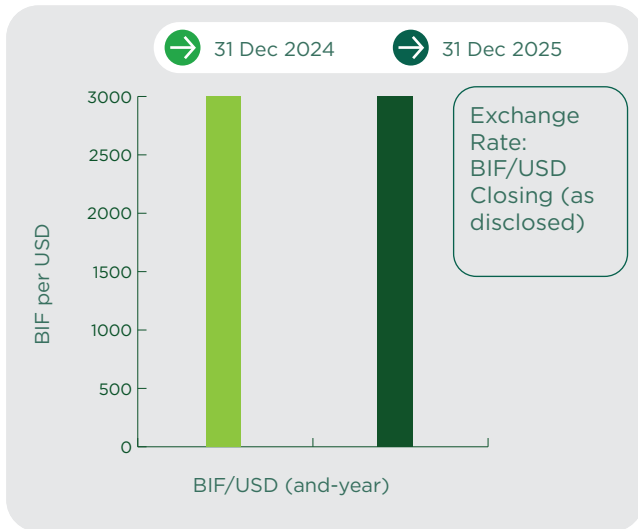
Beyond macroeconomic variables, competitive conditions continued to evolve. In the previous year, we noted heightened competition in the financial sector as Mobile Network Operators and FinTech firms expanded digital financial services, reinforcing the need for continual innovation and customer-centric banking models. During the year under review, this competitive context continued to shape our strategic emphasis on strengthening digital channels and alternative delivery, while maintaining a hybrid model that serves customers who still rely on physical touchpoints.



Against this backdrop - characterized by high inflation, exchange-rate pressures and intensified competition; the Board's oversight priorities for 2025 centred on safeguarding resilience, maintaining regulatory compliance, and supporting targeted strategic investment to sustain service quality and scale outreach.



GDP growth and inflation (as disclosed in the Bank's operating environment sections).



Exchange rate (BIF/USD end-year) as disclosed in the Bank's operating environment sections.

Governance, Oversight and Strategic Direction

Good governance remains foundational to the Bank's ability to execute strategy responsibly. Those charged with governance are responsible for the vision, mission and strategic objectives of the Bank and ensure that these objectives are supported through the business plan, budgets and marketing plan. The Board reviews and approves the Bank's operational and financial objectives, amendments to key performance indicators, and the financial statements before publication. The Board also oversees succession planning for senior management, including the Managing Director. Throughout 2025, Management presented the Bank's performance to the Board on a quarterly basis for review and guidance, enabling timely decisions on priorities, controls and resource allocation.

The Bank's 2023-2027 business strategy provides the organising framework for this oversight. The strategy's focus - expanding outreach in Burundi using cost-effective delivery channels - continues to be a practical response to how customers prefer to access financial services, and to the economics of sustaining growth while managing cost and risk. Within that framework, the Board's governance focus is to ensure that strategy execution is supported by sound risk management, clear accountability for delivery, and investment choices that strengthen the Bank's infrastructure for future growth.

At Board level, we pay particular attention to market risk management and balance sheet stewardship as the Bank scales. Treasury operations are conducted within a comprehensive framework provided by Board-approved financial and treasury policies, which are reviewed and approved annually. The Board exercises oversight of market risks (including liquidity risk and interest rate risk) through its governance structures, with management-level Asset Liability Management Committee (ALCO) meetings held monthly to monitor liquidity, maturity profiles and funding costs.

The Board also oversees **succession planning** for senior management

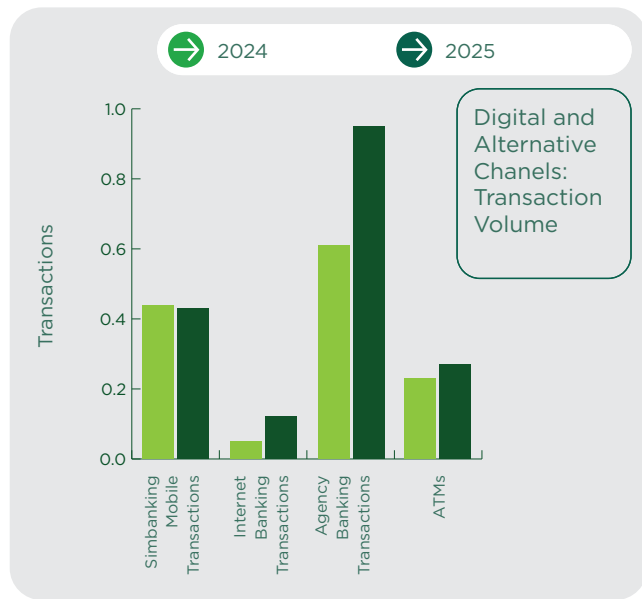
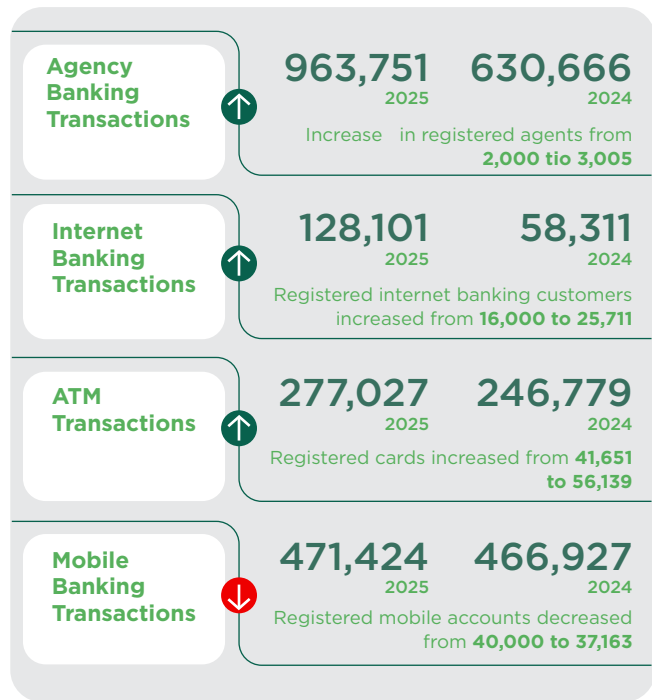
Favorable outlook: public investment drives steady **4.1% GDP growth** (2025-2026).



Strategic Investments and Delivery Priorities

The Board’s oversight of strategic investment in 2025 was guided by the need to sustain outreach, protect service reliability and strengthen the systems that underpin growth. The Bank’s forward plans highlight continued strengthening of ICT infrastructure for future growth; process simplification and automation across the operations value chain; and prioritisation of critical technology projects and process reengineering as enablers of the “bank of the future”.

This focus reflects a clear link between strategy and investment: as more customers migrate to digital and assisted-digital channels, the stability, cyber maturity and data protection posture of the Bank becomes a strategic differentiator. The Board therefore supports investment choices that improve customer experience and operational resilience, while ensuring that these investments are implemented within prudent risk parameters and compliance requirements.



Digital and alternative channels - transaction volumes (2024 vs 2025).

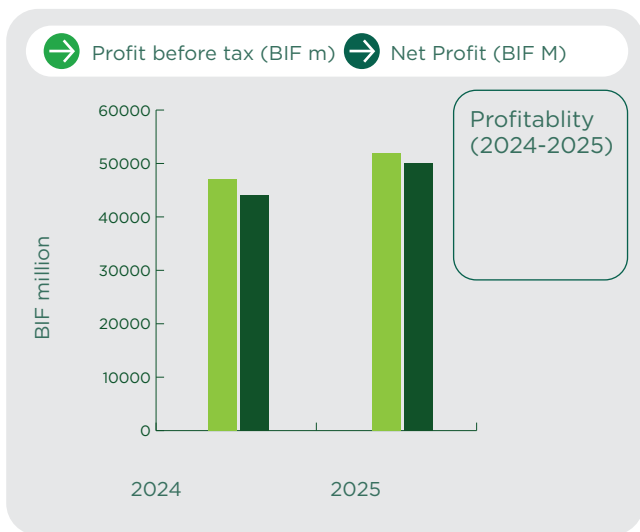
The year’s non-financial indicators underscore why cost-effective channels remain central to the 2023-2027 strategy. During the year, agency banking transaction volumes increased to 963,751 from 630,666 in 2024, alongside an increase in registered agents from 2,000 to 3,005. Internet banking volumes increased from 58,311 to 128,101, and registered internet banking customers increased from 16,901 to 25,711. ATM transaction volumes increased from 246,779 to 277,027, while registered cards increased from 41,651 to 56,139. Mobile banking (SimBanking) transaction volumes increased from 466,927 to 471,424, while registered mobile accounts decreased from 40,022 to 37,163.

For the Board, these data points do not simply reflect channel usage; they guide governance decisions on where to prioritise investment, how to strengthen customer experience, and where to tighten controls as volumes increase. Mixed outcomes; such as a decline in registered mobile accounts despite higher transaction volumes, are treated as signals for further analysis and targeted improvement by Management.

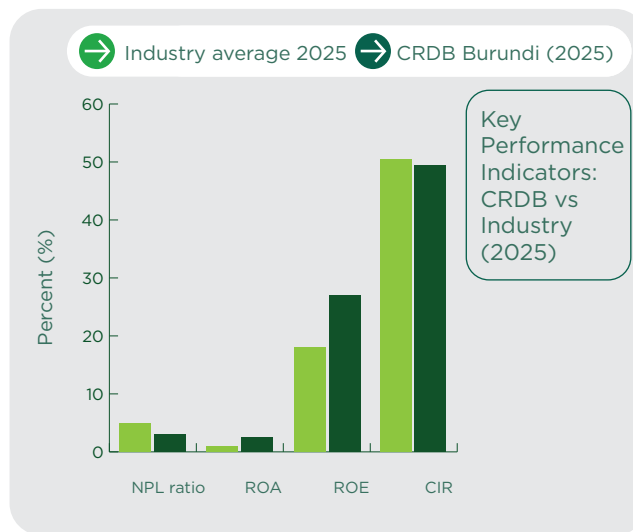
Board-level View of Performance and Resilience

While Management provides detailed operational and performance reporting in the Managing Director’s and Finance statements, the Board considers it important to provide shareholders with an overall context for the year’s key numbers and what they imply for resilience and strategy execution.

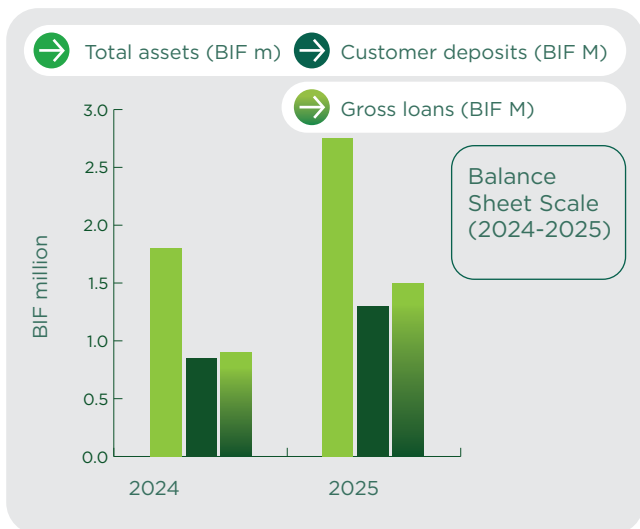
During the 2025 FY, the Bank recorded profit before tax of BIF 52 697 million (2024: BIF 46 894 million) and net profit of BIF 51 224 million after providing for tax of BIF 1 473 million (2024 net profit: BIF 44 516 million). The balance sheet expanded materially, with total assets increasing from BIF 1 803 695 million in 2024 to BIF 2 743 090 million in 2025. Customer deposits increased from BIF 842 381 million to BIF 1 289 028 million, while the credit portfolio increased from BIF 911 982 million to BIF 1 479 816 million.



Profitability highlights (2024 vs 2025).



Selected KPIs - CRDB Burundi vs industry average (2025).



Balance sheet scale (2024 vs 2025).

From the Board’s perspective, this combination of profitability growth and balance sheet expansion underscores the strength of the franchise in mobilising funding and extending credit to support economic activity; while also reinforcing the need for continued discipline in cost management, balance sheet optimisation and risk control as the Bank scales.

The Bank’s market position remained strong. During the year, CRDB Bank Burundi S.A. reported 22% market share in total assets and 19% market share in deposits. The Bank also reported a non-performing loan ratio of 2.2%, compared to an industry average of 3.6. On profitability and efficiency indicators, the Bank reported ROA of 2.3% and ROE of 27.8% against industry averages of 0.3% and 18.5% respectively, and a cost-to-income ratio of 49.6% against an industry average of 50.2%.

Capital adequacy remains a core safeguard. As at 31 December 2025, the Bank reported a core capital ratio of 16.0% and a total capital ratio of 16.5%, both above the regulatory minimum requirements of 12.5% and 14.5% respectively. The Bank complied with all regulatory ratios during the year. The issued and fully paid-up ordinary share capital remained BIF 48 027 million, and there were no changes in capital structure compared to the previous financial year.

The Board also takes an active interest in the quality of funding and liquidity buffers that support lending growth. In the year under review, customer deposits represented 55% of total funding, borrowings 37% and equity 9%. Current and savings deposits (CASA) represented 92% of total customer deposits in 2025 (2024: 90%), supporting a lower cost of funds. The Bank reported an increase in borrowings during the year to align with growing customer credit demand, liquidity considerations and maturity mismatch management.

Risk, Sustainability and Emerging Issues

The Board remains attentive to both traditional banking risks and emerging risks that can influence strategy delivery. The Bank’s disclosures recognise climate change as a major emerging risk with potential disruptive impact on economies, customers and financial institutions. Climate-related risks are categorised as physical risks (including extreme weather events and long-term shifts that can affect operations, customers’ creditworthiness and asset values) and transition risks linked to the move toward a lower-carbon economy, evolving stakeholder expectations and regulatory change.

Burundi's vulnerability to climate change due to its geographical and climatic characteristics (including floods, droughts and heat) remains a key point of focus for the Board. Our interventions and investments are guided by the country's national policy direction and commitments, including Burundi's updated Nationally Determined Contribution (NDC 3.0) that pledges to lower greenhouse gas emissions by 23% by 2035, with a portion achievable through domestic resources and an additional portion contingent on international assistance.

For the Board, this context reinforces the importance of strengthening governance, risk management and sustainability as an integrated agenda. It also underscores why continued investment in data, systems and capabilities; including cyber maturity and data protection, must be pursued alongside growth.

Future Outlook

In 2026, the Bank will continue implementing the 2023-2027 strategy, with an emphasis on growing and ringfencing the business while putting the customer at the centre of what we do by addressing evolved needs. The Bank's forward plans include retaining and growing market share through strategic partnerships and innovative digital solutions; enabling process optimisation; enhancing customer experience; and ensuring ease of use across channels.

In line with our technology advancement ambitions, the bank will also maintain a continued focus on strengthening ICT infrastructure for future growth, accelerating delivery of technology projects and investing in digital transformation. The plans further include branch network enhancement through construction of branches in strategic locations. These priorities are framed alongside a commitment to strike the right balance between business growth and compliance.

The Board recognises that the operating environment will remain dynamic. Increasing competition from FinTech and non-bank entrants, changing customer expectations for digitised experiences, and continuous innovation requirements will continue to shape the industry. Regulatory compliance also remains a significant and evolving challenge, requiring sustained investment in controls and a strong culture of compliance. The Board will continue to support Management in executing the strategy responsibly, while ensuring that the Bank's risk, capital and liquidity foundations remain strong.



Dividends

The Board, endeavors to balance between enhancing shareholder value and allocating resources for further business growth. Consistent with the bank's dividend policy, the Board proposes a dividend of BIF 186 650 per share from the post-tax profit, compared to BIF 162 206 per share recommended in 2024. The total recommended dividend amount is BIF 17 928 million for 2025, which is 15% higher than BIF 15 580 million in 2024, equivalent to 35% of the net profit. The Board recommends that the dividends be retained to strengthen the capital to support business growth.



Acknowledgements

In closing, I extend sincere appreciation to our shareholders, customers, employees, regulators and partners for their continued trust and collaboration. The Board is encouraged by the Bank's growth in 2025 and remains focused on governance discipline, strategic investment that strengthens resilience, and sustainable delivery of the 2023-2027 strategy.

Hosea Kashimba, **FCPA**

Chairman

Déclaration du Président du Conseil d'Administration



“ Au cours de l’année, l’économie du Burundi a continué de faire preuve de résilience face à des défis en constante évolution. ”

Chers Actionnaires,

L’année 2025 a été une année de dynamisme renouvelé pour CRDB Bank Burundi S.A., marquée par la poursuite de l’exécution de notre stratégie 2023-2027 et par un renforcement supplémentaire des fondations de la Banque en faveur d’une croissance durable.

Je suis heureux de présenter ce rapport pour l’exercice clos le 31 décembre 2025, fondé sur les états financiers audités de la Banque ainsi que sur les informations de performance et de risque formellement présentées au Conseil tout au long de l’année. Ce rapport s’inscrit également dans la continuité des acquis et des engagements énoncés dans notre Rapport annuel précédent, au cours duquel nous avons fait état d’une progression continue de la croissance, de l’adoption du digital et de l’inclusion financière, alors que la Banque exécutait la deuxième année de sa stratégie quinquennale (2023-2027).

L’exercice sous revue a marqué la troisième année de mise en œuvre de cette stratégie à moyen terme. Tout au long de 2025, le rôle du Conseil a été d’assurer une orientation claire de gouvernance et une supervision disciplinée ; en veillant à ce que l’ambition de la Banque d’étendre sa portée au Burundi grâce à des canaux de distribution économiques soit poursuivie parallèlement à des fondations prudentes en matière de fonds propres, de liquidité

et de risque, et dans le respect des exigences réglementaires et de conformité.

l’inflation globale du pays a reculé à

26.3%



contre 36,3 %
à fin décembre 2024

Environnement opérationnel et contexte du reporting 2025

Notre performance 2025 et l’exécution de notre stratégie se sont déroulées dans un environnement macroéconomique qui a continué de mettre à l’épreuve tant les entreprises que les ménages. Au cours de l’année, l’économie burundaise a continué de faire preuve de résilience face à des défis évolutifs. Les perspectives étaient favorables, soutenues par la poursuite des investissements publics, avec un taux de croissance du PIB projeté de 4,1 % en 2025 et 4,1 % en 2026.

L’inflation est restée un élément déterminant de l’environnement. Sur la période, l’inflation globale du pays a reculé à 26,3 % contre 36,3 % à fin décembre 2024, et devrait diminuer davantage (autour de 10-15 %) d’ici fin 2027 si les efforts de stabilisation se maintiennent. Les dynamiques de change sont également demeurées importantes pour la tarification, la planification de la liquidité et l’accessibilité pour la clientèle. La Banque de la République a indiqué un taux de clôture BIF/USD de 2 970,29 au 31 décembre 2025 contre 2 915 au 31 décembre 2024.

Au-delà des variables macroéconomiques, les conditions de concurrence ont continué d'évoluer. L'année précédente, nous avons relevé un renforcement de la concurrence dans le secteur financier à mesure que les opérateurs de téléphonie mobile et les fintechs développaient les services financiers digitaux, soulignant la nécessité d'une innovation continue et de modèles bancaires centrés sur le client. Au cours de l'exercice sous revue, ce contexte concurrentiel a continué de façonner notre emphase stratégique sur le renforcement des canaux digitaux et de la distribution alternative, tout en maintenant un modèle hybride au service des clients qui s'appuient encore sur des points de contact physiques.

Dans ce contexte — caractérisé par une inflation élevée, des pressions sur le taux de change et une concurrence intensifiée — les priorités de supervision du Conseil pour 2025 ont été axées sur la sauvegarde de la résilience, le maintien de la conformité réglementaire et l'appui à des investissements stratégiques ciblés afin de préserver la qualité de service et d'étendre la portée.

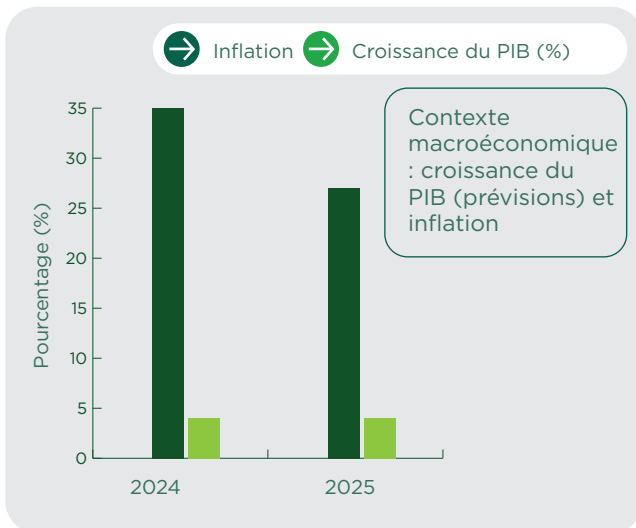
Taux de change (BIF/USD en fin d'année) tel que présenté dans les sections sur l'environnement opérationnel de la Banque.

Gouvernance, supervision et orientation stratégique

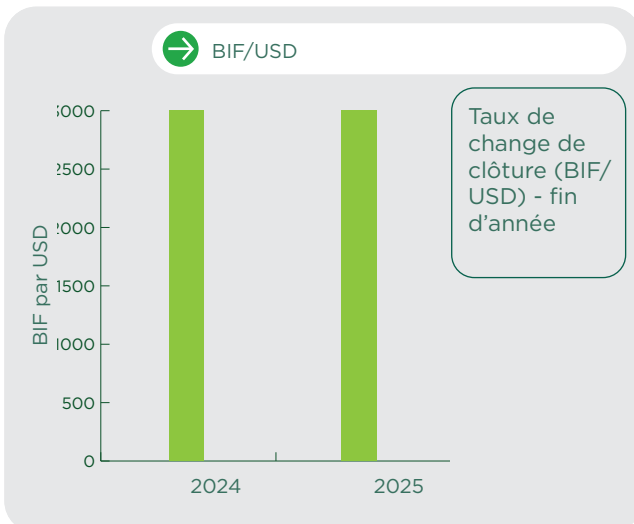
Une bonne gouvernance demeure fondamentale pour la capacité de la Banque à exécuter sa stratégie de manière responsable. Les organes de gouvernance sont responsables de la vision, de la mission et des objectifs stratégiques de la Banque et veillent à ce que ces objectifs soient soutenus par le plan d'affaires, les budgets et le plan marketing. Le Conseil examine et approuve les objectifs opérationnels et financiers de la Banque, les modifications des indicateurs clés de performance, ainsi que les états financiers avant publication. Le Conseil supervise également la planification de la succession de la haute direction, y compris le Directeur Général. Tout au long de 2025, la Direction a présenté la performance de la Banque au Conseil sur une base trimestrielle pour examen et orientations, permettant des décisions en temps utile sur les priorités, les contrôles et l'allocation des ressources.

La stratégie d'entreprise 2023-2027 de la Banque constitue le cadre d'organisation de cette supervision. L'axe central de la stratégie — étendre la portée au Burundi en s'appuyant sur des canaux de distribution économes — demeure une réponse pratique à la manière dont les clients préfèrent accéder aux services financiers, et à l'économie d'une croissance durable tout en maîtrisant les coûts et les risques. Dans ce cadre, l'attention du Conseil en matière de gouvernance vise à s'assurer que l'exécution de la stratégie est soutenue par une gestion des risques solide, une responsabilisation claire quant à la livraison, et des choix d'investissement qui renforcent l'infrastructure de la Banque pour la croissance future.

Au niveau du Conseil, nous accordons une attention particulière à la gestion des risques de marché et à la bonne tenue du bilan à mesure que la Banque se développe. Les opérations de trésorerie sont conduites dans un cadre complet défini par des politiques financières et de trésorerie approuvées par le Conseil, révisées et approuvées annuellement. Le Conseil exerce une supervision des risques de marché (notamment le risque de liquidité et le risque de taux d'intérêt) via ses structures de gouvernance, avec des réunions mensuelles du Comité de gestion actif-passif (ALCO) au niveau de la direction pour suivre la liquidité, les profils d'échéances et le coût du financement.



Croissance du PIB et inflation (tels que présentés dans les sections sur l'environnement opérationnel de la Banque).



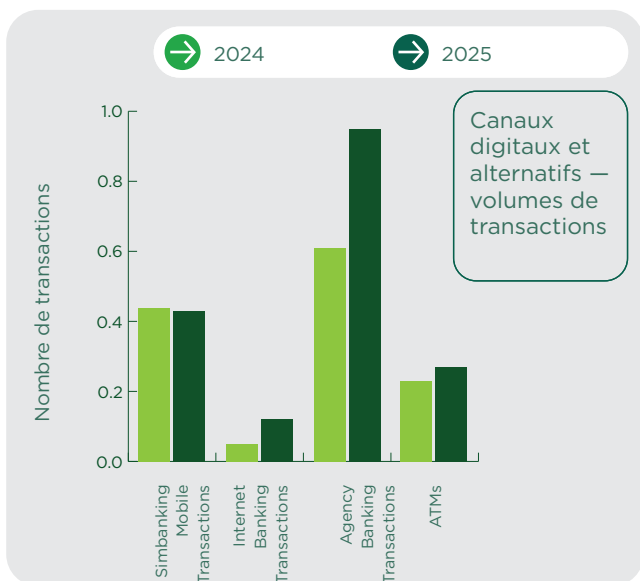
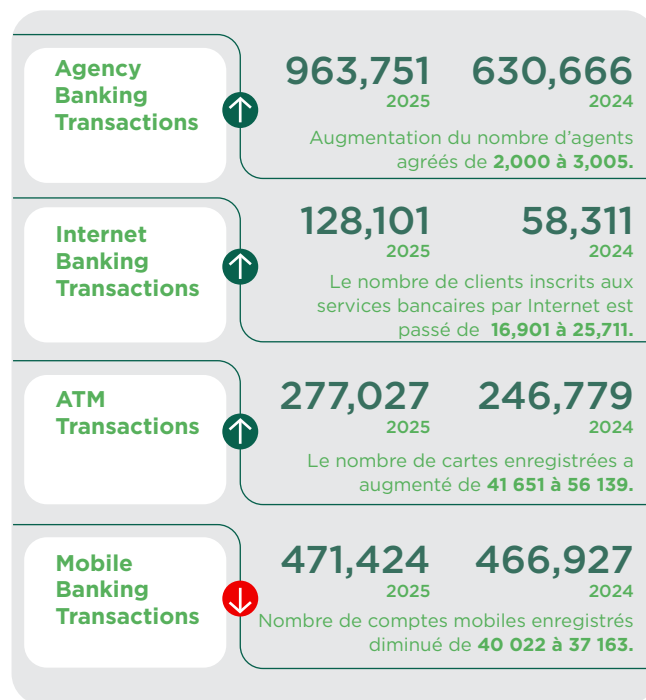
Le Conseil supervise également la planification de la succession de la haute direction

Investissements stratégiques et priorités de mise en œuvre

La supervision par le Conseil des investissements stratégiques en 2025 a été guidée par la nécessité d'étendre la portée, de protéger la fiabilité du service et de renforcer les systèmes qui sous-tendent la croissance. Les plans à venir de la Banque mettent en avant le renforcement continu de l'infrastructure TIC pour soutenir la croissance future ; la simplification des processus et l'automatisation sur l'ensemble de la chaîne de valeur opérationnelle ; ainsi que la priorisation des projets technologiques critiques et de la réingénierie des processus comme leviers de la « banque du futur ».

Cette orientation reflète un lien clair entre la stratégie et l'investissement : à mesure que davantage de clients migrent vers des canaux digitaux et assistés, la stabilité, la maturité cyber et la posture de protection des données de la Banque deviennent des facteurs de différenciation stratégiques. Le Conseil soutient donc des choix d'investissement qui améliorent l'expérience client et la résilience opérationnelle, tout en veillant à ce que ces investissements soient mis en œuvre dans des paramètres de risque prudents et conformément aux exigences de conformité.

de la banque mobile (SimBanking) ont augmenté de 466 927 à 471 424, tandis que le nombre de comptes mobiles enregistrés a diminué de 40 022 à 37 163.



Canaux digitaux et alternatifs – volumes de transactions (2024 vs 2025).

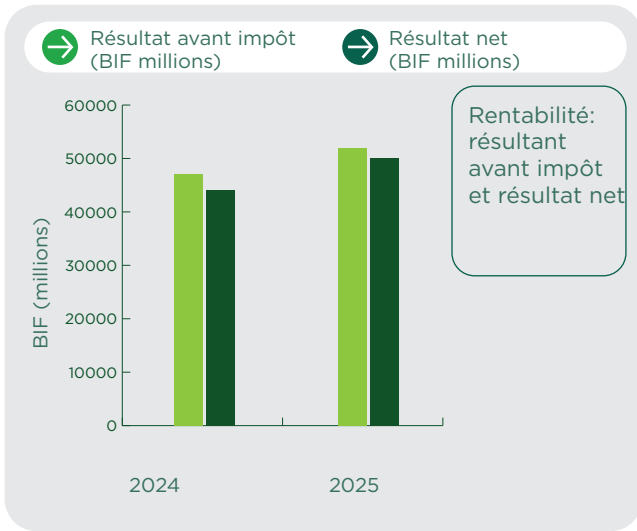
Les indicateurs non financiers de l'exercice soulignent pourquoi les canaux économes demeurent centraux dans la stratégie 2023-2027. Au cours de l'année, les volumes de transactions de la banque par agents ont augmenté à 963 751 contre 630 666 en 2024, parallèlement à une hausse du nombre d'agents enregistrés de 2 000 à 3 005. Les volumes de la banque en ligne sont passés de 58 311 à 128 101, et le nombre de clients enregistrés à la banque en ligne a augmenté de 16 901 à 25 711. Les volumes de transactions aux GAB sont passés de 246 779 à 277 027, tandis que le nombre de cartes enregistrées a augmenté de 41 651 à 56 139. Les volumes de transactions

Pour le Conseil, ces données ne reflètent pas seulement l'usage des canaux; elles orientent les décisions de gouvernance sur les priorités d'investissement, sur la manière de renforcer l'expérience client et sur les points où renforcer les contrôles à mesure que les volumes augmentent. Des résultats contrastés – comme la baisse du nombre de comptes mobiles enregistrés malgré des volumes de transactions plus élevés – sont interprétés comme des signaux nécessitant une analyse plus approfondie et des améliorations ciblées par la Direction.

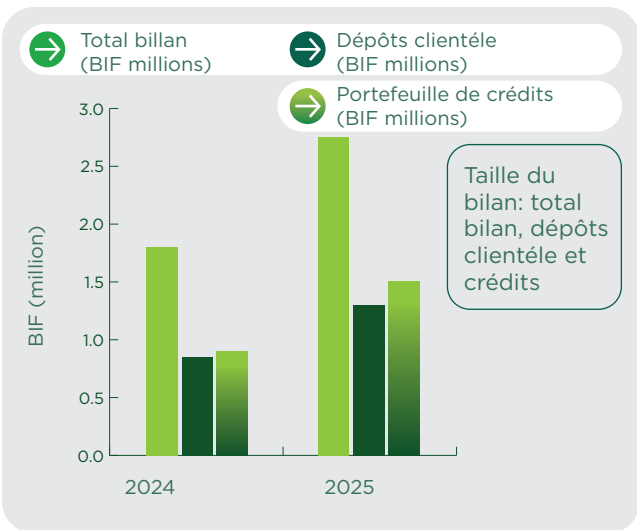
Appréciation du Conseil sur la performance et la résilience

Alors que la Direction fournit un reporting opérationnel et de performance détaillé dans la Déclaration du Directeur Général et dans la Déclaration des Finances, le Conseil estime important de fournir aux actionnaires un contexte global sur les chiffres clés de l'exercice et sur ce qu'ils impliquent pour la résilience et l'exécution de la stratégie.

Au cours de l'exercice 2025, la Banque a enregistré un résultat avant impôt de 52 697 million de FBU (2024 : 46 894 million de FBU) et un résultat net de 51 224 million de FBU après comptabilisation d'une charge d'impôt de 1 473 million de FBU (résultat net 2024 : 44 516 million de FBU). Le bilan s'est fortement développé, avec un total des actifs passant de 1 803 695 million de FBU en 2024 à 2 743 090 million de FBU en 2025. Les dépôts clientèle sont passés de 842 381 million de FBU à 1 289 028 million de FBU, tandis que le portefeuille de crédits est passé de 911 982 million de FBU à 1 479 816 million de FBU.



Faits saillants de la rentabilité (2024 vs 2025).

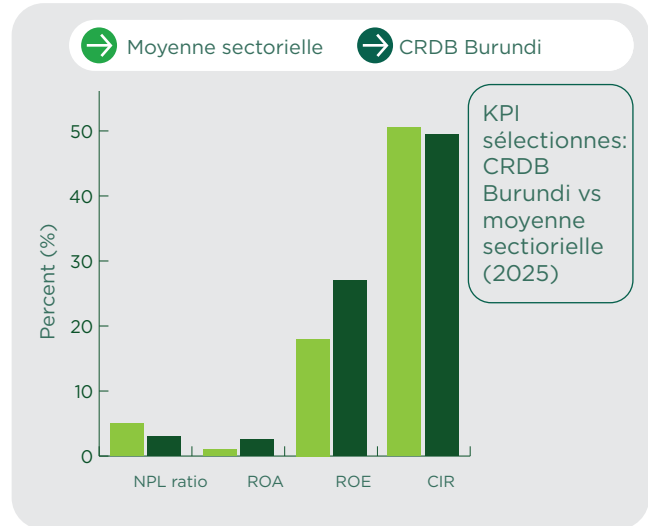


Taille du bilan (2024 vs 2025).

Du point de vue du Conseil, cette combinaison de croissance de la rentabilité et d'expansion du bilan souligne la force de la franchise dans la mobilisation des ressources et l'octroi de crédits au service de l'activité économique; tout en renforçant la nécessité de maintenir une discipline continue en matière de maîtrise des coûts, d'optimisation du bilan et de contrôle des risques à mesure que la Banque se développe.

Le positionnement de la Banque au marché est demeuré solide. Au cours de l'année, CRDB Bank Burundi S.A. a enregistré une part de marché de 22 % des actifs totaux et de 19 % des dépôts. La Banque a également affiché un ratio de prêts non performants de 2,2 %, contre une moyenne sectorielle de 3,6. Sagissant des indicateurs de rentabilité et d'efficacité, la Banque a déclaré un Rendement des Actifs de 2,3 % et un Rendement des Capitaux Propres de 27,8 % contre des moyennes sectorielles

de 0,3 % et 18,5 % respectivement, ainsi qu'un ratio charges/revenus de 49,6 % contre une moyenne sectorielle de 50,2 %.



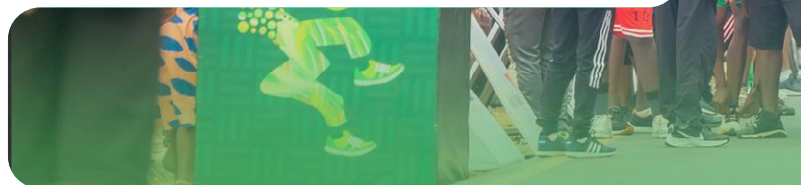
KPI sélectionnés — CRDB Burundi vs moyenne sectorielle (2025).

L'adéquation des fonds propres demeure une protection essentielle. Au 31 décembre 2025, la Banque a indiqué un ratio de fonds propres de base de 16,0 % et un ratio total de fonds propres de 16,5 %, tous deux supérieurs aux exigences minimales réglementaires de 12,5 % et 14,5 % respectivement. La Banque a respecté l'ensemble des ratios réglementaires au cours de l'exercice. Le capital social ordinaire émis et entièrement libéré est resté à 48 027 million de FBU, et il n'y a eu aucun changement de structure du capital par rapport à l'exercice précédent.

Le Conseil s'intéresse également de façon active à la structure et à la qualité du financement ainsi qu'aux niveaux de liquidité essentiels pour soutenir la croissance durable du portefeuille des crédits.

Au cours de l'exercice analysé, les dépôts de la clientèle représentaient 55 % du financement total, les emprunts 37 % et les capitaux propres 9 %. Les dépôts à vue et d'épargne (CASA) ont représenté 92 % des dépôts totaux de la clientèle en 2025 (2024 : 90 %), contribuant à maintenir un coût de financement structurellement plus bas.

L'augmentation des emprunts au cours de l'année reflète la volonté de la Banque de répondre à une demande croissante de crédit, tout en renforçant sa gestion de la liquidité et en optimisant la couverture des écarts de maturité, conformément aux pratiques prudentielles internationales.





Risques, durabilité et enjeux émergents

Le Conseil demeure attentif aux risques bancaires traditionnels ainsi qu'aux risques émergents susceptibles d'influencer l'exécution de la stratégie. Les informations publiées par la Banque reconnaissent le changement climatique comme un risque émergent majeur pouvant avoir un impact perturbateur sur les économies, les clients et les institutions financières. Les risques liés au climat sont classés en risques physiques (notamment les événements météorologiques extrêmes et les évolutions de long terme susceptibles d'affecter les opérations, la solvabilité des clients et les valeurs d'actifs) et en risques de transition liés au passage vers une économie à plus faible intensité carbone, à l'évolution des attentes des parties prenantes et aux changements réglementaires.

La vulnérabilité du Burundi au changement climatique, en raison de ses caractéristiques géographiques et climatiques (notamment les inondations, les sécheresses et la chaleur), demeure un point d'attention majeur pour le Conseil. Nos interventions et investissements sont guidés par l'orientation des politiques nationales et les engagements du pays, y compris la Contribution déterminée au niveau national (CDN 3.0) actualisée du Burundi, qui vise une réduction des émissions de gaz à effet de serre de 23 % d'ici 2035, dont une partie réalisable par des ressources domestiques et une portion supplémentaire conditionnée à l'assistance internationale.

Pour le Conseil, ce contexte renforce l'importance de renforcer la gouvernance, la gestion des risques et la durabilité comme un agenda intégré. Il souligne également pourquoi la poursuite d'investissements dans les données, les systèmes et les capacités — y compris la maturité cyber et la protection des données — doit accompagner la croissance.

Perspectives

En 2026, la Banque poursuivra la mise en œuvre de la stratégie 2023–2027, en mettant l'accent sur la croissance et la protection (« ringfencing ») de ses activités tout en plaçant le client au centre de nos actions en répondant à l'évolution ses besoins. Les plans à prospectifs de la Banque visent à conserver et à accroître sa part de marché grâce à des partenariats stratégiques et à des solutions digitales innovantes ; l'optimisation des processus ; l'amélioration de l'expérience client ; et à garantir la simplicité d'utilisationsur l'ensemble des canaux.

Conformément à nos ambitions en matière d'avancées technologiques, la Banque continuera de concentrer ses efforts sur le renforcement de l'infrastructure TIC afin de soutenir la croissance future, d'accélération la mise en oeuvre des projets technologiques et d'investir dans la transformation digitale. Les plans incluent en outre l'amélioration du réseau d'agences à travers la construction de succursales dans des emplacements stratégiques. Ces priorités sont encadrées par un engagement à maintenir le juste équilibre entre croissance de l'activité et conformité.

Le Conseil reconnaît que l'environnement opérationnel restera dynamique. L'intensification de la concurrence des Fintechs et des acteurs non bancaires, l'évolution des attentes des clients vers des expériences digitaux et la nécessité d'une innovation continue continueront de façonner le secteur. La conformité réglementaire demeure également un défi significatif et évolutif, exigeant des investissements soutenus dans les contrôles et une forte culture de conformité. Le Conseil continuera de soutenir la Direction dans l'exécution responsable de la stratégie, tout en veillant à ce que les fondations de risque, de fonds propres et de liquidité de la Banque demeurent solides.





Dividendes

Le Conseil d'administration s'efforce de trouver un équilibre entre la création de valeur pour les actionnaires et l'allocation de ressources pour la croissance future de l'entreprise. Conformément à la politique de distribution des dividendes de la banque, le Conseil d'administration propose un dividende de 186.650 FBU par action, prélevé sur le bénéfice net, contre 162.206 FBU par action recommandés en 2024. Le montant total des dividendes recommandés s'élève ainsi à 17.928 millions de francs burundais pour 2025, soit une hausse de 15 % par rapport aux 15.580 millions de francs burundais versés en 2024, ce qui représente 35 % du bénéfice net. Le Conseil d'administration recommande le maintien de ces dividendes afin de consolider les fonds propres et de soutenir la croissance de l'entreprise.

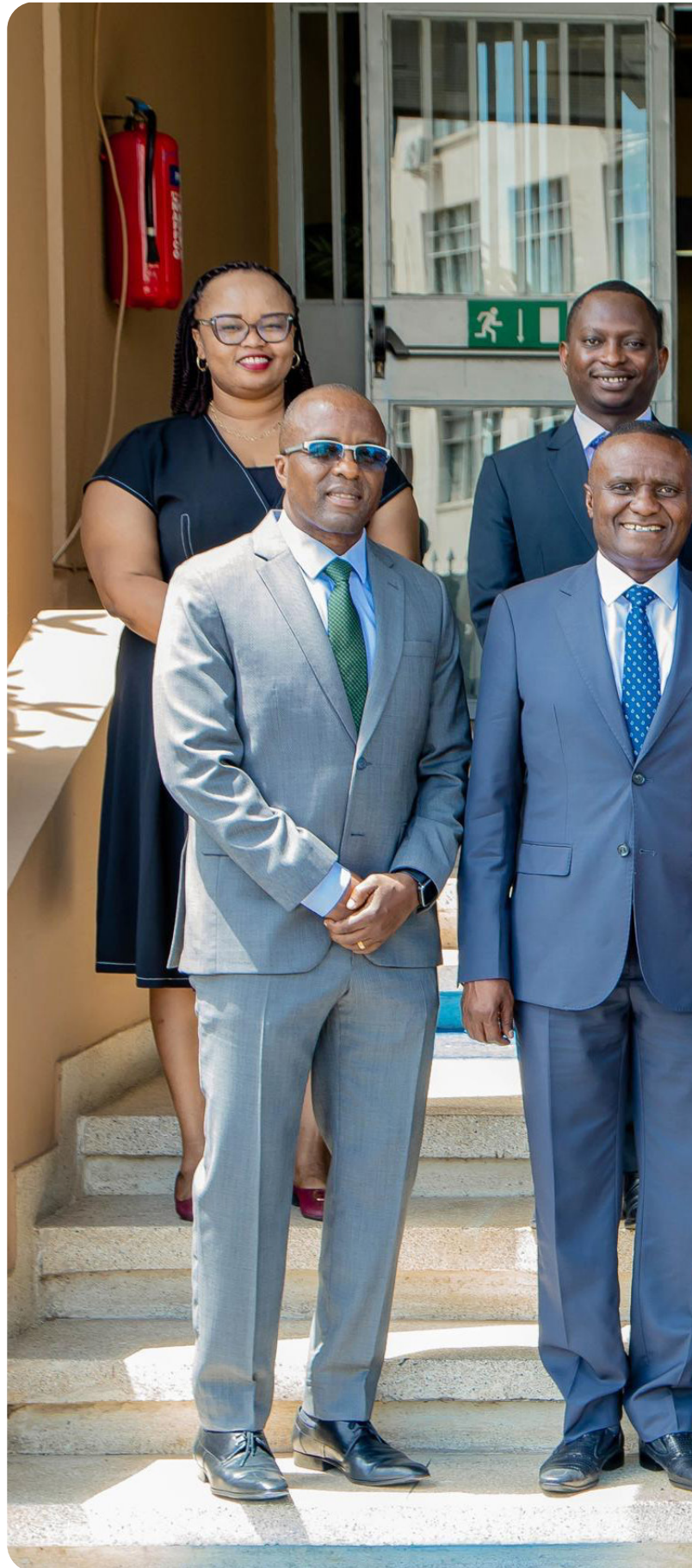


Remerciements

Pour conclure, j'exprime ma sincère appréciation à nos actionnaires, clients, collaborateurs, régulateurs et partenaires pour leur confiance et leur collaboration continues. Le Conseil est encouragé par la croissance de la Banque en 2025 et demeure concentré sur la discipline de gouvernance, sur des investissements stratégiques qui renforcent la résilience, et sur une mise en œuvre durable de la stratégie 2023-2027.ç

Hosea Kashimba, **FCPA**

Chairman







Strategic Value Unlocks (KPI dashboard)

🕒 Profitability					
KEY INDICATOR	Value Drivers	KPI UNIT	2025	2024	YoY
Profit Before Tax (PBT)	Growth / productivity	BIF million	52,697	46,894	📈 +12.4%
Profit After Tax (PAT)	Growth / value creation	BIF million	51,224	44,516	📈 +15.1%
Return on Equity (ROE)	Productivity / value creation	Percentage	27.83%	31.12%	📉 -3.29 pts
Return on Assets (ROA)	Productivity / value creation	Percentage	2.32%	3.21%	📉 -0.89 pts
Cost-to-Income Ratio (CIR)	Productivity / efficiency	Percentage	49.65%	47.17%	📈 +2.48 pts
Net Interest Income	Growth / earnings quality	BIF million	103,738	71,239	📈 +45.6%
Net Fee and Commission Income	Diversification / productivity	BIF million	12,523	6,442	📈 +94.4%
Net Operating Income	Growth / earnings capacity	BIF million	128,857	94,833	📈 +35.9%
🕒 BUSINESS GROWTH AND FRANCHISE SCALE					
Total Assets	Business growth	BIF million	2,743,091	1,803,696	📈 +52.1%
Customer Deposits	Franchise growth / funding	BIF million	1,289,028	842,381	📈 +53.0%
Net Loans and Advances to Customers	Growth / productivity	BIF million	1,479,816	911,982	📈 +62.3%
Gross Loans and Advances to Customers	Growth / productivity	BIF million	1,497,029	921,659	📈 +62.4%
Gross Loans to Customer Deposits	Balance sheet deployment	Percentage	114.85%	105.20%	📈 +9.65 pts
Growth in Total Assets	Business growth	Percentage	52.10%	61.13%	📉 -9.03 pts
Growth in Customer Deposits	Business growth	Percentage	53.02%	37.84%	📈 +15.18 pts
Market Share – Total Assets	Competitive position	Percentage	22%	25%	📈 +9.52%
Market Share – Customer Deposits	Competitive position	Percentage	19%	19%	📈 +5.53%
🕒 ASSET QUALITY, SOUNDNESS AND RESILIENCE					
NPL Ratio	Capital / risk management	Percentage	2.24%	1.20%	📉 -2.76 pts
Core Capital Ratio	Capital / risk management	Percentage	16.0%	17.6%	📉 -1.6 pts
Total Capital Ratio	Capital / risk management	Percentage	16.5%	18.0%	📉 -1.5 pts
Short-Term Liquidity Ratio	Liquidity / resilience	Percentage	339%	336%	📈 +3.0 pts
CASA Ratio	Funding quality / liquidity	Percentage	92%	90%	📈 +2.0 pts
🕒 SHAREHOLDER VALUE CREATION					
Earnings Per Share (EPS)	Shareholder value	BIF per share	533	463	📈 +15.1%
Dividend Per Share (recommended)	Shareholder return	BIF per share	186,650	162,206	📈 +15.1%
Total Dividend Recommended	Shareholder return	BIF million	17,928	15,580	📈 +15.1%
Dividend Payout Ratio	Shareholder value	Percentage	35%	35%*	➡ Stable

KEY

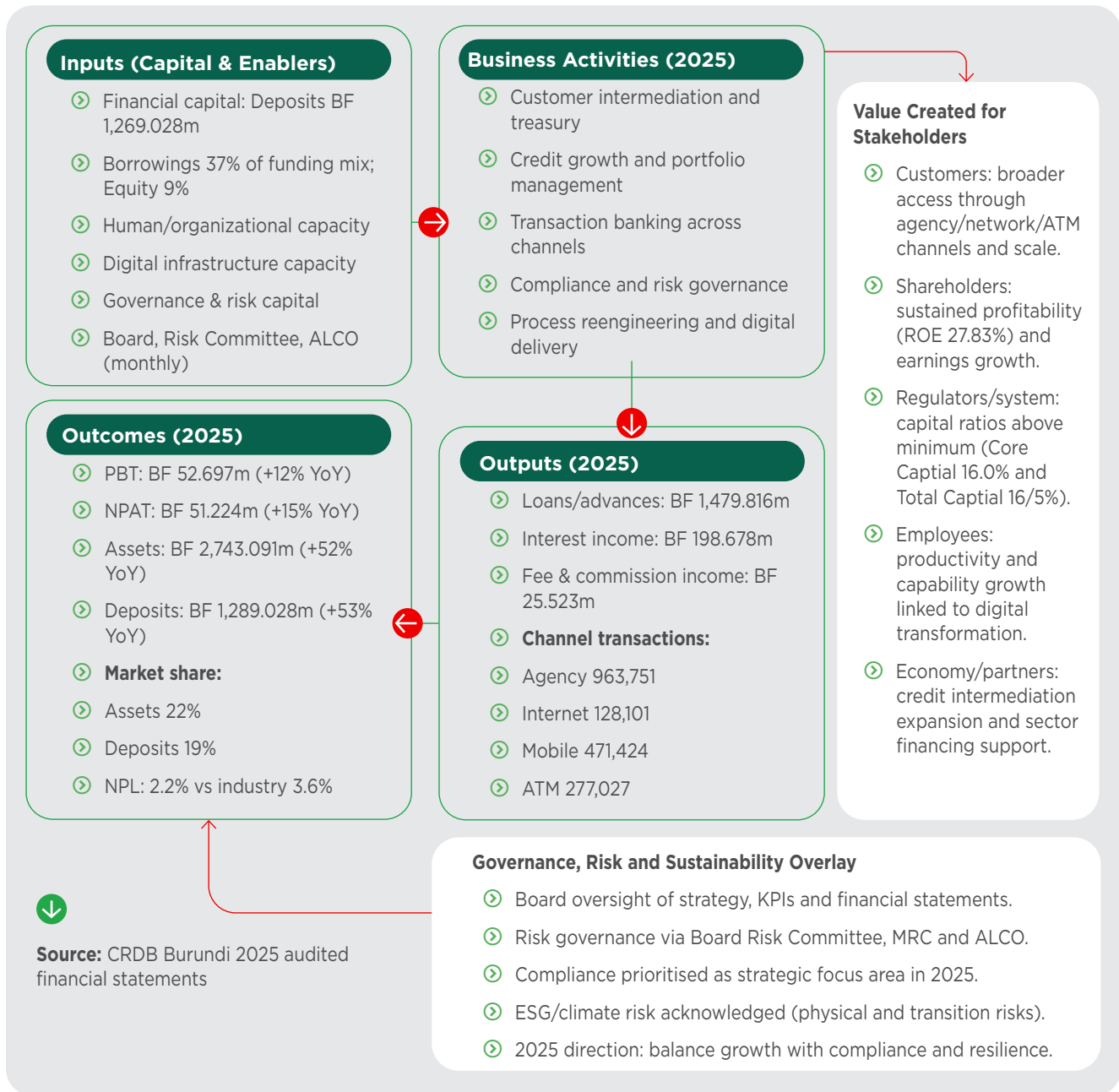
MBO - Management and Board oversight

- 📈 Improve
- ➡ Stable
- 📉 Deline

BENCHMARK	2025 TARGET / THRESHOLD	2026	MEDIUM TERM	LONG TERM	ASSURANCE TYPE
46,894	Actual 2025 target in report: 91.3 bn	Increase	Increase	Increase	MBO
44,516	Actual 2025 target in report: 64.9 bn	Increase	Increase	Increase	MBO
Industry: 18.5%	>31.12% (using 2024 as baseline)	Increase	Increase	Increase	MBO
Industry: 0.3%	>3.21% (using 2024 as baseline)	Improve	Increase	Increase	MBO
Industry: 50.2%	Actual 2025 target in report: 41.4%	Improve	Lower	Lower	MBO
71,239	>15% YoY Growth	Increase	Increase	Increase	MBO
N/A	>15% YoY Growth	Increase	Increase	Increase	MBO
N/A	>15% YoY Growth	Increase	Increase	Increase	MBO
Market share: 22%	Actual 2025 target in report: 2,292.2 bn	Grow	Increase	Increase	MBO
Market share: 19%	Actual 2025 target in report: 1,399.1 bn	Grow	Increase	Increase	MBO
911,982	Actual 2025 target in report: 1,386.8 bn	Grow	Increase	Increase	MBO
921,659	>BIF 1 trillion	Grow	Increase	Increase	MBO
105.20%	100.0% (Healthy = 89 -92.7%)	Manage prudently	Maintain	Maintain	MBO
61.13%	>65.0%	Sustain	Grow	Increase	MBO
37.84%	>40.0% (using 2024 as benchmark)	Sustain	Grow	Increase	MBO
-	>22.0%	Retain / grow	Increase	Increase	MBO
-	>20.0%	Retain / grow	Increase	Increase	MBO
3.6 (industry avg)	<3.0%	Grow	Increase	Increase	MBO
911,982	16.0%	Grow	Increase	Increase	MBO
105.20%	16.4%	Manage prudently	Maintain	Maintain	MBO
Reg' minimum: 100%	Above minimum	Maintain strength	Maintain	Maintain	MBO
-	> 90% (using 2024 as benchmark)	Retain / grow	Increase	Increase	MBO
463	> 463 (using 2024 as benchmark)	Increase	Increase	Increase	MBO
162,206	In line with dividend policy	Sustain	Increase	Increase	MBO
+15.1%	35% payout of net profit	Sustain	Maintain policy discipline	Increase over time	MBO
35%*	In line with policy	Maintain	Maintain	Maintain	MBO



Value Creation Business Model (2025)



Evidence table

Layer	Narrative	2025 anchor metrics
Inputs	Funding, governance, people, technology, risk capacity	Deposits BIF 1,289,028m; funding mix 55/37/9; CASA 92%
Activities	Intermediation, lending, transaction banking, compliance and digital execution	Loans BIF 1,479,816m; ongoing automation and risk/compliance priorities
Outputs	Revenue and service delivery outputs	Interest income BIF 198,678m; fee income BIF 25,925m; channel transactions disclosed
Outcomes	Financial, franchise and risk outcomes	PBT BIF 52,697m; NPAT BIF 51,224m; Assets BIF 2,743,091m; NPL 2.2%
Stakeholder value	Customer, shareholder, regulator and market value	ROE 27.3%; ROA 2.3%; market share 22% as-sets/19% deposits
Governance overlay	Oversight architecture and prudential guardrails	Capital ratios above minima: 11.9%, 16%, 16.5%

Our Material Matters & Stakeholder Relations

The 2025 FY marked the third year of the 2023–2027 strategy in a market shaped by evolving customer expectations, intensifying competitive pressure from digital-first providers, and sustained regulatory focus on prudential resilience. Our approach to material matters is, therefore, anchored in disciplined governance, risk-conscious growth, customer centricity, and responsible execution. This section explains the issues that most influenced value creation and risk outcomes in 2025, how the Bank engaged key stakeholder groups, and how stakeholder perspectives were reflected in strategic and operating priorities. All quantitative disclosures in this section are drawn from the Bank’s reported 2024–2025 audited or governance-reported figures provided in the reporting pack for this assignment.

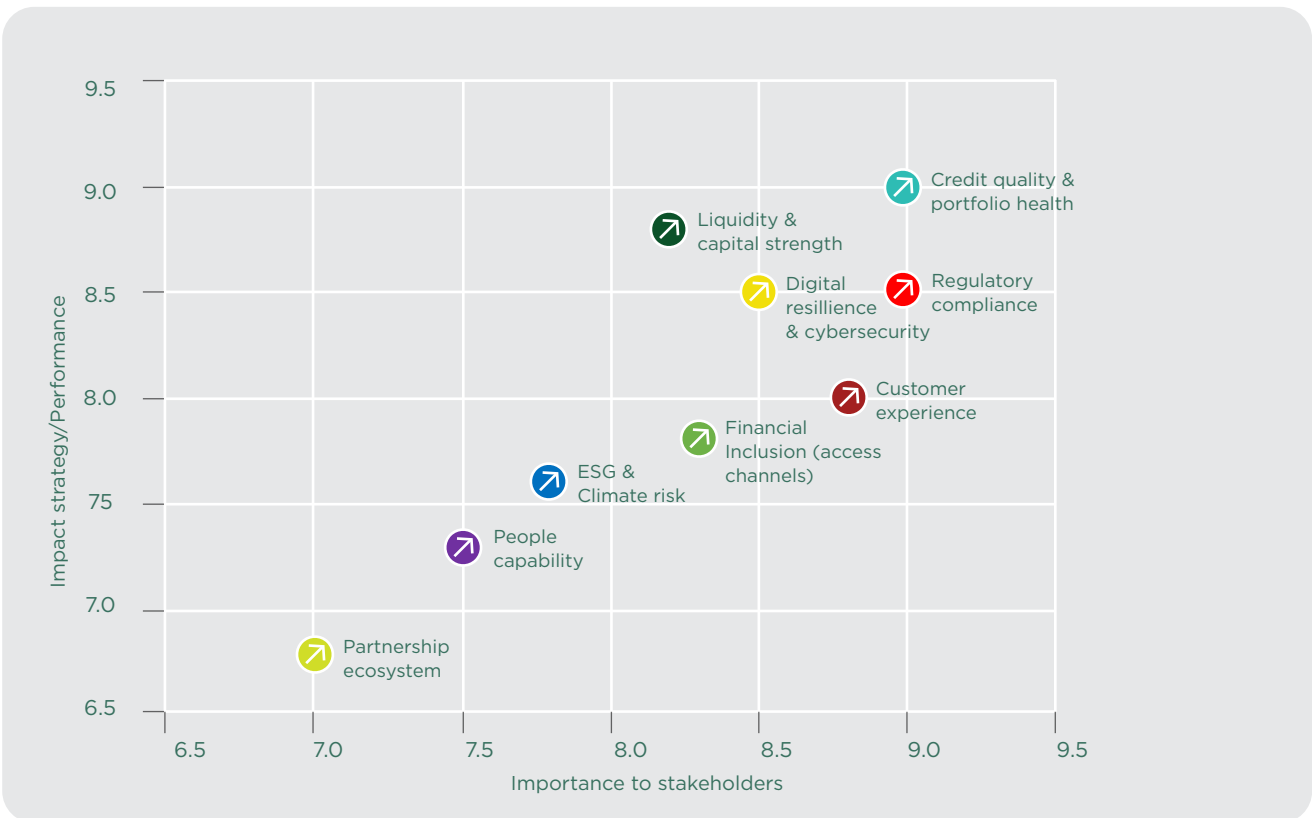


Materiality approach and 2025 context

For CRDB Bank Burundi SA, a matter is considered material when it can significantly affect the Bank’s ability to: (i) sustain profitability and capital generation, (ii) preserve liquidity and funding resilience, (iii) protect asset quality and risk discipline, (iv) maintain regulatory compliance and governance integrity, and (v) retain stakeholder trust through reliable service delivery and responsible conduct.

During the 2025 FY, materiality was assessed in line with the strategic focus areas disclosed by management and governance: protecting financial strength, building resilient business models, workforce optimization, accelerating automation, innovation, digital adoption, and prioritizing compliance.

This framing is consistent with the Bank’s growth profile in 2025, where total assets rose by 52% to BIF 2,743,091 million, customer deposits grew by 53% to BIF 1,289,028 million, and the credit portfolio expanded by 62% to BIF 1,479,816 million.

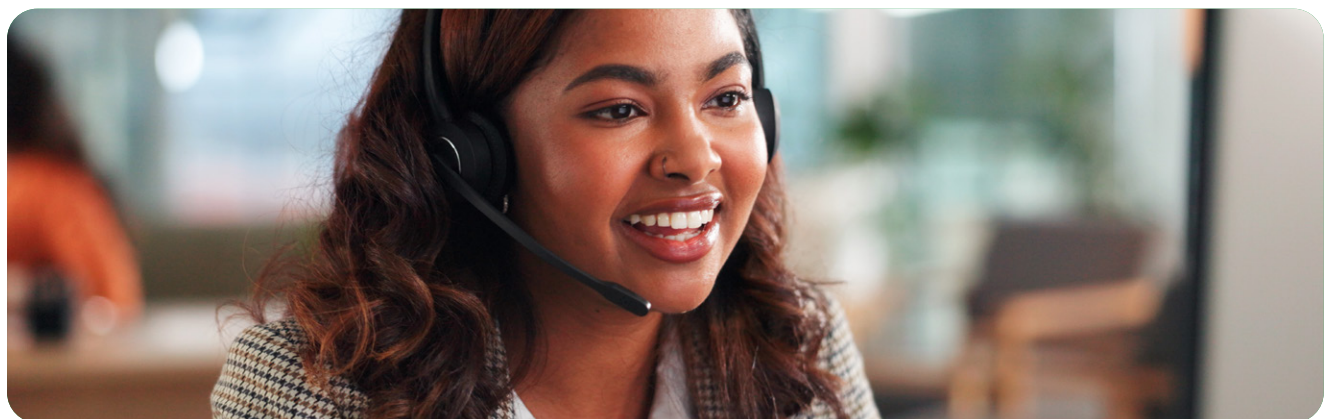


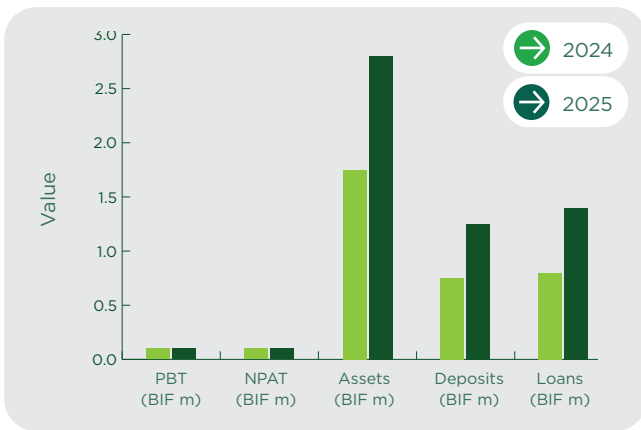
2025 materiality matrix (interpretive visualization based on disclosed strategic priorities and outcomes).



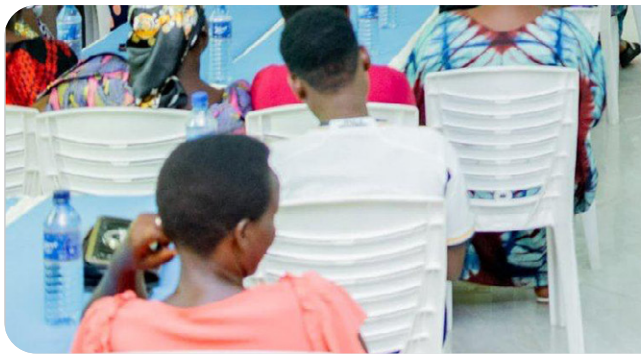
Material matters in 2025

Material matter	Why it matters	2025 evidence	Primary stakeholders	2025 response
Financial strength and profitability quality	Sustains internal capital generation and confidence in long-term value creation.	PBT BIF 52,697m (2024: 46,894m); net profit BIF 51,224m (2024: 44,516m).	Shareholders, Board, regulators, employees.	Quarterly performance oversight and execution focus on resilient growth.
Balance-sheet growth and funding resilience	Scale growth must be funded prudently to avoid liquidity and maturity stress.	Assets +52%; deposits +53%; loans +62%.	Customers, regulators, lenders, Board.	ALCO-led balance-sheet governance and funding mix monitoring.
Asset quality and credit risk discipline	Protects earnings durability and capital.	NPL 2.2% vs industry 3.6% (2025).	Regulators, shareholders, customers.	Priority to maintain healthy and quality loan portfolio.
Cost efficiency and productivity	Determines operating leverage as business volumes scale.	Staff/admin expenses +42%; CIR 49.6% (2024: 47.2%).	Shareholders, management, employees.	Process simplification, automation, workforce optimization.
Customer access and service experience	Core driver of inclusion, retention and franchise relevance.	Agency tx +53%; internet tx +120%; ATM tx +12%; mobile tx +1%.	Customers, communities, agents, partners.	Digital and alternative channel enhancement and ICT strengthening.
Regulatory compliance and governance	License-to-operate foundation and systemic trust enabler.	Capital ratios above minima; full compliance with regulatory ratios disclosed.	Regulators, Board, investors, customers.	Board-approved policy framework and periodic review.
ESG and climate-risk integration	Emerging risk with strategic, credit and operational implications.	Climate physical and transition risks explicitly acknowledged in disclosures.	Regulators, customers, communities, partners.	Planned embedding of climate risk into risk management.





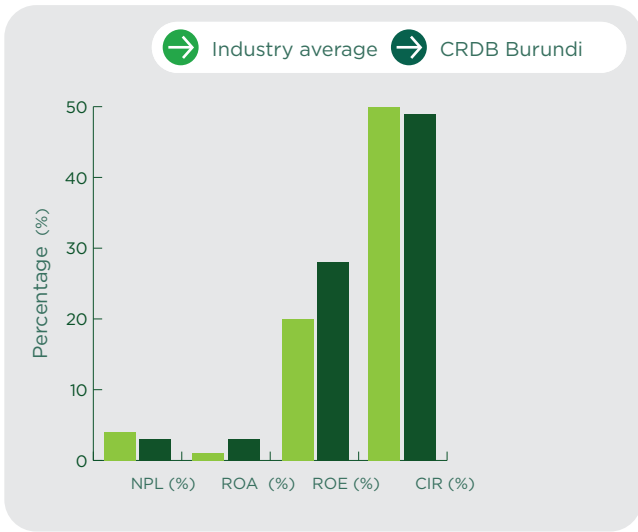
Stakeholder-relevant financial outcomes (audited): 2024 vs 2025.



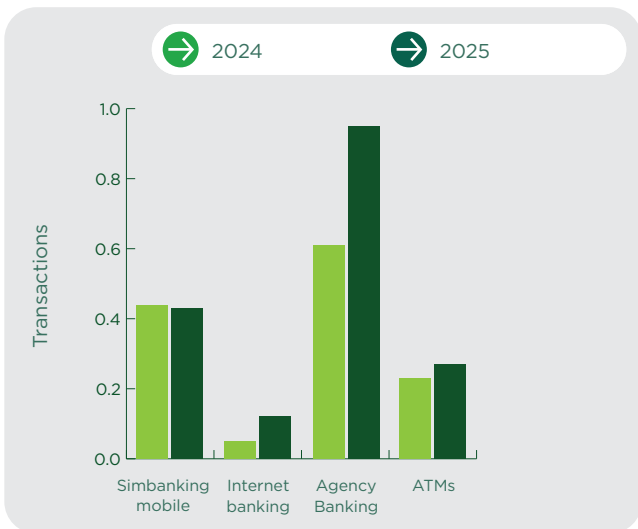
Stakeholder relations: who we engage, how we engage, and what we heard

Our stakeholder relations model is designed to keep strategy execution aligned with stakeholder expectations while preserving risk and control discipline. Engagement channels include governance reporting cycles, regulatory interfaces, customer service and channel data, treasury and partnership dialogue, and internal performance management processes.

Stakeholder group	Interests / expectations	Engagement approach	2025 insights	Response in-year
Shareholders	Sustainable returns, prudent growth, transparency.	Governance reporting, audited statements, strategy communication.	Profitability improved; strong scale expansion.	Continued execution with governance and resilience focus.
Customers	Reliable, convenient, relevant and secure banking services.	Branches, agency network, digital channels, service feedback loops.	Strong growth in agency/ internet usage; mixed mobile registration trend.	Channel and product journey optimization, ICT and service upgrades.
Regulators	Prudential compliance, robust controls, risk discipline.	Regulatory submissions, supervisory engagement, compliance monitoring.	Capital and regulatory ratios remained compliant.	Ongoing compliance prioritization and control reinforcement.
Employees	Direction, capability, productivity tools, accountability.	Performance management, operational reviews, leadership engagement.	Productivity and execution discipline elevated as bank scaled.	Workforce optimization and process improvements.
Lenders/partners	Creditworthiness, governance confidence, execution reliability.	Treasury dialogue, partnership management, financial disclosures.	Borrowings increased to support growth and maturity management.	Funding plan calibration under ALCO/treasury oversight.
Communities/ society	Inclusion, access, responsible financing and operations.	Distribution access channels and service reach.	Agent network expansion and higher transaction activity.	Sustained focus on outreach using cost-effective channels.



Selected KPI comparison with industry averages (2025).



Customer access and channel activity (transactions), 2024 vs 2025.



Deep dive: customer relevance and distribution at scale

During the year under review, stakeholder relevance was strongly linked to distribution quality and accessibility. The Bank's strategy to expand outreach through cost-effective channels was reflected in measurable usage growth across agency and internet channels. Agency transactions rose from 630,666 to 963,751, while internet banking transactions increased from 58,311 to 128,101. ATM transactions also increased from 246,779 to 277,027. These shifts indicate stronger acceptance of distributed, digitally enabled banking access models.

↑ AGENCY TRANSACTIONS

from 630,666

963,751

↓ INTERNET BANKING TRANSACTIONS

from 58311

128,101

↓ ATM TRANSACTIONS

from 246,779

277,027

From a materiality standpoint, this matters because channel performance is directly connected to customer experience, operating efficiency, and inclusion outcomes. Higher usage through alternative channels can improve convenience and reduce service bottlenecks, but it also increases dependency on reliable infrastructure, cybersecurity maturity, and process stability. For this reason, the disclosed 2026 direction (strengthening ICT infrastructure, accelerating technology projects and process reengineering) has direct continuity with 2025 stakeholder signals.

The mobile channel trend was mixed: transaction volumes were marginally higher, while registered accounts declined year-on-year. This does not negate digital progress; rather, it identifies a specific stakeholder and product journey issue requiring targeted response, including onboarding optimization, value-proposition clarity and retention-oriented service design.

Deep dive: growth quality, performance discipline and accountability

The Bank delivered significant scale growth in 2025, with assets, deposits and credit portfolio all expanding strongly. Profit before tax rose to BIF 52,697 million and net profit to BIF 51,224 million. Interest income increased materially to BIF 198,678 million, consistent with growth in earning assets and lending activity. Fee and commission income also increased to BIF 25,925 million.

↑ PROFIT BEFORE TAX

BIF 52 697
MILLION

↑ NET PROFIT

BIF 51 224
MILLION

↑ INTEREST INCOME

BIF 198 678
MILLION

For stakeholders, quality of growth is as important as growth itself. Shareholders and regulators require evidence that performance is resilient and risk-adjusted, customers require service reliability at higher volumes, and employees require clarity on productivity expectations and support tools. The governance cycle (including quarterly Board review and policy oversight) remains central to balancing these demands.

Deep dive: risk, prudence and trust protection

Prudential stability remained a defining material matter in 2025. The Bank maintained core capital ratio of 16.0% and total capital ratio of 16.5%, both above minimum regulatory requirements. It also complied with all regulatory ratios during the year. These indicators are core trust anchors for depositors, regulators and counterparties. Asset quality also remained a strength relative to the market, with NPL at 2.2% versus industry 3.6%. This suggests that rapid credit growth was accompanied

by comparatively stronger credit-risk outcomes. In stakeholder terms, this is material because it protects solvency, supports earnings durability, and sustains confidence in the Bank’s risk culture. Treasury governance, through Board-approved policies and monthly ALCO processes, is another trust-protecting mechanism. As deposits remain the primary funding source and borrowings support growth and maturity management, balance-sheet governance quality is critical to resilience.

Sustainability and emerging-risk dialogue with stakeholders

The Bank’s risk consciousness recognizes climate change as an emerging risk with both physical and transition dimensions. This is an important signal to stakeholders that the risk horizon is broader than traditional credit and market risks. It also aligns with growing supervisory and market expectations for forward-looking risk integration.

In practical terms, integrating climate considerations into governance, risk management and capital allocation is now part of the Bank’s medium-term stakeholder contract. Customers increasingly expect partners that can support sustainable transition, regulators expect risk governance evolution, and investors expect disclosure quality and consistency. The Bank’s stated priorities for embedding climate risk and elevating governance and sustainability therefore remain highly material for future reporting and stakeholder trust.

2026 stakeholder priorities emerging from 2025 material matters

Based on bank’s annual plans, stakeholder priorities for 2026 are expected to centre on:

- (i) sustaining growth with stronger conversion to profitability and efficiency;
- (ii) deepening customer experience gains across digital and hybrid channels;
- (iii) preserving portfolio quality and prudential buffers;
- (iv) maintaining robust regulatory compliance amid evolving requirements; and
- (v) progressively strengthening sustainability and climate-risk integration.

The Bank’s message to stakeholders is clear; that growth will continue, but with discipline. Strategic investments in technology, process redesign, and service resilience are intended not only to expand scale, but to protect trust and improve value delivery quality. This is the operating logic of responsible growth and the central narrative of materiality for the next phase of the strategy cycle.

20
25



03

**Business
Review**



Managing Director’s Statement



The 2025 FY was a step-change year for CRDB Bank Burundi S.A. as we scaled our franchise, strengthened customer reach, and advanced the third year of our 2023–2027 strategy with disciplined execution.

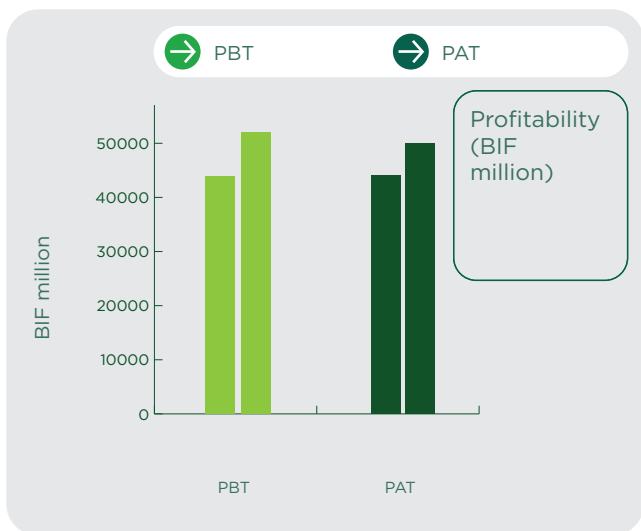
Guided by our ambition to expand outreach in Burundi through cost-effective delivery channels, we kept the customer at the centre of our operating model while safeguarding the fundamentals that sustain long-term growth - capital adequacy, liquidity resilience, regulatory compliance and robust risk management. This statement reflects the Bank’s audited financial results and the operational outcomes delivered during the year.

Operating Environment and Market Dynamics

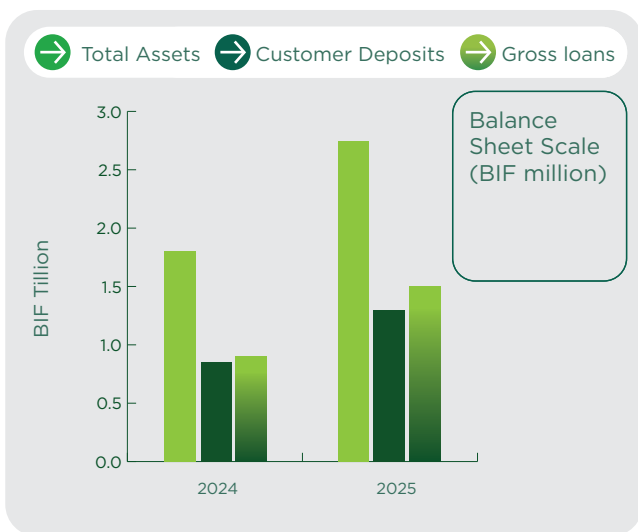
The operating environment continued to evolve, characterized by intensified competition, including from fintech and non-bank entrants, rising customer expectations for convenience and personalisation, and a steadily expanding regulatory compliance agenda. Against this backdrop, our focus in 2025 was to deliver scalable growth while maintaining sound governance, a strong control culture and disciplined risk management, consistent with the priorities disclosed for the 2023–2027 strategy period.

2025 Performance Snapshot

Profit before tax increased to BIF 52 697 million (2024: BIF 46 894 million), while net profit rose to BIF 51 224 million (2024: BIF 44 516 million). Total assets reached BIF 2 743 090 million (2024: BIF 1 803 695 million), customer deposits grew to BIF 1 289 028 million (2024: BIF 842 381 million), and the credit portfolio expanded to BIF 1 479 816 million (2024: BIF 911 982 million).



Profitability (BIF million) – Profit before tax and net profit (audited).

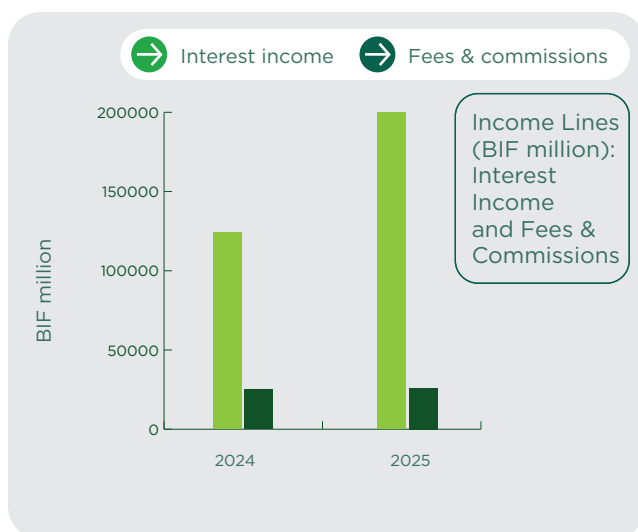


Balance sheet scale (BIF million) — total assets, customer deposits and gross loans (audited).

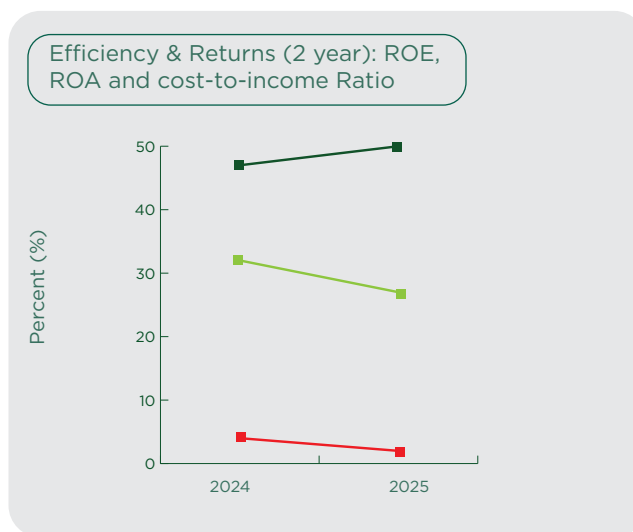
Earnings Momentum and Productivity Focus

During the year under review, the Bank’s interest income increased to BIF 198 678 million (2024: BIF 122 765 million), reflecting the expansion of earning assets through customer lending growth and increased investment activity. Fee and commission income increased to BIF 25 925 million (2024: BIF 24 877 million), indicating sustained transaction activity and broader product utilisation.

Staff and administrative expenses increased to BIF 64 384 million (2024: BIF 45 337 million) as we scaled the organisation and delivery footprint. Our productivity agenda, which is workforce optimization, process simplification and targeted automation, remains central to improving operating leverage.



Core income lines (BIF million) — interest income and fees & commissions (audited).



Efficiency and returns — ROE, ROA and cost-to-income ratio (audited).

Strategy execution priorities in 2025

Our strategy execution during the year under review was anchored on five priorities: (i) protecting the Bank’s financial strength; (ii) building resilient business models; (iii) workforce optimisation; (iv) accelerating automation, innovation and digital adoption; and (v) prioritising regulatory compliance. We translated these priorities into day-to-day execution—balancing growth with control discipline and ensuring that channel expansion and product enhancements remain guided by customer needs and operational resilience.

Capital, liquidity and balance sheet resilience

As at 31 December 2025, the core capital ratio was 16.0% and the total capital ratio was 16.5%, both above the stated regulatory minimums of 12.5% and 14.5% respectively. These buffers supported continued business growth while maintaining prudential resilience.

Market position and risk profile

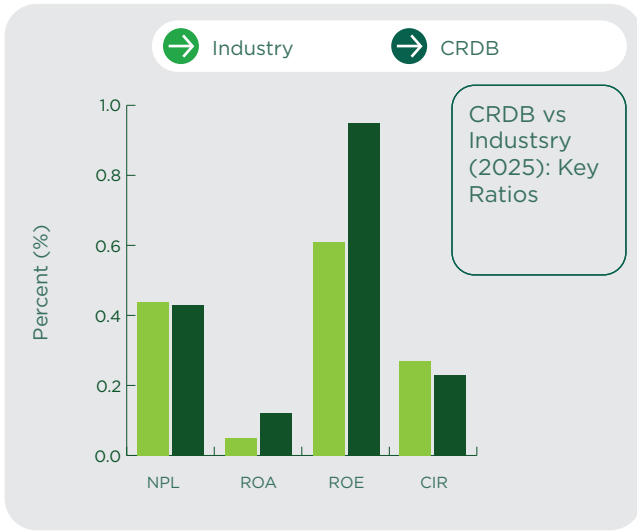
In 2025, the Bank remained among leading banks in Burundi by balance sheet size, with a reported market share of 22% in total assets and 19% in deposits. We maintained asset quality performance below the industry average, with an NPL ratio of 2.2% compared to the industry average of 3.6%.

22.0%

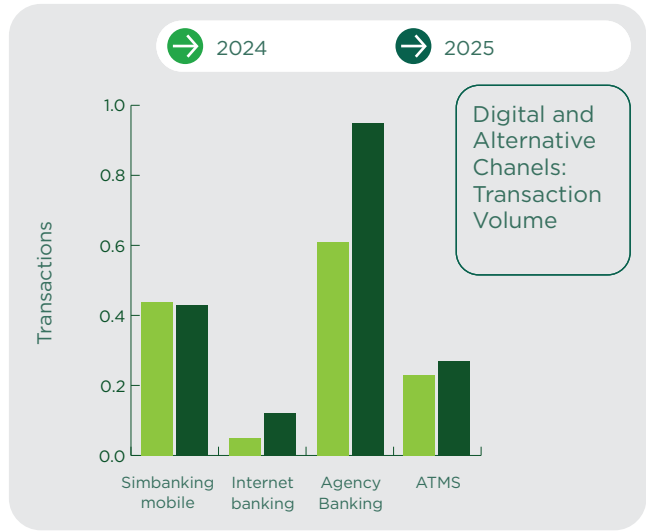
Market share in total assets.

19.0%

Market share in deposits.



CRDB vs industry (2025) – NPL ratio, ROA, ROE and cost-to-income ratio (as disclosed).



Channel transaction volumes (2024–2025) – mobile, internet, agency and ATM.

Customer-centric Distribution and Digital Adoption

Our channel strategy is designed to extend access cost-effectively while improving convenience, speed and service quality. In 2025, internet banking and agency banking scaled strongly, reinforcing the shift towards distributed service models and increased customer adoption.

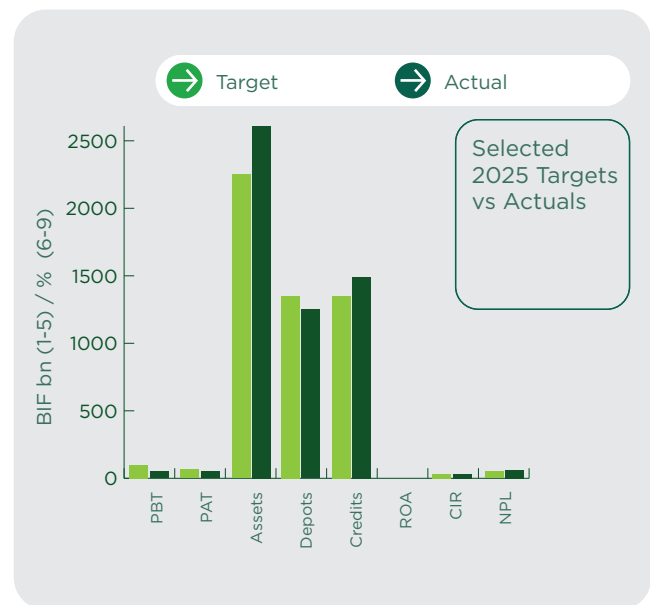
Internet banking transaction volumes increased from 58 311 in 2024 to 128 101 in 2025, while registered internet banking customers grew from 16 901 to 25 711. Agency banking transaction volumes increased from 630 666 to 963751 supported by an expansion in registered agents from 2 000 to 3 005. ATM transaction volumes increased from 246 779 to 277 027, and registered cards increased from 41 651 to 56 139.

Mobile banking (SimBanking) transaction volumes increased from 466 927 to 471 424. Registered mobile accounts reduced from 40 022 to 37 163. We interpret this as a prompt to strengthen onboarding journeys, reinforce user experience and improve product relevance—so that growth in usage is matched by growth in the active customer base.



Performance versus targets and management actions

The year delivered strong balance sheet expansion, while some profitability and efficiency indicators were below target. Total assets and net loans exceeded target levels, while deposits were below target and the cost-to-income ratio was above target. Our response priorities for the next phase include deepening productivity improvements, sharpening balance sheet optimisation, and accelerating automation and process reengineering to support growth with improved profitability.



Selected 2025 targets vs actuals (as disclosed).

Outlook for 2026

Going into the 2026 FY, we will continue implementing the 2023-2027 strategy with an emphasis on growing and ringfencing the business while maintaining a customer-centred operating model. We will prioritise the delivery of critical technology projects, strengthen ICT infrastructure and accelerate process reengineering to improve efficiency and service experience. We will maintain a clear balance between business growth and compliance, and continue to manage costs and risks deliberately as we selectively expand while maintaining a healthy and quality loan portfolio.

We will also continue to monitor emerging risks, including climate-related risks, and to integrate ESG considerations into governance and risk management as part of the Bank’s resilience agenda, consistent with the priorities disclosed for the period ahead.

Appreciation

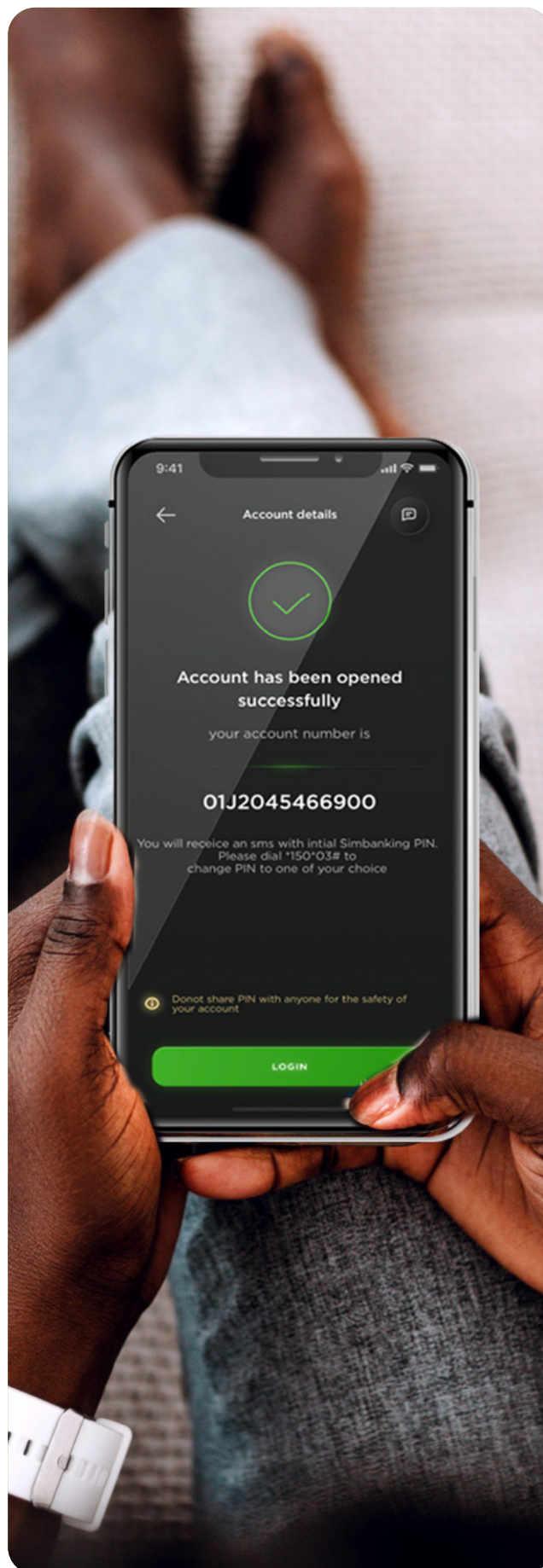
I extend my sincere appreciation to our shareholders for their continued confidence and long-term commitment to CRDB Bank Burundi S.A. I also thank our customers for the trust they place in us every day and for choosing our solutions to support their personal and business ambitions.

To the Board of Directors, I sincerely thank them for their unwavering guidance and support, which have enabled the bank’s strategic growth and performance.

To our employees, I am grateful for your professionalism, resilience, and dedication in delivering results while upholding strong standards of service, risk discipline, and compliance. Your effort and ownership remain the driving force behind our progress.

I acknowledge and appreciate the support and guidance of our regulators and other authorities, whose oversight strengthens the stability and integrity of the financial system and helps shape a sound operating environment. Finally, I thank our strategic partners, correspondent banks, service providers, and the wider CRDB Group for their collaboration, technical support, and shared commitment to extending access and improving customer experience across Burundi.

Fredrick Siwale
Managing Director



Déclaration de l'Administrateur Directeur Général



“ Notre stratégie de distribution est conçue pour étendre l'accès de manière rentable tout en améliorant la commodité, la rapidité et la qualité du service. ”



L'exercice 2025 s'est avéré déterminant pour CRDB Bank Burundi S.A., marquant une progression significative dans l'expansion de notre franchise, le renforcement de notre portée auprès de la clientèle et l'exécution disciplinée de la troisième année de notre stratégie 2023-2027.

Animés par l'ambition d'étendre notre présence au Burundi au moyen de canaux de distribution efficaces et économiquement viables, nous avons maintenu le client au centre de notre modèle opérationnel, tout en préservant les fondamentaux qui soutiennent une croissance durable à long terme : l'adéquation des fonds propres, la résilience de la liquidité, la conformité réglementaire et une gestion robuste des risques .

La présente déclaration reflète les résultats financiers audités de la Banque ainsi que les performances opérationnelles réalisées au cours de l'exercice.

Environnement opérationnel et dynamiques de marché

L'environnement opérationnel a poursuivi sa transformation, marqué par une intensification de la concurrence , en particulier de la part des fintechs et des acteurs non bancaires, ainsi que par une évolution accrue des attentes des clients en matière de commodité, de personnalisation, et de qualité de service. Parallèlement, les exigences de conformité réglementaire se sont progressivement renforcées,

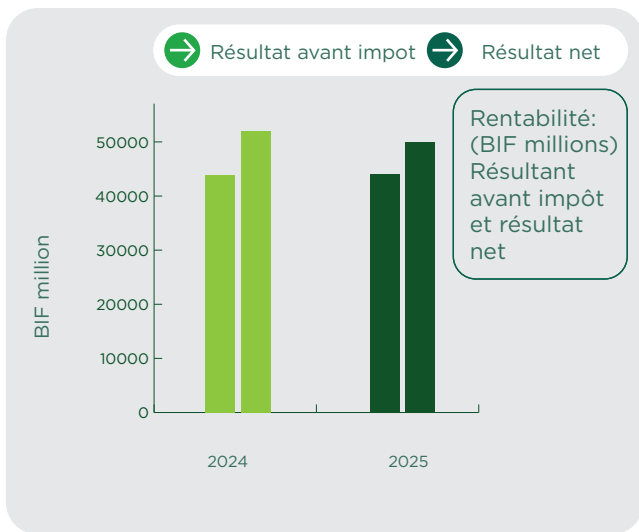
imposant aux institutions financières un niveau accru de rigueur et de discipline.

Dans ce contexte, notre priorité pour l'exercice 2025 a été d'assurer une croissance évolutive et maîtrisée tout en consolidant une gouvernance robuste, une culture de contrôle rigoureuse et une gestion proactive et disciplinée des risques . Ces orientations demeurent pleinement alignées avec les priorités stratégiques pour la période 2023-2027.

Aperçu de la performance 2025

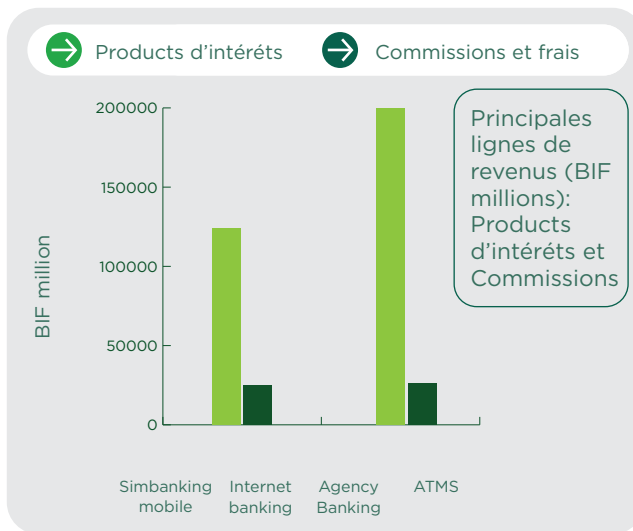
Le résultat avant impôt est passé à 52 697 Million de FBU (2024 : 46 894 Million de FBU), tandis que le résultat net a atteint 51 224 Million de FBU (2024 : 44 516 Million de FBU). Le total des actifs s'est établi à 2 743 090 Million de FBU (2024 : 1 803 695 Million de FBU), les dépôts clientèle ont progressé à 1 289 028 Million de FBU (2024 : 842 381 Million de FBU), et le portefeuille de crédits s'est étendu à 1 479 816 Million de FBU (2024 : 911 982 Million de FBU).



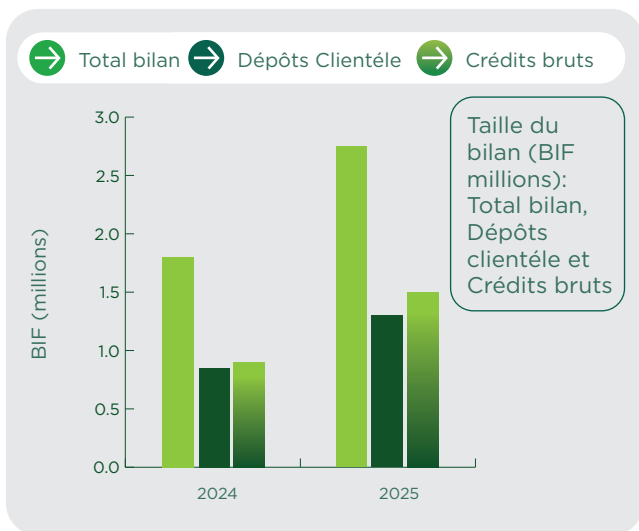


Rentabilité (BIF millions) – résultat avant impôt et résultat net (audités).

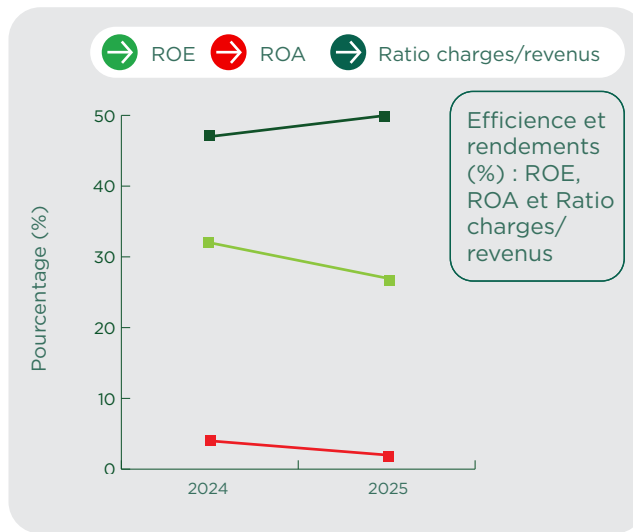
de distribution. Notre agenda de productivité, qui comprend l’optimisation des effectifs, la simplification des processus et une automatisation ciblée, demeure central pour améliorer l’effet de levier opérationnel.



Principales lignes de revenus (BIF millions) – produits d’intérêts et commissions (audités).



Taille du bilan (BIF millions) – total bilan, dépôts clientèle et crédits bruts (audités).



Effizienz et rendements – ROE, ROA et ratio charges/revenus (audités).

Dynamique des revenus et focus sur la productivité

Au cours de l’exercice, les produits d’intérêts de la Banque ont augmenté pour atteindre 198 678 Million de FBU (2024 : 122 765 Million de FBU), reflétant l’expansion des actifs productifs grâce à la croissance des crédits à la clientèle et à l’augmentation de l’activité d’investissement. Les commissions et frais perçus ont progressé à 25 925 Million de FBU (2024 : 24 877 Million de FBU), témoignant d’une activité transactionnelle soutenue et d’une utilisation plus large de nos produits.

Les charges du personnel et les charges administratives se sont élevées à 64 384 Million de FBU (2024 : 45 337 Million de FBU) à mesure que nous avons renforcé l’organisation et l’empreinte

Priorités d’exécution de la stratégie en 2025

L’exécution de notre stratégie au cours de l’exercice s’est articulée autour de cinq priorités : (i) préserver la solidité financière de la Banque ; (ii) renforcer la résilience des modèles économiques ; (iii) optimiser la gestion des effectifs ; (iv) accélérer l’automatisation, l’innovation et l’adoption des solutions digitales ; et (v) maintenir la conformité réglementaire au rang des impératifs stratégiques. Ces priorités ont été intégrées de manière systématique dans l’exécution

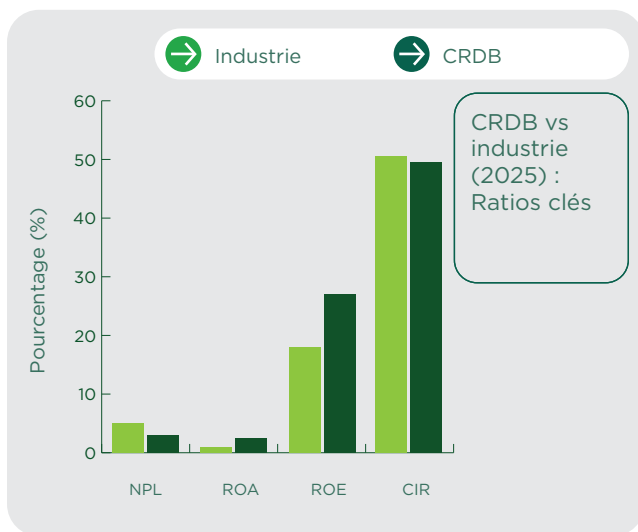
quotidienne des opérations conciliant expansion et discipline de contrôle, en veillant à ce que l'élargissement de nos canaux de distribution ainsi que l'amélioration continue de nos produits guidées par les besoins de la clientèle tout en renforçant la résilience opérationnelle et la maîtrise des risques.

Fonds propres, liquidité et résilience du bilan

Au 31 décembre 2025, le ratio de fonds propres de base s'établissait à 16,0 % et le ratio total de fonds propres à 16,5 %, tous deux supérieurs aux minimums réglementaires indiqués de 12,5 % et 14,5 % respectivement. Ces marges ont soutenu la poursuite de la croissance de l'activité tout en maintenant la résilience prudentielle.

Positionnement au marché et profil de risque

En 2025, la Banque est restée parmi les principales banques au Burundi en termes de taille de bilan, avec une part de marché déclarée de 22 % des actifs totaux et de 19 % des dépôts. Nous avons maintenu une qualité d'actifs meilleure que la moyenne sectorielle, avec un ratio de prêts non performants (NPL) de 2,2 %, contre une moyenne de 3,6 % pour l'industrie.



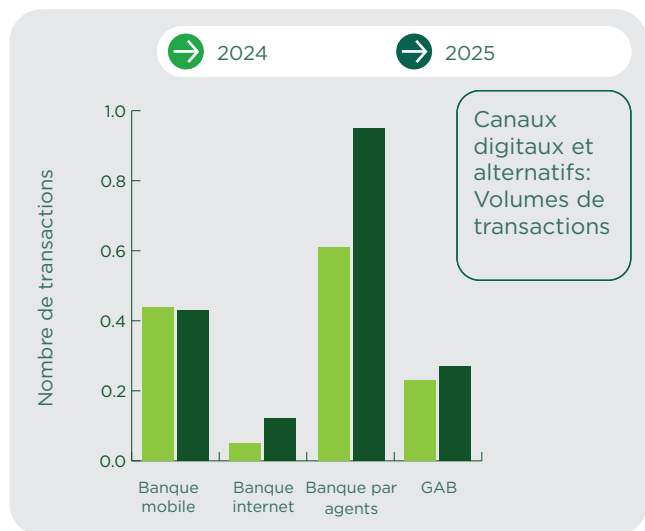
CRDB vs par rapport au Secteur(2025) – ratio NPL, ROA, ROE et ratio charges/revenus (selon communication).

Distribution centrée sur le client et adoption des solutions digitales

Notre stratégie de développement des canaux vise à élargir l'accès aux services financiers de manière économiquement efficiente tout en améliorant la commodité, la rapidité et la qualité de service offert à la clientèle. En 2025, l'utilisation de la banque en ligne et les services bancaires par agents ont connu une progression significative, confirmant la transition vers des modèles de distribution plus décentralisés et

favorisant une adoption accrue des solutions digitales par nos clients. Les volumes de transactions de la banque en ligne sont passés de 58 311 en 2024 à 128 101 en 2025, tandis que le nombre de clients inscrits à la banque en ligne a augmenté de 16 901 à 25 711. Les volumes de transactions de la banque par agents sont passés de 630 666 à 963 751, soutenus par une hausse du nombre d'agents enregistrés de 2 000 à 3 005. Les volumes de transactions aux GAB sont passés de 246 779 à 277 027, et le nombre de cartes enregistrées a augmenté de 41 651 à 56 139.

Les volumes de transactions de la banque mobile (SimBanking) ont augmenté de 466 927 à 471 424. Le nombre de comptes mobiles enregistrés a diminué de 40 022 à 37 163. Nous interprétons cela comme un signal du renforcement du parcours d'acquisition de nouveaux clients, d'améliorer l'expérience utilisateur et d'accroître la pertinence du produit—afin que la croissance de l'usage soit accompagnée d'une croissance de la base de clients actifs.

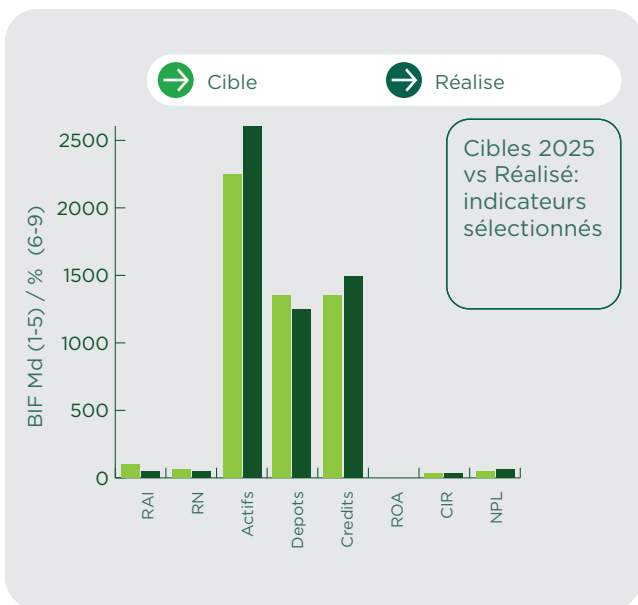


Volumes de transactions par canal (2024-2025) – mobile, internet, agents et GAB.

Performance par rapport aux objectifs et actions de management

L'exercice a enregistré une forte expansion du bilan, même si certains indicateurs de rentabilité et d'efficacité se sont situés en deçà des objectifs. Le total des actifs et les prêts nets ont dépassé les niveaux cibles, tandis que les dépôts sont restés inférieurs aux prévisions et que le ratio coûts/revenus s'est établi au-dessus de l'objectif.

Nos priorités de réponse pour la prochaine phase incluent l'amélioration de la productivité, le renforcement de l'optimisation du bilan, ainsi que l'accélération de l'automatisation et de la réingénierie des processus afin de soutenir la croissance avec une rentabilité améliorée.



Cibles 2025 vs réalisé (indicateurs sélectionnés) (selon communication).



Perspectives pour 2026

À l'entrée de l'exercice 2026, nous poursuivrons la mise en œuvre de la stratégie 2023-2027, en mettant l'accent sur la croissance et la sécurisation (« ringfencing ») de l'activité tout en maintenant un modèle opérationnel centré sur le client. Nous accorderons la priorité à l'exécution des projets technologiques critiques, au renforcement de l'infrastructure TIC et à l'accélérons de la réingénierie des processus afin d'améliorer l'efficacité et l'expérience client. Nous maintiendrons un équilibre clair entre croissance de l'activité et conformité, et continuerons à gérer délibérément les coûts et les risques à mesure que nous nous développons de manière sélective tout en maintenant un portefeuille de crédits sain et de qualité.

Nous veillerons à préserver un juste équilibre entre la croissance de l'activité et la conformité réglementaire, et nous continuerons à gérer les coûts et les risques, y compris les risques liés au climat et à intégrer la considération des critères environnementaux, sociaux et de gouvernance (ESG) dans la gouvernance de manière disciplinée, en privilégiant une expansion sélective et maîtrisée tout en assurant la solidité et la qualité de notre portefeuille de prêts.

Remerciements

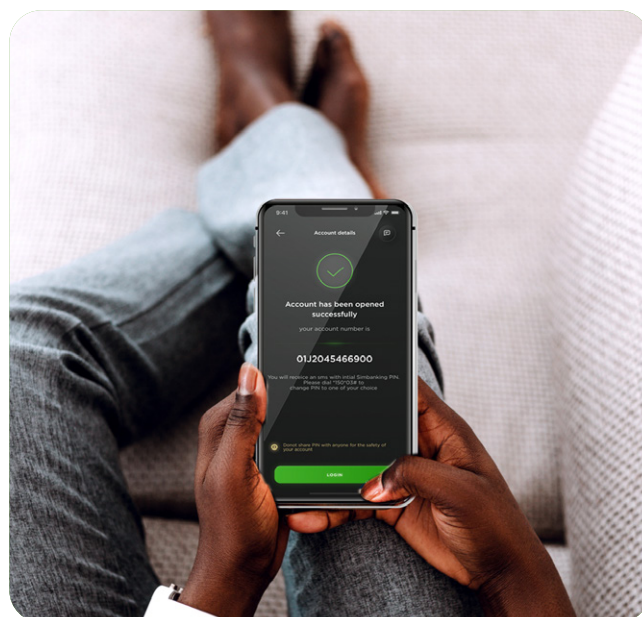
J'exprime ma sincère reconnaissance à nos actionnaires pour leur confiance continue et leur engagement de long terme envers CRDB Bank Burundi S.A. Je remercie également nos clients pour la confiance qu'ils nous accordent chaque jour et pour avoir choisi nos solutions afin de soutenir leurs ambitions personnelles et professionnelles.

Au Conseil d'administration, je tiens à exprimer ma sincère gratitude pour leurs conseils et leur soutien indéfectibles qui ont permis la croissance et la performance stratégiques de la banque. À nos collaborateurs, je suis reconnaissant de votre professionnalisme, de votre résilience et de votre engagement à délivrer des résultats tout en respectant des standards élevés de service, de discipline de risque et de conformité. Vos efforts et votre sens des responsabilités restent le moteur de nos progrès.

Je reconnais et apprécie le soutien et l'orientation de nos régulateurs et des autres autorités, dont la supervision renforce la stabilité et l'intégrité du système financier et contribue à façonner un environnement opérationnel sain. Enfin, je remercie nos partenaires stratégiques, banques correspondantes, prestataires de services, ainsi que l'ensemble du Groupe CRDB pour leur collaboration, leur appui technique et leur engagement partagé à étendre l'accès et à améliorer l'expérience client au Burundi.

Fredrick Siwale

Administrateur Directeur Général



Business Report

Strengthening Relationships, Enabling Execution and Supporting Sustainable Growth

Mr. Mediateur Muhire

Deputy Managing Director



The 2025 financial year was one of strong institutional progress for CRDB Bank Burundi S.A., marked by continued business expansion, stronger stakeholder engagement and the further strengthening of the Bank’s operating platform.

Within this context, we remained focused on supporting the effective execution of strategy across the institution, reinforcing key relationships, coordinating critical administrative and operational priorities, and ensuring that the Bank’s growth agenda continued to be anchored in discipline, responsiveness and long-term relevance.

Supporting Institutional Execution

As the Bank continued to scale in 2025, institutional coordination became increasingly important. The year required close alignment between strategic ambition and operational readiness, particularly as the Bank expanded its balance sheet, deepened customer reach and strengthened its market presence. In this environment, the Deputy Managing Director’s office played an important role in supporting execution across functions, facilitating coordination between business and support units, and helping to ensure that strategic priorities were translated into practical action across the organisation.

This role was especially relevant in a year when the Bank continued to enhance its physical presence, broaden access channels, invest in technology and refine internal structures in support of growth. Effective execution depended not only on commercial performance, but also on institutional discipline, timely decision-making, administrative support and strong communication across the Bank.

A major area of focus during the year was the building and maintenance of relationships that are critical to the Bank’s long-term success. CRDB Bank Burundi S.A. operates within a broad stakeholder ecosystem that includes customers, regulators, government institutions, development partners,

community actors, correspondent relationships, related entities and the wider public. Sustaining confidence across these constituencies remains essential to the Bank’s performance and reputation.

During the 2025 FY, the Bank continued to deepen engagement with stakeholders through regular interaction, collaboration and visibility in the market. These relationships supported business development, strengthened trust in the institution and reinforced the Bank’s position as a committed financial partner in Burundi. Relationship management was not treated as a peripheral activity, but as an important part of institutional leadership and strategic delivery.

The year also reflected a continued emphasis on customer-facing and community-facing engagement. Various events and initiatives provided platforms for the Bank to connect with customers and the wider public, strengthen brand presence and deepen market relationships. These included the launch of new service offerings, branch-related activities and broader stakeholder engagements that helped position the Bank more visibly in the communities it serves.

Administrative Leadership and Institutional Support

Alongside relationship management, the Deputy Managing Director’s role also extended to administrative leadership and the strengthening of the institutional platform on which the Bank operates. In a growing bank, administration is not simply a support function; it is part of the infrastructure that enables service delivery, governance discipline and organisational continuity.

During the year, attention remained focused on ensuring that key administrative processes supported the Bank’s wider growth agenda. This included support for interdepartmental coordination, institutional responsiveness, governance follow-through and the smooth functioning of the Bank’s operating environment. As the Bank expanded, the importance of a dependable administrative backbone became even more evident, particularly in supporting timely implementation, internal communication and follow-up across strategic initiatives.

The continued strengthening of the Bank's structures, controls and support systems during the year formed part of this broader administrative agenda. These efforts helped ensure that growth was supported by organisational order, clarity of accountability and a stronger foundation for execution.

Supporting Network Expansion and Business Readiness

The Bank's expansion during the year also required careful institutional support beyond frontline business activity alone. As new outlets were added and customer acquisition accelerated, administrative coordination and readiness across functions became essential. This included ensuring that the broader organisation remained aligned around service delivery, operational consistency and internal support for a growing network.

Among the important developments during the year were activities linked to service expansion, community engagement and product awareness. The Bank continued to use launches, public events and engagement platforms not only to introduce services and strengthen visibility, but also to deepen trust and relationships with customers and the Burundian community. Such initiatives served a dual purpose: they supported business development while also reinforcing the Bank's institutional relevance and social presence.

The year also saw continued attention to people development, internal capability and inclusion. These efforts are important because strong institutions are built not only on strategy and capital, but also on people, culture and internal alignment. Supporting these themes formed part of the wider administrative and leadership agenda during the year.

A Coordinating Role Across the Institution

One of the defining features of the Deputy Managing Director's role is the ability to operate across institutional boundaries, supporting alignment between departments and helping maintain momentum on key priorities. In a bank of growing scale and complexity, this coordinating role is particularly important. It helps bridge strategic direction with operational follow-through and ensures that various initiatives across the business continue to move in a coherent direction.

During 2025, this coordinating perspective remained valuable as the Bank advanced its agenda across customer growth, channel development, governance, operational strengthening and stakeholder engagement. The role of the Deputy Managing Director was therefore not limited to oversight of a single vertical, but extended to enabling cohesion across the institution.

Positioning the Bank for the Next Phase

The work undertaken during the year also helped position the Bank for its next phase of development. As CRDB Bank Burundi S.A. continues to mature, its ability to sustain growth will depend not only on financial performance, but also on the strength of its relationships, the quality of its administrative platform and the discipline with which it executes across functions.

The institutional foundations strengthened in 2025 (including stakeholder trust, internal coordination, network support, people development and administrative readiness) are therefore important precursors to the segment and functional performances discussed in the sections that follow. They form part of the enabling environment through which each business line and support function was able to contribute to the Bank's overall progress.

Outlook

Looking ahead, the Deputy Managing Director's office is expected to remain focused on supporting institutional alignment, strengthening strategic relationships and ensuring that the Bank's growth agenda continues to be backed by effective administration and coordinated execution. In a dynamic market environment, this will remain essential to preserving agility, confidence and consistency across the organisation.

Further emphasis is likely to be placed on stakeholder engagement, administrative efficiency, organisational responsiveness and the continued strengthening of internal collaboration. These areas will remain important as the Bank seeks to deepen its market presence, improve service delivery and support sustainable growth.





Retail Banking

Deepening Reach,
Enhancing Relevance

Rene-Espoir Ndayikeje

Director, Retail Banking



Retail Banking remained central to CRDB Bank Burundi S.A.'s growth agenda in 2025, supporting the Bank's broader strategy of customer centricity, market expansion, digital adoption and sustainable franchise development.

During the year, the Bank strengthened its retail model through organisational restructuring, selective branch expansion, targeted product innovation and deeper customer engagement across consumer, agribusiness and bancassurance segments.

This progress was delivered in the context of strong overall business growth. Total assets increased to BIF 2,743.1 billion, customer deposits rose to BIF 1,289.0 billion, and net loans and advances reached BIF 1,479.8 billion. Within this wider growth trajectory, Retail Banking played an important role in widening the customer base, supporting account acquisition, expanding service access and contributing to lending growth through focused segment interventions.

Department Restructuring to Support Execution

During the year, the Retail Banking Department underwent a strategic restructuring designed to improve operational efficiency, sharpen segment focus and strengthen support to the branch network. The Retail Business function was reorganised into four specialised segments: Consumer Banking, Retail General Business, Retail Agribusiness and Bancassurance.

At the same time, the Branch Network Unit was restructured into three support and control functions: Branch Operations and Control, Quality Assurance, and Business Performance and Revenue Assurance. This revised structure strengthened branch support, improved operational discipline, reinforced performance monitoring and aligned front-line execution more closely with the Bank's growth strategy.

The restructuring reflected a deliberate shift toward a more specialised operating model. By segmenting the business more clearly and enhancing branch-level oversight, the Bank positioned itself to pursue growth in a more disciplined and responsive manner.

Branch Expansion and Customer Acquisition

A key feature of the year was the continued expansion of the Bank's physical presence in support of customer acquisition and service accessibility. The Bank opened two new branches, City Center Branch and Kamenje Business Center, complementing its wider network of over 38 outlets, including branches, ATMs and franchises.

The expanded network contributed meaningfully to customer acquisition. A total of 13,476 new accounts were opened, bringing active accounts to 79,569 by year-end. This exceeded the annual target of 75,000 active accounts and represented an achievement rate of 107%. The performance demonstrates the continued relevance of physical access points, particularly when combined with targeted branch support, clearer segment accountability and stronger front-line execution.

Retail Lending and Portfolio Growth

On the retail risk asset side, the Bank recorded 26% year-on-year growth in the retail loan portfolio. This outcome reflects both resilience and selectivity in an environment where growth had to be balanced with prudent risk management. The Bank's approach was anchored in ring-fencing existing business while pursuing controlled expansion in targeted retail segments.

The quality of the Bank's wider credit environment provides an important backdrop. At institutional level, net loans and advances rose by 62.3% during the year, while the non-performing loan ratio improved to 2.24%, compared with 1.2% in 2024 and below the industry average of 3.6%. Although this ratio relates to the Bank as a whole rather than Retail Banking alone, it points to a disciplined credit culture within which retail lending growth was pursued.

Product Innovation and Segment Penetration

Retail Banking's performance in 2025 was supported by focused business-development initiatives designed to deepen relevance in specific market segments and generate growth across lending, deposits, customer acquisition and non-funded income.

One notable launch was the Iteka Financial Product for Members of Parliament in Burundi. By year-end, the product had resulted in the opening of 67 accounts and the disbursement of BIF 2.6 billion in loans. This initiative opened a niche segment within the consumer portfolio and demonstrated the value of tailored proposition design.

The Bank also introduced an unsecured loan product for civil servants as part of efforts to improve its 0.3% market share within this sub-segment. The rollout was supported by engagement with Provincial Governors and Provincial Directors of Education, strengthening awareness among targeted public-sector employee groups.

Another significant milestone was the official launch of Bancassurance services. Supported by staff training across the branch network, the initiative generated encouraging early traction. During the year, 1,220 insurance policies were onboarded, generating BIF 396 million in non-interest income through commissions.

Retail Banking also advanced its agribusiness agenda through partnerships with PAEEJ, AVSI and BBIN, focused on financial literacy, entrepreneurship and risk mitigation in the agricultural sector. These partnerships reinforced the Bank's broader inclusion agenda and its support for productive sectors of the economy.

Channel Development and Customer Convenience

Retail Banking performance in 2025 was also supported by continued development of alternative channels. Agency banking transactions increased by 53% to 963,751, while the number of registered agents rose by 50% to 3,005. Internet banking transactions increased by 120% to 128,101, while registered internet banking customers rose by 52% to 25,711. ATM transactions increased by 12% to 277,027, and registered cards rose by 35% to 56,139. Mobile banking transactions grew modestly by 1% to 471,424, although the number of registered mobile accounts declined by 7% to 37,163.

These trends indicate a business that is broadening access and deepening transactional usage across multiple channels. For Retail Banking, this means that branch-led acquisition is increasingly being reinforced by wider digital and alternative-channel engagement.

Contribution to the Bank's Strategic Direction

The year's Retail Banking performance remained closely aligned with the Bank's wider strategic direction. The Bank's 2023-2027 strategy emphasises growing and ring-fencing the business, placing customers at the centre of operations, responding to evolving market needs, and advancing through strategic partnerships and innovative digital solutions.

Retail Banking is closely aligned to this agenda. The department's restructuring, targeted product initiatives, branch additions, channel growth and segment partnerships all support the Bank's priorities around customer centricity, process optimisation, technology enablement and selective business expansion.

Outlook for 2026

Looking ahead, the outlook for Retail Banking in 2026 is grounded in disciplined growth, sharper customer segmentation and continued investment in service capability. The priorities established in 2025 provide a strong operational foundation for the year ahead.

The Bank is expected to continue deepening its retail presence through stronger network effectiveness, front-line productivity and channel integration. Product innovation is likely to remain a key driver of expansion, while digital enablement will become increasingly important through better customer journeys, easier onboarding, improved self-service and stronger cross-channel consistency.

As the Bank pursues growth, the balance between business expansion, service quality, cost efficiency and risk control will remain critical. In this respect, the 2025 experience provides encouragement. Retail Banking expanded its reach, introduced new products, strengthened fee-generating capability and supported lending growth while operating within a Bank-wide environment of improved asset quality and strong regulatory compliance.



13,476
new accounts were opened





Corporate Banking

Driving Asset Creation Through Disciplined Growth and Strategic Sector Financing

Mr. Arnaud Rugema

Director of Corporate Banking



Corporate Banking remained a core pillar of CRDB Bank Burundi S.A.’s business model in 2025, serving as a key engine of asset creation, balance sheet expansion and sustainable earnings.

Through the origination of quality income-generating assets, the department continued to support the Bank’s financial strength while contributing to broader economic activity, enterprise development and long-term value creation.

The department’s operating model is anchored in relationship-led banking, disciplined credit structuring and close stakeholder engagement. This approach enables lending decisions to be informed by a strong understanding of customer operations, sector dynamics and underlying risk drivers, while also incorporating environmental, social and governance considerations into portfolio development. In this way, Corporate Banking supports growth that is not only commercially attractive, but also responsible and resilient.

Performance Review

During the year under review, Corporate Banking recorded 71% year-on-year growth in its loan book, reflecting strong origination capacity and effective execution of the Bank’s growth strategy. This growth was achieved while maintaining non-performing loans at 1% of the total loan portfolio, underscoring the quality of underwriting, the strength of ongoing client engagement and the discipline of portfolio oversight.

This performance demonstrates that growth was both rapid and well controlled. It reflects a business model that combines commercial ambition with sound credit governance, effective risk controls and active management across the full credit life cycle.

Asset Creation as a Strategic Role

Corporate Banking plays a central role in the Bank’s asset creation agenda. By financing corporates, institutions, strategic value chains and selected SMEs linked to productive sectors, the Directorate contributes directly to the expansion of the Bank’s balance sheet and the generation of sustainable earning assets.

Its contribution goes beyond loan growth in volume terms. The strategic importance of Corporate Banking lies in the quality, structure and developmental relevance of the assets it originates. The Directorate focuses on facilities linked to established business activity, cash-generating sectors and bankable transaction flows, thereby strengthening both asset quality and long-term resilience. In doing so, Corporate Banking reinforces the Bank’s position as a financing partner in economic transformation.

Stakeholder Engagement and Relationship Management
A defining feature of the department’s performance is its emphasis on stakeholder engagement and customer relationship management. Corporate Banking’s portfolio is supported by extensive engagement with corporate and SME clients, government institutions, regulators, development partners and correspondent banks. These relationships are managed through regular client interactions, sector reviews, project consultations and partnership-based business development.

This proactive CRM approach enables early identification of business opportunities, strengthens origination quality and supports timely intervention where risks begin to emerge. By maintaining strong relationships throughout the life of each facility, the department strengthens repayment visibility, improves responsiveness and preserves asset quality.

ESG Integration in Corporate Lending

Corporate Banking continues to integrate environmental, social and governance considerations into its lending and portfolio management processes, recognising that sustainable asset quality is closely linked to sustainable business practices.

Environmental factors are considered in financing decisions, particularly in sectors such as mining, agriculture, infrastructure and manufacturing, with attention to responsible land use, resource efficiency and climate resilience. On the social dimension, the department contributes to job creation, SME development and broader financial inclusion through targeted sector financing and value chain-based models. Strong governance standards underpin all lending activity, with clear approval structures, transparency and adherence to regulatory and ethical requirements.

Taken together, these ESG considerations strengthen the Directorate's ability to create assets that are financially sound, developmentally relevant and better able to withstand structural shifts in the operating environment.

Developmental Impact and Sector Alignment

Corporate Banking channels capital into sectors that are strategically important to the country's long-term economic development. Through this approach, the Directorate supports activities that contribute to employment, infrastructure development, export earnings and domestic value addition, while also safeguarding shareholder value through disciplined origination.

This alignment between commercial financing and developmental relevance is a distinguishing feature of the Directorate's role. By supporting sectors that generate real economic activity and multiplier effects, Corporate Banking helps ensure that balance sheet growth is anchored in productive use of capital.

Value Chain Financing and SME Inclusion

A further priority within Corporate Banking is the scaling of value chain financing as a practical solution to long-standing access-to-finance constraints in the SME segment. Under this model, SME lending is anchored to established corporates, institutional buyers and public-sector off-takers, allowing credit assessment to be based on transaction flows, supply relationships and contractual structures rather than on standalone borrower strength alone.

This approach reduces credit risk, improves cash flow predictability, broadens the base of bankable assets and supports more inclusive growth by bringing smaller enterprises into structured commercial ecosystems. It therefore represents an asset-quality strategy, a growth strategy and an inclusion strategy at the same time.

How Corporate Banking Creates Value

Corporate Banking's performance is supported by strong capital and liquidity, skilled relationship managers and credit specialists, established stakeholder networks, and robust governance and risk-management frameworks. Through relationship-driven origination, ESG-integrated credit appraisal, portfolio management, value chain financing and continuous

stakeholder engagement, the Directorate generates growth in quality earning assets, low levels of non-performing loans, greater access to finance for corporates and SMEs, and increased financing of strategic sectors.

Over time, these outputs translate into sustainable balance sheet growth, stable earnings, strong asset quality and broader developmental outcomes, including job creation, infrastructure development, enterprise growth and domestic value addition.

Strategic Outlook for 2026

Corporate Banking enters 2026 from a position of strength. The strategy for the year ahead is focused on selective and sustainable asset growth in the country's strategic sectors, particularly mining, agriculture, infrastructure and manufacturing. These sectors are expected to provide long-term, cash-generative opportunities with measurable economic and social impact.

Growth will be supported by structured and cash flow-based lending solutions, enhanced stakeholder collaboration, ESG-informed credit decision-making, and continued strengthening of CRM and portfolio-monitoring capabilities. The Directorate's outlook is therefore not centred on growth for growth's sake, but on disciplined expansion into sectors where the Bank can combine relationship strength, portfolio quality and developmental relevance. This approach should enable Corporate Banking to continue creating high-quality assets while supporting a more inclusive and productive economy.





Credit

Disciplined Growth, Stronger Asset Quality and Responsible Credit Expansion

Deuseddit Mchomba

Director of Credit



The Credit Department remained central to CRDB Bank Burundi S.A.'s performance in 2025, supporting the Bank's growth agenda through prudent underwriting, active portfolio oversight and a deliberate focus on asset quality.

In a year marked by strong balance sheet expansion, the Department continued to balance commercial ambition with sound risk discipline, ensuring that credit growth remained aligned with the Bank's risk appetite, regulatory expectations and long-term value creation objectives.

This performance was delivered in a demanding operating environment. Macroeconomic pressure, foreign exchange shortages, fuel availability constraints, elevated interest rates and stress in certain customer segments continued to shape borrower performance and the broader credit landscape. Against this backdrop, the Credit Department maintained a cautious and forward-looking approach, supporting growth while strengthening portfolio monitoring, recovery efforts and impairment discipline.

Credit Performance in 2025

The Bank's credit performance during the year reflected resilience, discipline and a clear commitment to sustainable asset growth. The Bank continued to support economic activity through lending, with net loans and advances increasing to BIF 1,479.8 billion from BIF 912.0 billion in 2024, representing year-on-year growth of 62.3%. Gross loans and advances also increased strongly to BIF 1,497.0 billion from BIF 921.7 billion in the prior year.

Despite this rapid expansion, asset quality improved materially. The non-performing loan ratio declined to 2.24% at the end of 2025 from 1.2% in 2024, remaining below the industry average of 3.6%. This outcome aligns closely with the Department's internal assessment that the year closed with NPLs contained at around 2%, reflecting tighter credit governance, stronger recovery efforts and more disciplined growth in risk assets. The year's performance demonstrates that credit expansion was not pursued at the expense of quality. On the contrary,

it shows that growth and prudence were managed together, even as sectoral and macroeconomic pressures required more cautious underwriting and greater impairment sensitivity in parts of the portfolio.

Supporting Economic Growth Through Credit

A defining feature of the Department's work in 2025 was its continued focus on supporting the real economy, including customer segments that are often more difficult to reach through conventional banking models. The Credit function remained closely aligned to the Bank's broader development role by extending financing to productive sectors and supporting the backbone of the Burundian economy, including agriculture and farmers.

This orientation is consistent with the Bank's wider growth model, which seeks not only to expand the balance sheet but also to deploy capital into economically relevant segments that generate productive activity, employment and domestic value creation. In this respect, the Credit Department's contribution extends beyond approval and monitoring; it is a strategic enabler of both business growth and developmental impact.

Risk Management and Portfolio Discipline

The quality of the year's credit performance reflects a disciplined risk-management framework. Credit risk remains one of the Bank's most important risk categories, arising not only from direct lending but also from debt securities and off-balance-sheet instruments such as commitments, letters of credit and guarantees. Management and control of credit risk are centralised and reported regularly to the Board and management, ensuring a strong governance chain across the credit life cycle.

The Bank continues to apply the IFRS 9 expected credit loss framework using forward-looking information, multiple forecast scenarios and staging criteria to identify significant increases in credit risk. This strengthens the Bank's ability to recognise emerging risk early and align pricing, provisioning and underwriting decisions with prevailing market realities. During 2025, this discipline was complemented by more



cautious underwriting, particularly in response to stress in selected customer segments and the need for higher impairment provisions. This conservative posture was appropriate in the context of the operating environment and contributed to the improved quality of the loan book.

Recovery, Monitoring and Early Intervention

The improved asset-quality outcome in 2025 was also supported by stronger recovery performance and closer portfolio monitoring. The Credit Department continued to reinforce post-disbursement oversight, customer engagement and remedial management processes, helping to contain credit deterioration even as the portfolio expanded significantly. This reflects an important shift in modern credit management: value is created not only at origination, but throughout the life of the asset. Strong monitoring, timely restructuring where appropriate, early warning systems and active recovery management are all essential to preserving portfolio quality and safeguarding shareholder value.

Operating Environment and Credit Conditions

Although the Bank delivered a strong credit outcome, the year's operating context remained challenging. The regional environment was characterised by macroeconomic strain, foreign currency shortages, fuel availability constraints, elevated interest rates and stress in some customer segments. These factors affected borrower cash flows, input costs, repayment capacity and the general predictability of business performance.

In such an environment, credit growth required heightened selectivity. The Department therefore maintained a deliberate focus on well-priced lending, sector screening, tighter credit standards and more careful structuring of facilities. This ensured that growth remained aligned with both customer viability and the Bank's long-term risk-return objectives.

ESG Integration in Credit Assessment

Looking ahead, the Department has identified stronger integration of environmental, social and governance considerations into the credit assessment process as a strategic priority. This reflects a broader recognition that long-term asset quality is increasingly linked to sustainability factors, business conduct and resilience to external shocks. In practical terms, this means that future credit decisions will continue to be informed not only by financial metrics and collateral strength, but also by broader borrower characteristics, sector sustainability, operating practices and long-term risk exposure. This direction is consistent with the Bank's broader sustainability orientation and the need to build a portfolio that is resilient, responsible and aligned to emerging expectations in banking.

Sector Diversification and Digital Credit Growth

Another strategic priority for the period ahead is the further development of sector-based credit strategies to improve diversification. A more diversified book strengthens resilience by reducing concentration risk and broadening the Bank's participation across productive parts of the economy. It also enables the Credit Department to respond more effectively to sector-specific opportunities and risk patterns. At the same time, the Bank intends to amplify the use of digital credit products and deepen customer engagement. Digital-enabled credit processes offer the potential to improve speed, accessibility, risk analytics and customer convenience. When combined with disciplined underwriting and customer insight, digital credit can support both scale and portfolio quality.

Strategic Outlook

The Credit Department enters 2026 with a clear strategic focus: to support foresightful, well-priced and sustainable credit growth that advances economic development while protecting shareholder value. This is expected to be pursued through four main priorities: strengthening sector-based credit strategies, embedding ESG considerations more deeply into credit appraisal and monitoring, expanding digital credit solutions, and deepening customer engagement to improve responsiveness to emerging risks.

This approach reflects an understanding that strong credit performance is not simply a function of volume growth. It depends on portfolio quality, pricing discipline, customer knowledge, sector insight and the ability to adapt to changing economic conditions. In this regard, the Department's 2025 performance provides a strong foundation for the year ahead.

62.3%
2025

Net loans and advances increased to **BIF 1,479.8 billion** from **BIF 912.0 billion** in 2024





Treasury and Capital Markets

Preserving balance sheet strength through prudent funding, liquidity discipline and market-risk oversight

Ernest Ngendakumana

Director of Treasury and Capital Markets



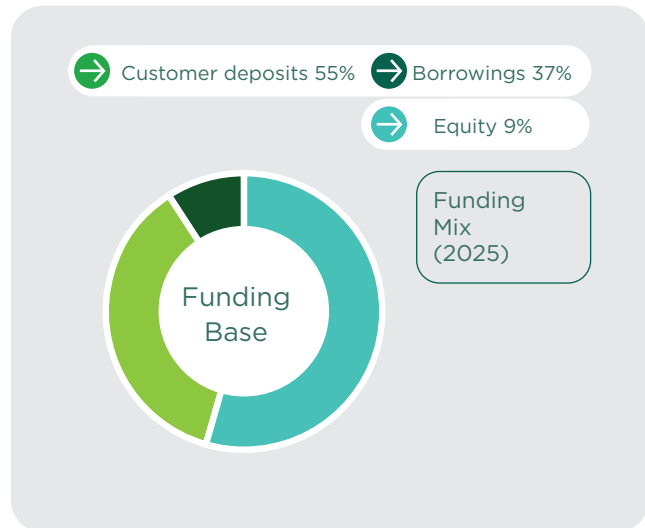
Treasury and Capital Markets remained central to CRDB Bank Burundi S.A.'s financial resilience in 2025.

The function supported balance sheet management, liquidity oversight, funding strategy and market-risk management in a year characterised by strong business growth and heightened operating complexity. Total assets rose to BIF 2 743.1 billion, customer deposits increased to BIF 1 289.0 billion and net loans and advances reached BIF 1 479.8 billion. In this context, Treasury's role in safeguarding liquidity, maintaining capital adequacy and structuring funding remained strategically important.

Funding Structure and Balance Sheet Management

The Bank maintained a diversified funding base during the year. Customer deposits remained the primary source of funding and accounted for 55% of total funding, while borrowings represented 37% and equity 9%

Current and savings deposits represented 92% of total customer deposits in 2025, up from 90% in 2024, supporting a stable and relatively low-cost funding profile. This funding structure was important in supporting the year's asset growth while preserving maturity alignment. Treasury remained responsible for matching shorter- and longer-term funding sources with the maturity profile of financial assets, including through time deposits and longer-term borrowing where appropriate.



Funding mix in 2025 based on the audited governance report.

Liquidity Management and Resilience

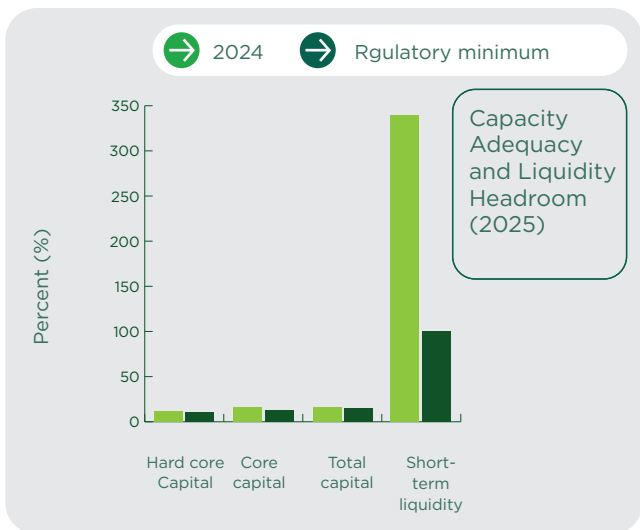
Liquidity remained particularly strong in 2025. The Bank closed the year with a regulatory short-term liquidity ratio of 339%, well above the minimum requirement of 100% and slightly above the 336% recorded in 2024. The Bank maintained a portfolio of highly marketable and diversified assets that could be liquidated in the event of interruption in cash flows, while also retaining access to funding lines from local and foreign banks, including support lines from the parent bank.

The liquidity management framework places strong emphasis on daily cash-flow management, monitoring of liquidity ratios against internal and regulatory requirements, and contingency funding planning. ALCO tracks compliance regularly and ensures that exposure limits remain aligned with realistic assumptions and current operating conditions.

339%

short-term liquidity ratio

Well above the minimum requirement of 100%



Capital adequacy and liquidity headroom versus regulatory minimums.

Market Risk Management

Market risks are concentrated in Treasury and monitored separately by the Risk and Compliance Department. Regular reports are submitted to Management and the Board. The Bank’s market-risk measurement framework as incorporates interest-rate gap analysis, Earnings at Risk (EaR) and stress testing to manage exposures within acceptable limits while optimising returns.

Treasury therefore plays a dual role: it seeks to optimise returns from balance sheet positioning and liquid asset deployment, while operating within conservative risk parameters designed to protect solvency, preserve earnings quality and support confidence among depositors and other stakeholders.

Capital Adequacy

The Bank remained well capitalised at year-end. Hard core capital stood at 11.9%, above the regulatory minimum of 11.0%. Core capital closed at 16.0% against the minimum of 12.5%, while total capital stood at 16.5%, above the 14.5% minimum. Although both core and total capital ratios were lower than the prior year’s 17.6% and 18.0% respectively, they remained comfortably above regulatory requirements, providing appropriate headroom to support prudent growth.

These capital levels, together with the strong liquidity position, indicate that Treasury and Capital Markets continued to provide a sound financial foundation for the Bank’s business expansion in 2025.

Outlook

Looking ahead, Treasury and Capital Markets will continue to focus on disciplined funding diversification, prudent liquidity management and the preservation of adequate capital buffers. In an operating environment still influenced by inflation, exchange-rate pressure and evolving market conditions, Treasury’s ability to align profitability with risk discipline will remain central to sustainable performance. The strength of the 2025 closing ratios positions the Bank well to support future growth while maintaining resilience.

55% of Total Funding ↑ Customer deposits remained the primary source of funding





Operations Report

Strengthening execution, control and scalable service delivery

Icare Gafurero

Director of Banking Operations and Digital Banking



Operations remained a key enabler of CRDB Bank Burundi S.A.’s performance in 2025, supporting rapid business growth through disciplined execution, dependable controls and continued improvement in service delivery.

In a year in which total assets increased by 52.1% to BIF 2 743.1 billion, customer deposits rose by 53.0% to BIF 1 289.0 billion and net loans and advances reached BIF 1 479.8 billion, the Bank’s operating platform had to absorb materially higher volumes while preserving reliability and customer confidence.

Operating model and service architecture

The Bank’s integrated operating model is designed to respond to the widespread needs of individuals, SMEs, corporates, government entities and microfinance institutions through Retail, Corporate and Treasury businesses. Operational delivery is supported by 25 banking outlets, 13 ATMs and a Turi Hose agent network that expanded to 3,005 in 2025 from 2,000 in 2024. This network, combined with SimBanking, internet banking and SWIFT-enabled payment capability, allowed the Bank to provide transfer, deposit, lending, trade finance and bancassurance services across a broad physical and digital footprint.

Execution discipline and process responsiveness

The Bank’s operating model is intended to remain agile, flexible and responsive to changes in the market. During the 2025 FY, management continued to align the service platform to rising customer expectations for convenience, speed and accessibility, while also supporting the growth agenda of the 2023-2027 strategy. This was evident in the Bank’s channel performance, with agency banking transactions increasing by 53% to 963,751, internet banking transactions rising by 120% to 128,101, and ATM transactions increasing by 12% to 277 027. The scale-up in transaction activity points to a service architecture that continued to function effectively despite higher operational demands.

Control environment and resilience

Operational effectiveness remained anchored in a strong internal control environment. The internal control framework is designed to provide reasonable assurance over operational effectiveness, business continuity, safeguarding of assets, reliability of accounting records, legal and regulatory compliance and responsible conduct toward stakeholders. During the year under review, these systems were assessed and found to be at an acceptable level. This is particularly significant in a period of rapid balance-sheet growth, because it signals that scale was accompanied by appropriate control discipline.

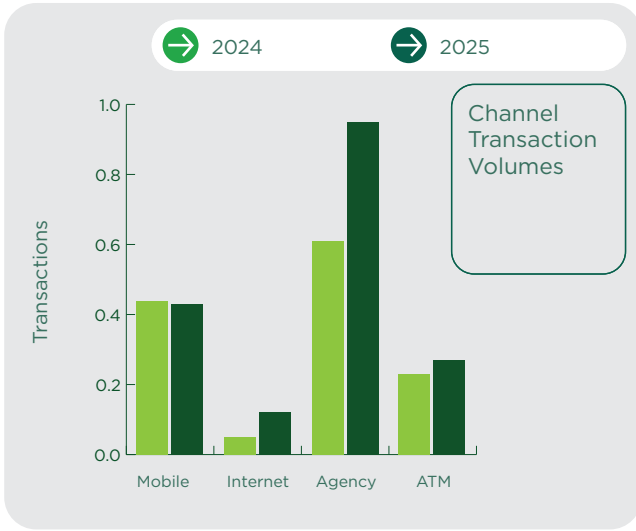
Transformation agenda

Looking ahead, operations is expected to benefit further from the Bank’s stated intention to strengthen ICT infrastructure, simplify and automate the operations value chain, accelerate process re-engineering and implement critical technology projects that support the transition toward the bank of the future. In practical terms, this means that the Operations function will continue evolving from a transactional support role into a strategic value-enabling platform, focused on efficiency, resilience, service quality and the disciplined execution of growth.

2025 highlight	Why it matters
Network footprint	7 branches and 13 ATMs, complemented by 3,005 Turi Hose agents.
Payments and channels	Alternative channels continued to scale, supporting wider access and lower-cost delivery.
Control assurance	Board assessment concluded that internal control systems were appropriate and operating at an acceptable level.

Agency banking transactions increased by

53.0% ↑ **to 963,751**



Alternative channel transaction volumes in 2025 compared with 2024.





Customer Experience and Marketing

Building relevance, loyalty and brand trust at every touchpoint

Keviné Kanyambo

Senior Manager Customer Experience and Marketing



Customer experience and marketing remained central to the Bank’s strategic intent in 2025. The Bank continued to position the customer at the centre of its business model, using feedback, targeted engagement and product education to improve service relevance, brand trust and market reach.

This customer-first orientation is explicitly reflected in the Bank’s strategic framework, which prioritizes distinctive customer experience, improved market share, higher transaction income and digital transformation.

Experience outcomes

At Bank level, the stakeholder scorecard recorded a Net Promoter Score of 82% in 2025, up from 77% in 2024, while the Customer Satisfaction Score remained strong at 90%. These results suggest that service quality remained resilient despite significant growth in the balance sheet and transaction base. The Unit’s internal focus on customer pain points also contributed positively during the year, with escalated issues being fast-tracked and tracked closely, resulting in a 93% closure rate and stronger confidence in issue resolution.

Marketing, relationship building and brand visibility During the year, customer experience was reinforced through a combination of targeted campaigns and community-facing brand engagements. A classic example is the Malkia Promotion, which encouraged women-based cooperatives to formalise their banking relationships for savings mobilisation and business growth. The Bank also organized a dedicated market fair for women entrepreneurs, strengthening its role in financial inclusion and economic empowerment. Relationship-building initiatives, including structured customer visits and Iftar dinners, deepened emotional connection with customers and supported loyalty through more personal engagement.

Digital growth and product activation

Marketing support to digital adoption remained strong. Campaigns were run to recruit new users and reward active customers, while corporate clients received live demonstrations of internet banking to support smoother onboarding and usage. This commercial effort coincided with strong channel results in the audited report: internet banking transactions rose by 120%, agency banking transactions increased by 53%, and registered internet banking customers increased by 52% to 25,711. The official launch of the SimBanking App, bancassurance and new branches during the second quarter also strengthened product visibility and reinforced the Bank’s innovation narrative.

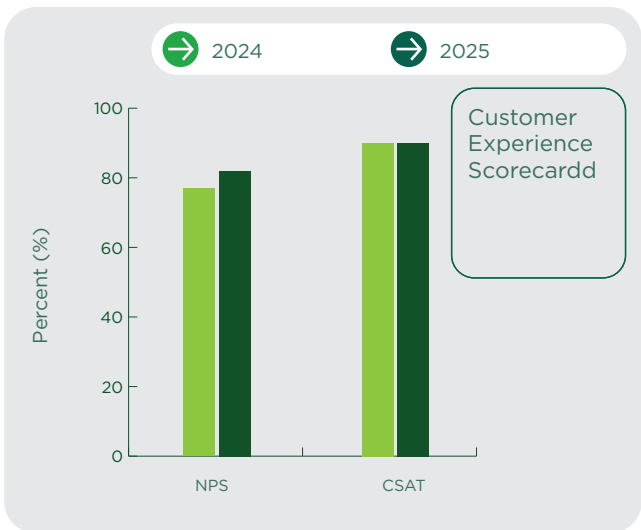
Community impact and outlook

The annual CRDB Bank Burundi Marathon provided an additional platform for community engagement and social value creation. Event partnerships supported the provision of insurance cards to vulnerable populations, underscoring the Bank’s commitment to inclusion and corporate citizenship. Looking to 2026, the customer experience and marketing agenda is expected to remain focused on personalized service, stronger digital engagement, targeted segment campaigns, improved complaint resolution and a visible brand presence across both physical and digital touchpoints.

2025 highlight	Why it matters
Experience scorecard	NPS improved to 82% while customer satisfaction remained at 90%.
Community activation	Malkia promotion, Iftar events and the Marathon strengthened brand relevance and customer intimacy.
Digital enablement	Campaigns and demonstrations supported broader adoption of digital channels and products.

Stakeholder scorecard recorded a Net score of

82.0% up from 77% in 2024



Bank-wide customer experience indicators disclosed in the stakeholder scorecard.





Human Capital Report

Enabling growth through people, capability and an inclusive culture

Ines Mucowintore

Director of Human Resources



At CRDB Bank Burundi SA, employees are the cornerstone of the Bank’s long-term success and performance. The people agenda during the 2025 FY remained centred on learning and development, employee well-being, employee engagement and diversity and inclusion.

This focus is strategically important because the Bank’s growth ambitions under the 2023–2027 strategy depend on a workforce capable of delivering stronger service, faster execution and higher resilience in a changing operating environment.

Workforce profile and inclusion

As at 31 December 2025, the Bank employed 251 staff, comprising 137 men and 114 women, equivalent to a gender mix of 55% male and 45% female. The workforce remained relatively young, with 232 employees, or 92.4% of total staff, below the age of 45. The Bank continued to position itself as an equal-gender employer and to implement its diversity, inclusion, equity and belonging policy. Special attention was also given to the women’s agenda through the continued She initiatives programme, which provides training, coaching and mentoring aimed at enabling more women to rise to leadership positions.

Engagement, retention and staff experience

The stakeholder scorecard recorded a staff engagement index of 96% in 2025, compared with 88% in 2024. Retention of high-performing employees remained at 100%, while permanent employee turnover improved to 3.0% from 3.7% in the prior year. These indicators point to a more engaged workforce and suggest that management’s efforts to keep employees listened to, recognized and supported are translating into stronger organisational stability.

Learning, development and well-being

Learning remained a priority despite tight schedules. The Bank continued to use its digital learning platform to enable self-learning across the network, including mobile access. Employee development investment increased to BIF 1.146 billion in 2025, from BIF 890 million in 2024, according to the stakeholder scorecard. Beyond training, the Bank maintained a broad employee wellness agenda that includes medical insurance, regular health awareness, counselling support, mental health assistance and wellbeing services for staff and eligible dependants. This reflects a people strategy that links employee health, engagement and development to customer experience and performance.

Outlook

Going forward, the Human Capital agenda is expected to remain focused on capability building, succession readiness, service culture and productivity. As the Bank continues to invest in digital transformation, new products and operational efficiency, the quality of its people platform will remain one of the decisive factors in executing strategy successfully and sustaining growth over the medium term.

2025 highlight	Why it matters
Workforce base	251 employees, with 55% male and 45% female representation.
Engagement and retention	Engagement rose to 96%; high-performer retention remained at 100%.
Capability investment	Training spend increased to BIF 1.146 billion in 2025.

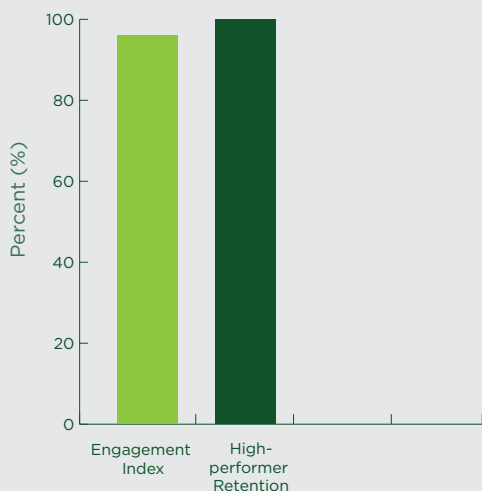
92.4%

As at December 2025

The workforce remained relatively young

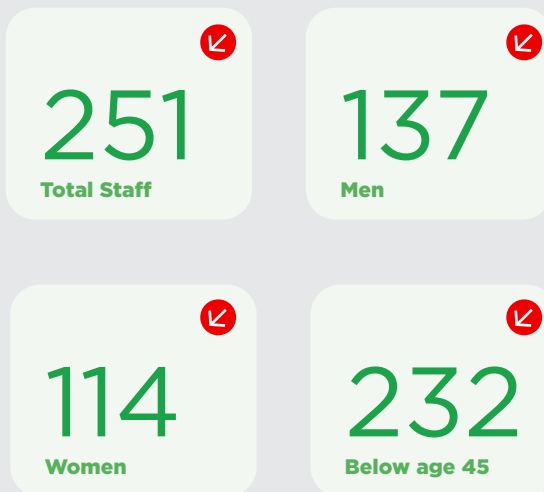


→ **Human Capital Highlights (2025)**



→ **Workforce Profile Inclusion**

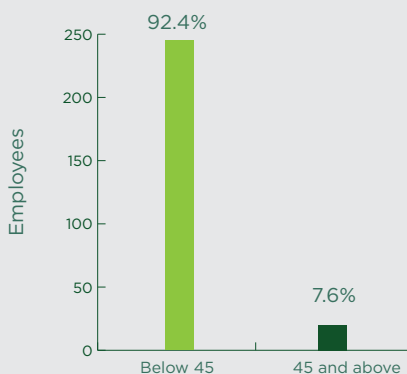
CRDB Bank Burundi S.A | As at 31 December 2025



→ **Gender Mix**

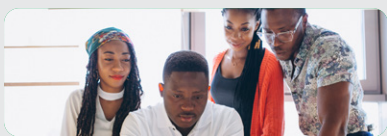


→ **Age Profile**



Equal-gender employer

The Bank continued to position itself as an equal-gender employer and to implement its diversity, inclusion, equity and belonging policy.



Young workforce

The workforce remained relatively young, with 232 employees representing 92.4% of total staff below the age of 45.



Women's leadership pipeline

The She initiatives programme continued to provide training, coaching and mentoring aimed at enabling more women to rise to leadership positions.



Internal Audit Report

Elevating assurance and supporting better decision-making

Ms. Bella Niyuhire

Director of Internal Audit



Internal Audit continued to serve as an independent and objective assurance function in 2025, with a risk-based approach designed to focus audit resources on areas of higher exposure, material impact and concern to Management and the Board.

The function's primary objectives were to assess the adequacy and effectiveness of the internal control environment, evaluate key operational, financial and risk controls, provide assurance on governance and risk mitigation processes, and identify opportunities to improve efficiency, compliance and control maturity.

Governance oversight

The Board Audit Committee provides direct oversight of the internal audit function. The Committee is responsible for ensuring that internal audit has adequate resources and support, reviewing the scope of the internal and external audit plans, considering significant findings and management responses, and assessing the performance and effectiveness of internal audit annually. The Committee met five times during 2025. Among the matters discussed were quarterly internal audit reports covering departments and selected branches, with emphasis placed on ensuring that strong internal controls remained in place and were reviewed regularly.

Assurance delivered in 2025

During the year under review, the function delivered tangible value through improved organisational resilience, higher compliance levels, better responsiveness to customer service requirements, improved revenue collection, reduced leakage, more disciplined cost management, timely investigation of incidents and strengthened process controls. Based on the work performed, the internal control environment was assessed as generally adequate and improving. This is consistent with the Board's broader commitment to prudent risk management and focus on internal control systems appropriate to the Bank's activities.

Capability and continuous improvement

During the year, considerable focus was also placed on the importance of professional development within the audit function, with staff participating in training physically and through the Bank's e-learning platform. This is important in a risk landscape defined by digital change, rising regulatory expectations and growing complexity across banking processes. As the Bank continues to automate, expand and deepen digital channels, audit capability must evolve in parallel.

Outlook

Looking ahead, Internal Audit intends to continue supporting CRDB Bank Burundi S.A. through independent assurance, insight and value-adding recommendations. The future direction emphasises foresight audit and an integrated assurance ecosystem capable of delivering coordinated, high-value insight across assurance activities. For the Bank, this means Internal Audit will remain central not only to control verification, but also to governance quality, stakeholder confidence and sustainable growth.

2025 highlight	Why it matters
Audit Committee oversight	The Board Audit Committee met five times and reviewed quarterly internal audit reports.
Control assessment	Internal controls were assessed as generally adequate and improving.
Forward agenda	Greater focus on integrated assurance, control maturity and risk-based coverage.





ICT & Digital Transformation

Building scalable platforms, digital reach and cyber resilience

Mr. Gadi Pori

Director of ICT



ICT and digital transformation remained central to CRDB Bank Burundi S.A.'s strategic agenda in 2025.

The Bank continues to transform its digital presence by providing simpler, seamless interactions through digital platforms while sustaining extensive customer reach through its branch network and alternative channels, including SimBanking, internet banking and agency banking (Turi Hose).

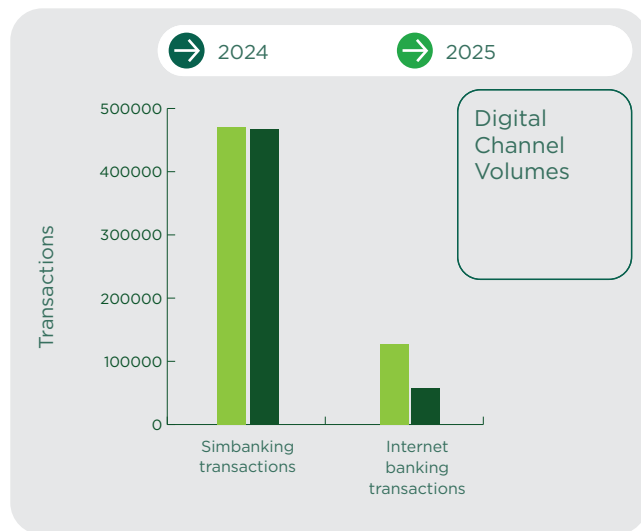
In today's fast-paced world, where banking operations are increasingly based on financial technology and innovation, technology plays a pivotal role in shaping customer expectations and the manner in which banking needs are met. In this context, ICT is not merely a support function; it is a strategic enabler of growth, efficiency, customer experience and resilience.

Digital Reach and Customer Adoption

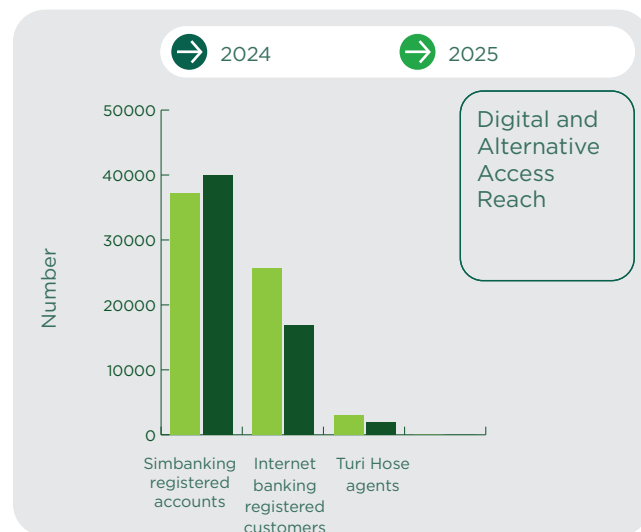
Digital and alternate channels continued to deepen customer access during the year. A total of 37,163 registered SimBanking accounts were reported in 2025 compared with 40,022 in 2024. Although registrations declined by 7%, the channel remained material in the Bank's service architecture, with transaction volumes increasing slightly to 471,424 from 466,927.



Internet banking posted stronger growth. Registered internet banking customers increased to 25,711 from 16,901, representing growth of 52%, while internet banking transaction volumes increased to 128,101 from 58,311, an increase of 120%. The report also notes that the Turi Hose agent network expanded to 3,005 agents from 2,000 in the prior year, reinforcing the wider digital and alternate access ecosystem.



Simbanking and internet banking transaction volumes.



Registered users and alternate-access reach.

Technology Enablement and Service Innovation

The Bank's technology agenda in 2025 was linked to broader service innovation and customer relevance. The official launch of the SimBanking App during the year formed part of the Bank's wider digital journey, alongside continued investment in internet banking and agency-enabled distribution. These efforts support the report's stated objective of building the bank of the future through digital transformation, process simplification and stronger service responsiveness.

The Bank will continue investing in ICT projects aimed at creating scalable infrastructure for future growth. This includes prioritising critical ICT projects, enhancing the operations value chain through simplification and automation, and accelerating process re-engineering as part of its broader transformation agenda.

Cyber Security, Data Protection and IT Governance

CRDB Bank Burundi identifies cybersecurity as a major operational risk in a digitising banking model. As more banking services migrate online, the risk profile changes, exposing the Bank to threats such as unauthorised access, data leakage, confidentiality breaches and cyberattacks. In response, the Bank has established a cyber security framework intended to safeguard its network from breach attempts and to protect the financial security of clients.

IT governance forms part of the wider corporate governance framework, and the Bank adopts group IT governance policies given the coherence of systems and infrastructure across the CRDB Bank Group. Customer data protection is, therefore, managed not only through technical controls, but also through governance, business continuity arrangements and enterprise risk oversight. This integrated approach remains essential to preserving trust and supporting safe digital growth.

Strategic Relevance

The significance of ICT extends beyond channel numbers. Technology is presented as a determinant of customer expectations, a driver of financial inclusion and a core enabler of the Bank's operating model. The Bank's continued emphasis on simpler customer journeys, stronger digital reach and scalable infrastructure indicates that digital transformation is increasingly embedded in strategy, rather than treated as a standalone systems programme.

This direction also aligns with the Group's wider plans around financial inclusion, customer experience and operational resilience. The growth in internet banking usage, the expansion of the agency network and the launch of new digital tools all point to a business model that is becoming more connected, more accessible and more responsive to customer behaviour.

Outlook

Looking ahead, ICT and digital transformation will continue to focus on scalable infrastructure, automation, improved service delivery and stronger cyber resilience. The Bank has signalled that it will deepen its ICT investments, continue transforming customer interactions and support future growth through critical technology projects. As customer expectations continue to evolve and the competitive environment becomes more digitally oriented, ICT will remain a decisive contributor to service relevance, efficiency and long-term franchise strength.



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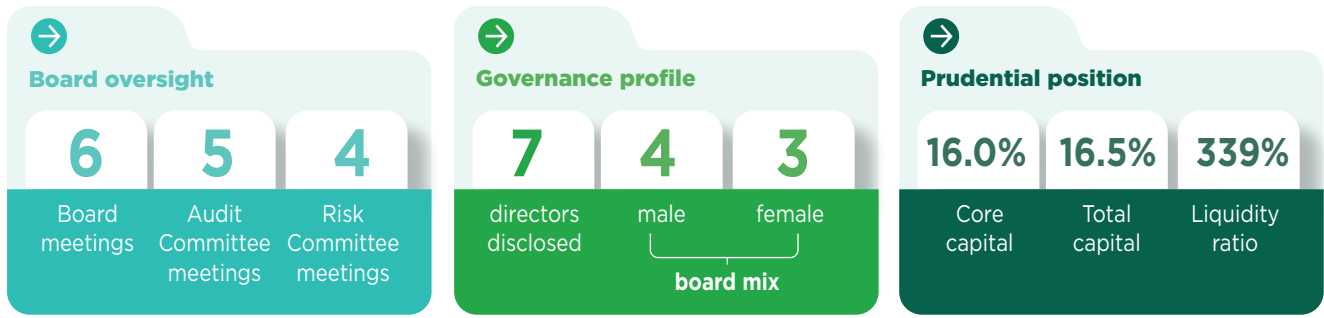
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04

Governance & Risk Management



Our Governance



Board and committee meetings held; Figure 2. Regulatory ratios versus minimum requirements.

Governance Framework

CRDB Bank Burundi S.A.’s governance architecture in 2025 was anchored in the principles set out in the Report by Those Charged with Governance and the audited financial statements. The report presents corporate governance not as a compliance formality, but as an operating discipline that links leadership, strategy, control, transparency and accountability. In this context, governance is designed to protect shareholder value, support prudent growth, preserve stakeholder confidence and ensure that the Bank remains resilient in a dynamic operating environment. The Board retained ultimate accountability for the Bank’s strategic direction, oversight of management, approval of key frameworks and policies, review of financial performance and oversight of risk management. Management, led by the Managing Director, remained responsible for day-to-day execution within the strategic and risk parameters approved by the Board.

The governance framework is supported by a Board Charter, approved committee charters, policies on conflicts of interest and related-party transactions, a code of conduct for directors and employees, and a risk management framework that forms an integral part of the Bank’s governance structure. The Board met six times during the year in line with its annual workplan and used these meetings to review quarterly performance, deliberate on committee reports, approve the 2026 budget and strategy, and challenge management on execution priorities. The report also confirms a clear separation of roles between the Chairman and the Managing Director. The Chairman leads the Board and oversees governance effectiveness, while the Managing Director leads management and is responsible for implementing Board-approved strategies and policies. This separation supports balance of power, constructive challenge and disciplined accountability.

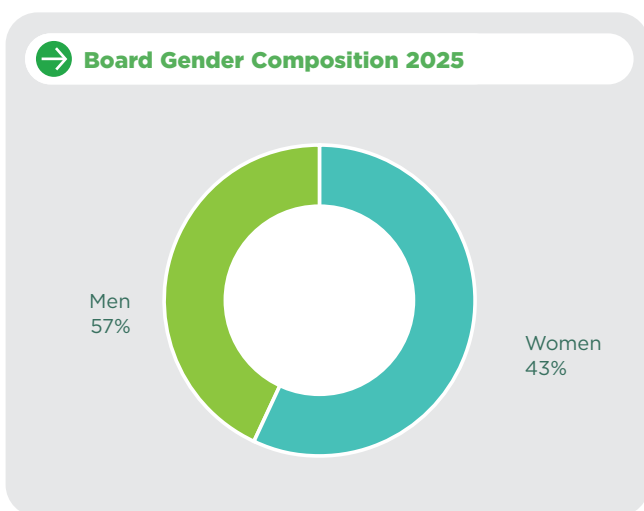
Governance effectiveness is further strengthened through regular engagement between the Board and senior management, annual evaluation of the Board and its committees, and structured development of directors. During the 2025 FY, the Board, its committees and individual directors were externally evaluated through questionnaires and interviews, with the results discussed and training needs identified for implementation in 2026. Directors also received exposure during the year to modern corporate governance in banking, environmental, social and governance matters, and artificial intelligence governance and ethics through a study tour in Bangkok, Thailand. This emphasis on continuing education reflects a governance model that is intended to remain current, informed and fit for the Bank’s strategic trajectory.



Board Composition, Board Skills and Profiles

Director	Gender	Role	Age	Discipline	Appointed
Mr. Hosea Kashimba	M	Chairman	55	Accountant	2019
Dr. Oda Sindayizeruka	F	Vice Chairperson	63	Economist	2018
Mrs. Kahumbya Bashige	F	Member	50	Banker	2018
Mr. Salvator Minani	M	Member	43	Lawyer	2022
Dr. Elizabeth Mkoba	F	Member	53	IT	2022
Mr. Boma Raballa	M	Member	43	Banker	2023
Mr. Didace Ngendakumana	M	Member	44	Economist	2023

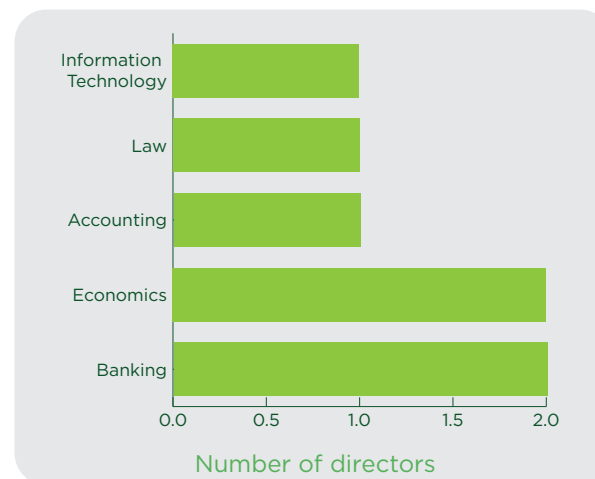
Board composition and profile summary.



Board gender composition in 2025 (4 male, 3 female).

During the year under review, the Board drew strength from a deliberately diverse mix of experience across accounting, banking, economics, law and information technology. The Board's composition combined independent non-executive oversight with executive insight, while the Managing Director also served as Secretary to the Board and was supported by the Assistant Board Secretary. This structure was designed to give the Board independence of judgement, while maintaining direct visibility over management execution and emerging operational issues.

Board Skills Diversity (2025) CRDB Bank Burundi S.A



Board composition disclosed in the report

- ⊕ 7 directors
- ⊕ Gender mix: 4 male | 3 female
- ⊕ Nationality mix: 4 Tanzanian | 3 Burundian
- ⊕ Mix of independent non-executive
- ⊕ non-executive and executive representation

Primary skill disciplines represented:

- ⊕ Banking
- ⊕ Economics
- ⊕ Accounting
- ⊕ Law
- ⊕ Information Technonlogy



The directors who served during the year brought complementary capabilities relevant to a growing universal bank. Mr. Hosea Kashimba served as Chairman and brought accounting expertise. Dr. Oda Sindayizeruka served as Vice Chairperson and contributed economic policy and analytical perspective. Mrs. Kahumbya Bashige added banking and finance expertise, while Mr. Salvator Minani contributed legal and governance insight. Dr. Elizabeth Mkoba provided specialist capability in information technology, an increasingly important discipline in a digitising banking model. Mr. Boma Raballa added senior banking experience, and Mr. Didace Ngendakumana contributed economics and business administration expertise. The Board Secretary function was performed by Mr. Fredrick L. Siwale, assisted by Ms. Neema C. Riwa.

The Board believes it has the right balance of skills, experience and knowledge to challenge management proposals, shape strategy and bring independent judgement to matters of performance and risk. That judgement is supported by clear appointment criteria, merit-based selection, diversity considerations and regulatory approval of directors by the Central Bank of the Republic of Burundi before they assume responsibilities. Directors are appointed by shareholders for an

initial five-year term, renewable once. Induction is mandatory for new directors and includes the Bank’s strategy, structure, policies, business environment and fiduciary duties. The Bank also permits non-executive directors to access independent professional advice when specialist input is required.

From a diversity standpoint, the Bank maintained a meaningful gender balance at Board level, with women representing 43% of directors. This is important in the context of governance quality because diversity is presented not only as an inclusion objective, but also as a contributor to better decision-making, broader challenge and stronger institutional legitimacy. Taken together, the Board’s composition in 2025 reflected financial expertise, regulatory awareness, legal capability, digital insight and market knowledge - an appropriate mix for a bank operating in a competitive, regulated and increasingly technology-led environment.



Board Committees and Attendance

To enable deeper oversight of critical matters, the Board operated through two standing committees during 2025: the Audit Committee and the Risk Committee. While authority was delegated for detailed review, the full Board remained collectively responsible for decisions and outcomes. The committee structure allowed directors to address specialist issues in greater depth than would ordinarily be possible at full Board level and to report findings, recommendations and action points back to the Board on a regular basis. This committee-led model is consistent with sound banking governance and is clearly embedded in the Bank’s charter framework.



Director	Position	Board	Audit	Risk	Attendance status
Mr. Hosea Kashimba	Chairman	6/6	—	—	Full attendance
Mrs. Kahumbya Bashige	Member	6/6	5/5	—	Full attendance
Dr. Oda Sindayizeruka	Member	6/6	—	4/4	Full attendance
Mr. Salvator Minani	Member	6/6	5/5	4/4	Full attendance
Dr. Elizabeth Mkoba	Member	6/6	5/5	4/4	Full attendance
Mr. Boma Raballa	Member	6/6	—	4/4	Full attendance
Mr. Didace Ngendakumana	Member	6/6	5/5	—	Full attendance
Mr. Fredrick Siwale	Secretary	6/6	5/5	4/4	Full attendance

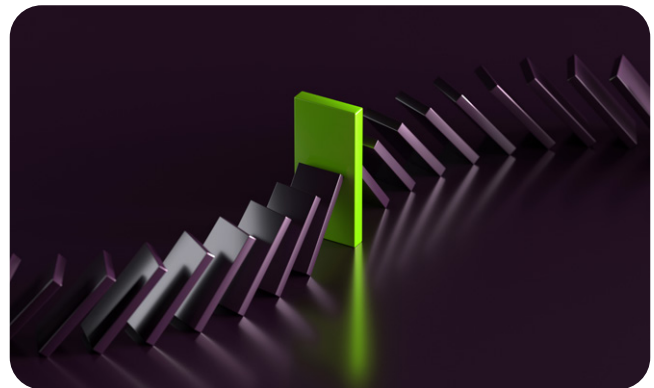
Table 1. Board and committee attendance



The Board held six meetings during the year. The Audit Committee met five times and the Risk Committee met four times. This 100% attendance rate is a strong indicator of governance discipline and active oversight. It also suggests that governance was not passive or ceremonial; rather, it was exercised through regular deliberation, timely review of management information and collective engagement on strategic, financial and risk matters.

The Audit Committee was chaired by Mrs. Kahumbya Bashige and included Dr. Elizabeth Mkoba, Mr. Salvator Minani and Mr. Didace Ngendakumana. The committee members were finance, governance and business professionals, and that all members serving during the year were non-executive and independent directors with no financial interest in the entity or significant relationships with major shareholders, management, suppliers or customers. The committee's principal responsibilities included oversight of the internal audit function, review of internal and external audit plans, consideration of significant audit findings and management responses, review of financial reporting processes, and assessment of the adequacy and effectiveness of internal control systems and disclosures. During the year, the committee reviewed semi-annual financial reports for publication, quarterly internal audit reports, the statutory auditor's report and audited financial statements for the year ended 31 December 2024, and quarterly financial performance.

The Risk Committee was chaired by Mr. Boma Raballa and comprised Dr. Oda Sindayizeruka, Mr. Salvator Minani and Dr. Elizabeth Mkoba. Its role was to oversee and advise on current and emerging risk exposures, the adequacy of the Bank's risk management framework, future risk strategy, capital and liquidity management, and risk awareness culture. The committee reviewed risk assessment results, compliance issues, internal limits and ALCO reports during the year. It also received and considered annual risk assessment outputs, updated risk registers and consolidated risk profiles before escalation to the full Board. This structure provided a clear channel for translating risk appetite into oversight action.



Ethics, Conduct and Compliance

The Bank's ethics and compliance posture in 2025 was grounded in formal policies and active governance practice. The Board had adopted a code of conduct applicable to directors, the Managing Director and employees. In principle, the code addresses conflict of interest and is reviewed and updated regularly. It is shared with directors and employees, who are required to confirm in writing that they have complied with it. The Board members are expected to observe the highest standards of ethical behaviour, integrity and honesty, and that the Bank operates a zero-tolerance approach to bribery and corruption. This provides an important cultural baseline for governance and control across the institution.

Conflict of Interest

Conflict-of-interest management is also formalised. In every Board meeting, declaration of conflicts of interest forms part of the agenda, and a conflict-of-interest register is maintained and reviewed regularly by the Board Secretary. Directors are

required to disclose actual, potential or perceived conflicts, including multiple directorships and business relationships that could interfere with objective judgement. Where a matter before the Board or committee gives rise to a conflict, the affected director may not participate in the discussion or vote on that matter. During the 2025 FY, none of the directors had a material interest, directly or indirectly, in any contract of significance with the Bank. This disclosure is central to confidence in Board independence and decision integrity.

Whistleblowing

The compliance culture is reinforced through whistleblowing arrangements. The Bank's whistleblowing policy is intended to encourage staff and non-employees to report fraudulent, immoral, unethical or malicious conduct involving employees, management, directors, clients, consultants, vendors, contractors or other parties with business relationships with the Bank. This policy is designed to support a positive

compliance culture, protect persons who disclose concerns from retaliation, and provide channels for raising possible violations of law, regulations, policies, standards or procedures. Training is provided through induction and continuing development, and a whistleblowing section on the Bank's website allows customers and other stakeholders to report concerns either anonymously or by revealing their identity.

Taken together, the ethics and compliance framework demonstrates a combination of policy, process, training and tone from the top. That combination matters because good governance in banking depends not only on formal structures, but also on consistent behavioural expectations, transparent escalation channels and visible Board commitment to lawful and responsible conduct.



Strategic Risk Management

Safeguarding Growth Through Discipline, Resilience and Forward-Looking Oversight

Mr. Prosper Nyenimpundu

Director of Risk and Compliance



Risk management remained central to CRDB Bank Burundi S.A.’s ability to deliver strong growth in 2025 while preserving financial soundness, protecting customer interests and maintaining regulatory compliance.

During the year, the Bank operated within a structured and forward-looking risk management and compliance framework designed to identify, assess, monitor and mitigate risks across the business. This framework is anchored in clear governance arrangements, disciplined control processes and a tone at the top that emphasises integrity, accountability and prudent decision-making.

The strength of this approach was particularly important in 2025, a year in which the Bank recorded significant balance sheet expansion. Total assets increased to BIF 2 743.1 billion, customer deposits rose to BIF 1 289.0 billion, and net loans and advances reached BIF 1 479.8 billion. In this context, effective risk management was not only a control requirement, but also a strategic enabler of sustainable growth.

The Board remained satisfied that risk management and internal control systems appropriate to the Bank’s activities were in place and that, during 2025, these systems were assessed and found to be at an acceptable level. This provides an important foundation for confidence in the Bank’s governance, resilience and long-term direction.

Risk Governance and Control Environment

The Bank’s risk governance structure reflects a clear allocation of oversight and management responsibility. At Board level, risk management is overseen through the Board Risk Committee, while management-level oversight is exercised through established governance forums, including the Asset and Liability Committee and the Management Audit and Risk Committee. Together, these structures support ongoing review of key risk exposures, regulatory compliance and the effectiveness of internal controls.

The wider control environment is designed to provide reasonable assurance over operational effectiveness, business continuity, safeguarding of assets, reliability of accounting records, compliance with laws and regulations, and responsible conduct toward stakeholders. This control architecture is supported by policies, procedures and reporting disciplines that apply across the business. It is also underpinned by corporate values, ethics guidelines and sustainability principles, reinforcing a culture in which risk awareness and accountability are embedded in day-to-day operations.

Strategic Risk Management as a Core Discipline

CRDB Bank Burundi SA considers risk management one of its core functions and a key factor for business continuity and the delivery of stable returns to shareholders. The Bank actively takes risk within approved risk appetite and tolerance levels, and unacceptable risks are defined as exposures that exceed Board-approved tolerance or that may impair the Bank’s growth or operations. This is an important point: the institution’s risk stance is not risk avoidance, but risk selection, pricing and control in a way that preserves solvency, earnings quality and stakeholder confidence.

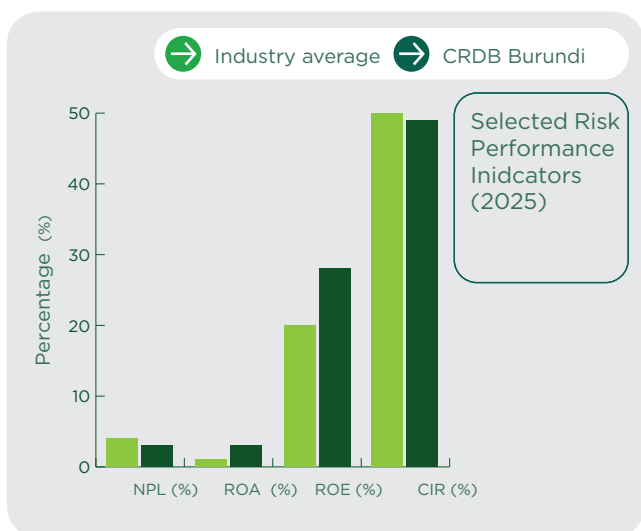
The Bank’s enterprise-wide risk management framework is implemented through a three-lines-of-defence model. Primary responsibility for managing risk resides with the business and functional areas where the risk is taken. The Risk and Compliance function provides independent oversight and monitoring, while internal audit provides assurance over the adequacy and effectiveness of controls. The Management Audit and Risk Committee supports day-to-day governance of control effectiveness, while the Board and its Risk Committee provide ultimate oversight. For every new product, process or system introduced into the Bank, an internal control document is prepared setting out accountabilities, risk identification, control measures, control objectives and monitoring requirements. This ensures that innovation and business development are accompanied by structured control design rather than retrospective control repair.

Strategic risk management also requires management and the Board to remain alert to changes in the operating environment. The report highlights uncertainty in the macroeconomic environment, ongoing regulatory change, cyber threats and climate-related risks. In response, the Bank continued to monitor economic conditions, reinvent processes and systems, update risk registers and present annual risk assessments to the Risk Committee and full Board. The Committee further reviewed ALCO reports every quarter to assess balance sheet management and related risks. The result is a governance approach in which strategy, balance-sheet planning and risk oversight are closely linked rather than managed in silos.

Risk and Internal Control Framework (including credit, market, liquidity, operational, cyber)

Risk category	Primary governance/management response	2025 evidence
Credit	Centralised management and regular reporting to Board and management; IFRS 9 ECL with forward-looking scenarios and staging.	Loans grew 62.3%; NPL ratio closed at 2.2% versus industry 3.6%.
Market	Treasury oversight under Board-approved market risk policy; interest-rate gap, EaR and stress testing used.	Regular reporting to Board and management; risks concentrated in Treasury.
Liquidity	Liquidity policy, ALCO monthly oversight, contingency funding policy, marketable liquid assets and parent support lines.	Short-term liquidity ratio 339% against 100% minimum.
Operational	Control documentation for each new product, process or system; management of business resiliency and control monitoring.	Internal control systems assessed by the Board and found acceptable.
Cyber / IT	Cyber security framework, group IT governance policies, business continuity and crisis preparedness.	Cybersecurity identified as a major operational risk in a digitising banking model.

Principal risk categories and the corresponding governance response in 2025.



Selected risk and performance indicators compared with industry averages in 2025.

The Bank’s internal control environment is designed to provide reasonable assurance over operational effectiveness, business continuity, safeguarding of assets, reliability of accounting records, compliance with law and regulation, and responsible behaviour toward stakeholders. The Board is satisfied that risk management and internal control systems appropriate to the Bank’s activities are in place, and during 2025 these systems were assessed and found to be at an acceptable level. The control environment is underpinned by corporate values, ethics guidelines and sustainability principles, while the Risk and Compliance function coordinates enterprise-wide implementation and oversight.

Credit risk remains one of the most important risk categories for the Bank. As described in Note 9 to the audited financial statements, credit exposures arise mainly from lending activities, debt securities and off-balance-sheet instruments such as commitments, letters of credit and guarantees. Credit risk management and control are centralised and reported regularly to the Board and management. Measurement reflects both probability of default and exposure at default, and the Bank applies the IFRS 9 expected credit loss model using forward-looking information, multiple forecast scenarios and staging criteria to identify significant increases in credit risk. This disciplined approach to credit measurement is particularly important given the 62.3% growth in loans and advances during the year. Despite balance-sheet growth, the Bank closed



the year with a non-performing loan ratio of 2.2%, below the industry average of 3.6%, indicating sound portfolio quality relative to the market.

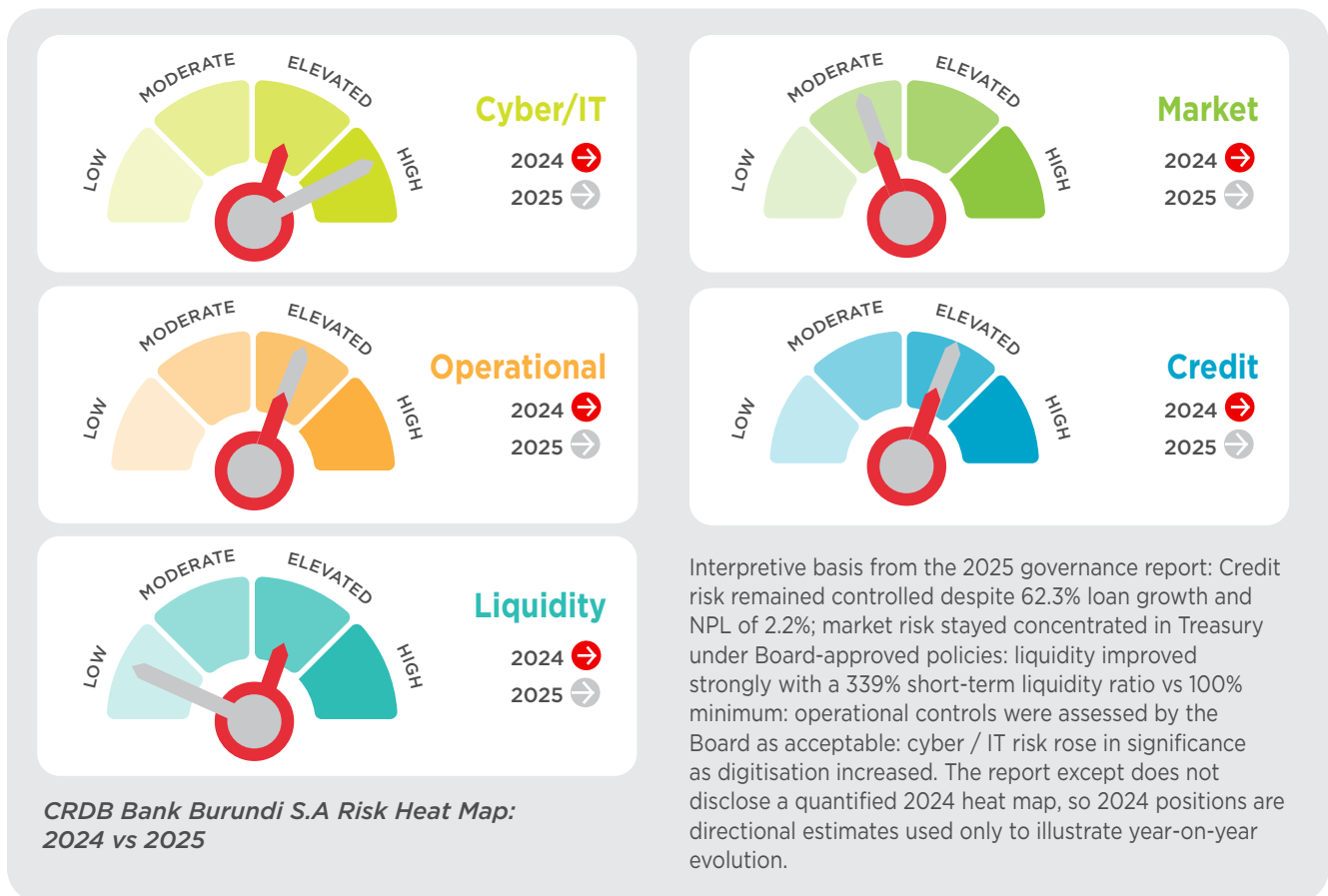
Market and liquidity risks are governed through Board-approved treasury policies, with oversight by the Board Risk Committee and day-to-day management through Treasury, ALCO and the Management Audit and Risk Committee. The report states that Treasury operates within a comprehensive framework of annual Board-approved policies grounded in professionalism, transparency, accountability and profit maximisation within conservative risk parameters. Market risk policy covers exchange-rate and interest-rate risk, while the liquidity policy sets out decision-making structures, limits, procedures, systems, regulatory compliance requirements and contingency planning. The Bank uses interest-rate gap analysis, earnings-at-risk measures and stress testing to measure and manage market risk. Liquidity management places strong emphasis on daily cash flows, stock of high-quality liquid assets and realistic compliance monitoring.

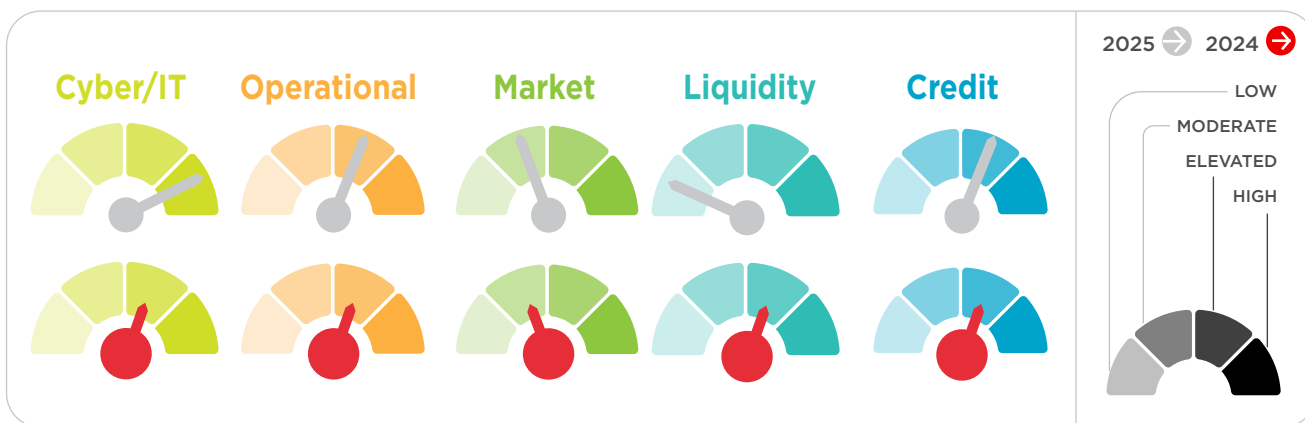
Liquidity remained particularly strong in 2025. The Bank closed the year with a regulatory short-term liquidity ratio of 339%, materially above the regulatory minimum of 100%. The report also notes that the Bank maintained a portfolio of highly marketable and diverse assets that could be liquidated in the event of cash-flow interruption and had access to lines of credit from the parent bank to support liquidity needs. Funding remained well diversified, with customer deposits accounting for 55% of total funding, borrowings 37% and equity 9%. Current and savings deposits represented 92% of

total customer deposits, which helped the Bank sustain a lower cost of funds while supporting credit growth and maturity management.

Operational risk is recognised in the report as an inevitable consequence of doing business and is therefore managed through disciplined process design, internal control documentation, accountability structures, monitoring and continuous review. Management is required to identify the Bank's major business and operational risks, including those relating to natural disasters, leadership gaps, physical security, cybersecurity and regulatory change, and to maintain business resiliency plans that provide critical protection for the Bank's operations. This approach is important in a banking environment where operational failures can quickly translate into financial, regulatory or reputational harm.

Cyber risk is treated as a critical component of the broader operational-risk agenda. The report notes that online banking and digitisation have altered the Bank's risk profile, exposing it to information security threats, unauthorised access, data leakage and cyberattacks that could disrupt service or damage reputation. In response, the Bank has established a cyber security framework intended to safeguard its network from breach attempts and ensure financial security for clients. IT governance forms part of overall corporate governance, and the Bank adopts group IT governance policies given the coherence of systems and infrastructure across the wider CRDB group. As digital adoption deepens, this integration of IT governance, cyber security, business continuity and Board oversight remains essential to safe growth.





Regulatory Compliance Statement and Capital Adequacy

During the 2025 FY, CRDB Bank Burundi S.A. complied with all regulatory ratios, underscoring the bank’s dexterity to prudence governance. This is an important distinction in the year’s performance story. While some internal strategic KPI targets were not fully achieved - most notably return on assets, return on equity, cost-to-income ratio and total capital ratio relative to internal targets; the Bank remained compliant with prudential regulatory thresholds and closed the year with adequate capital, liquidity and risk foundations. That outcome reinforces the message that growth in 2025 was pursued within a controlled and supervised prudential framework. The Bank reported a hard-core capital ratio of 11.9%, a core capital ratio of 16.0% and a total capital ratio of 16.5%. Each of these measures remained above the respective regulatory requirements of 11.0%, 12.5% and 14.5%. In addition, the Bank’s short-term liquidity ratio stood at 339% against a minimum requirement of 100%. These ratios indicate that the Bank ended the year well placed to absorb shocks, support asset growth and continue funding business expansion responsibly. Capital adequacy and use of regulatory capital are monitored daily by management using techniques based on Basel Committee guidance as implemented by the Bank of the Republic of Burundi.

The capital position should also be read alongside the balance-sheet and earnings trajectory. Total assets grew by 52.1% to BIF 2.743 trillion, customer deposits rose by 53.0% to BIF 1.289 trillion, and loans and advances increased by 62.3% to BIF 1.480 trillion. Profit before tax reached BIF 52.697 billion,

while profit after tax reached BIF 51.224 billion. Against that backdrop of rapid expansion, the maintenance of capital and liquidity buffers above minimum thresholds is a notable governance and risk-management achievement. It signals that growth was supported by active balance-sheet management, disciplined treasury oversight and regular Board scrutiny. In summary, the 2025 governance and risk management position of CRDB Bank Burundi S.A. reflects a bank that grew strongly while sustaining formal governance discipline, active Board oversight, robust ethics and compliance structures, and prudentially sound risk and capital management. For the integrated annual report, this section should therefore be read as evidence that the Bank’s strategic ambition was underpinned by governance structures and control practices capable of supporting resilience, protecting stakeholders and enabling sustainable long-term value creation.



Board Profiles

→ **Mr. Hosea Kashimba**
Board Chairman

CPA Hosea Ezekiel Kashimba joined CRDB Bank Burundi board since 2019. He is currently serving as the Director of Finance of the Roads Fund Board under the Ministry of Works in Tanzania. He was the Director General of the Public Services Social Security Fund (PSSSF) for five years until Feb 2024. Before being a CEO, he was a seasoned Chief Audit Executive as the Director of Internal Audit at the PPF Pensions Fund (PPF) in Tanzania. Prior to this role, he held positions including Internal Auditor and Payroll Accountant within the PPF Pensions Fund. He holds Master's in Business Administration (Corporate Management) from Mzumbe University Tanzania, an Advanced Diploma in Certified Accountancy from IDM Mzumbe now Mzumbe University and being a Certified Public Accountant (CPAT) and a member of National Board of Accountants and Auditors of Tanzania (NBAA). He is also a member of the Institute of Internal Auditors. CPA Kashimba exemplifies a commitment to professional excellence in accountancy, audit, leadership and risk management. He further solidifies his expertise as a Certified Director by the Institute of Directors Tanzania (IoDT) and attended several courses in due regard.



→ **Dr. (Mrs.) Oda Sindayizeruka**
Independent Director

Dr. Oda Sindayizeruka serves as a Financial Expert at the National Coordination Unit of the "Agro-Pastoral Productivity & Market Development Project (PRODEMA)" and also holds the position of Financial Expert for the "Sustainable Coffee Landscape Project" (PADZOC), funded by the Global Environmental Facility. Previously, she held roles as a Lecturer and Vice-Dean at the Faculty of Economics and Administrative Sciences, University of Burundi, and later as Head of Finance and Administration. Dr. Sindayizeruka earned her PhD in Economics, specializing in Agricultural Economics, Rural Development, and Agribusiness from the University of Montpellier I, France, along with a master's and bachelor's degree in Economics Sciences, focusing on Agricultural Economics, Rural, and Agribusiness.



→ **Dr. Elizabeth Mkoba**
Independent Director

Dr. Elizabeth Mkoba, a Lecturer at the School of Computational and Communication Science and Engineering, Nelson Mandela African Institution of Science and Technology, Arusha, Tanzania, specializes in IT Project Management, Applied Information Systems, and ICT4D. With affiliations to esteemed organizations like the South African Institute of Computer Scientists and Information Technologists, she contributes as a reviewer for the National Research Foundation, Pretoria, South Africa. Dr. Mkoba holds Chartered IT Professional status and is associated with the British Computer Society. Her expertise extends to Research Methods and she is an active member of the Project Management South Africa Association. Notably, she is a distinguished Global Alumni of The Royal Princess and the Duke of Edinburgh - Commonwealth Leadership Study Conference.



→ **Mr. Boma Rubala**
Independent Director

Mr. Boma currently serves as the Chief Commercial Officer of CRDB Bank Group, having joined the bank on July 1st, 2019, as the Director of Retail Banking.

Prior to his tenure at CRDB, he held various roles at National Microfinance Bank (NMB), including Head of Card Business, Head of Consumer Banking, Senior Manager Retail Liabilities, Insurance, and VAS, Product Manager Retail Liabilities, and Management Trainee. He holds a Master's of Business Administration (MBA) in Corporate Management from Mzumbe University, Tanzania, and a Bachelor of Business Administration (Accounting) from Kampala International University, Uganda. His diverse experience in banking and finance, coupled with his strong educational background, underscores his expertise in the field.



→ **Mr. Salvator Minani**
Independent Director

Mr. Salvator, a seasoned lawyer and dedicated human rights advocate, brings extensive expertise and strategic acumen to his role as a consulting advocate in Bujumbura. With a rich background in human rights issues, he previously served as Project Coordinator for the Promotion of Criminal Justice in Burundi at the Association for Justice and Equity in Burundi (AJEBU-GENDERINGINGO). Prior to that, Salvator contributed to impactful initiatives such as the World Bank's "Women, Business, and the Law" project. Holding Master's degrees in Human Rights from the University of Lake Tanganyika, Burundi, and in International Trade Policy & International Trade Law from TRAPCA (a partner of Lund University, Sweden), he is currently pursuing an Executive Master's degree in Strategic Leadership, further enhancing his capacity for effective advocacy and leadership.



→ **Mr. Didace Ngendakumana**
Independent Director

Mr. Didace Ngendakumana, a seasoned leader, joined CRDB Burundi S.A.'s Board in July 2023. Currently, he works as a Business and Investment Consultant and Lecturer at International Leadership University. He previously served as the Chief Executive Officer (CEO) at Agence de Développement du Burundi (ADB), the nation's Investment Promotion Agency. Additionally, he served as CEO of Burundi Investment Authority (BIA), comprising influential figures driving impactful change in Government and Authorities. Mr Didace Ngedakumana was the Managing Director for Banque de l'Habitat du Burundi (BHB) before being appointed as CEO of ADB. Prior to that, Mr. Ngendakumana held the role of Director overseeing Relations with Europe at the Ministry of Foreign Affairs of the Republic of Burundi. With his extensive experience and strategic acumen, he continues to drive growth and development in both the public and private sectors



→ **Mrs. Kahumbya Bashige**
Independent Director

Mrs. Kahumbya Bashige is a Fellow of the UK Institute of Directors (IoD) and holds the prestigious Chartered Director Qualification from IoD-UK as well as the Corporate Director Certificate from Harvard Business School. She has a wealth of expertise in Governance, Development Finance, Commercial Banking, and Corporate Finance. She serves as an elected member of the Council of the Institute of Directors, UK, where she plays a crucial role in overseeing and advising the Board to ensure the Institute's objectives are met. With over 20 years of experience, Kahumbya has a strong background in corporate and project finance, deal structuring, credit risk review, portfolio management, financial modeling, capital raising, and advisory services, particularly in mergers and acquisitions. She holds a Masters in Finance from Strathclyde University in Glasgow, UK, and a Bachelor of Commerce with a major in Accounting from the Catholic University of Eastern Africa, Nairobi, Kenya.



→ **Mr. Fredrick Siwale**
(Managing Director)
Board Secretary

Mr. Fredrick Siwale is a highly accomplished banking professional with over 20 years of experience in the financial services sector. His leadership as Managing Director builds upon a distinguished tenure as Head of Global Markets within the Treasury Department, where he provided strategic direction and drove key growth initiatives. With a strong background spanning capital markets, treasury management, and branch operations, he brought invaluable technical expertise and visionary leadership to the Bank, continually strengthening its market position and operational performance. Mr. Siwale holds MBA from the University of Dar es Salaam (UDSM), along with a Postgraduate Diploma and an Advanced Diploma in Business Administration from the College of Business Education (CBE) in Dar es Salaam, Tanzania. His dedication to continuous professional development is further demonstrated by his completion of senior executive programs at Harvard Business School and Stellenbosch Business School. In addition, he holds the Securities Industry Certification Course (SICC) from the Capital Markets and Securities Authority in collaboration with the Chartered Institute for Securities and Investment (CISI), UK, And ACI Trading Certificate from Financial Markets Association solidifying his expertise in financial markets and regulatory standards. His academic achievements, professional certifications, and leadership experience underscore his commitment to excellence and his significant contributions to the banking industry.



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The background is a solid green color with a gradient from dark green at the top to a lighter green at the bottom. Overlaid on this are several thick, light green lines and shapes. A horizontal line crosses the middle of the page. On the right side, there are vertical lines and rounded rectangular shapes that resemble a stylized circuit board or a modern architectural structure. The overall aesthetic is clean, modern, and tech-oriented.

05

**Sustainability
& Responsible
Banking**



Sustainability and Responsible Banking

Sustainability at CRDB Bank Burundi S.A. is presented as an integrated part of strategy, governance, customer inclusion, workforce development, community support, and responsible risk management. In the 2025 FY, the Bank linked its purpose, risk discipline and market expansion to long-term ESG criteria, wider access to finance, social investment, and growing awareness of climate-related risks and opportunities.

Sustainability Highlights 2025

<p>→ 3 005 Turi Hose agents, up from 2,000 in 2024</p>	<p>→ 37 163 registered simbanking customers</p>	<p>→ 25,711 registered internet banking customers</p>
<p>→ BIF 96m corporate social investment spend</p>	<p>→ BIF 14.9bn tax paid to Government during the year</p>	<p>→ BIF 1.1bn staff training spend during the year</p>

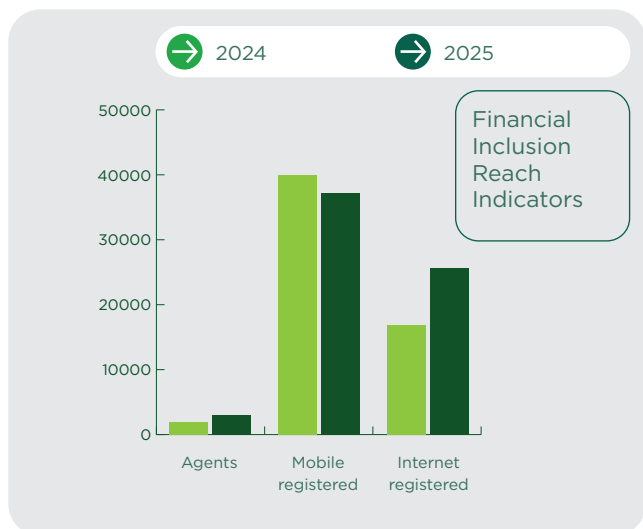
In 2025, sustainability and responsible banking were reflected less as a standalone programme and more as a cross-cutting feature of the Bank’s strategy, operating model and stakeholder commitments. In principle, CRDB Bank Burundi S.A. sees itself as an institution seeking to “improve livelihoods and deliver sustainable impact”, while one of the core objectives of the 2023-2027 strategy is to improve organisational resilience, efficiency and sustainability. This framing matters because it shows that the Bank treats sustainability not as an adjunct to performance, but as part of how long-term value is created and protected.

The year’s highlights point to three broad areas of progress. First, the Bank continued to deepen access to finance through digital and agency channels. Turi Hose agents increased to 3,005 from 2,000 in 2024, simbanking registered customers stood at 37,163, and internet banking registered customers rose to 25,711 from 16,901 in the prior year. The report explicitly links this widening of reach to the Bank’s sustainability, noting that financial inclusion has a bearing on long-term resilience and value creation.

Second, the Bank continued to support communities and social priorities through direct contributions and events. Corporate social investment spending amounted to BIF 96 million during the year, directed toward education support, vulnerable children, healthcare infrastructure, orphan support and humanitarian relief for refugees from the Democratic Republic of the Congo. In addition, political and charitable donations included BIF 50 million to RTNB for a vehicle intended to improve nationwide media coverage and BIF 100 million in support of the 6th Forum des Femmes Leaders. These contributions sit alongside the Bank’s broader social initiatives,

including women-focused market activations, customer events and financial inclusion programmes.

Third, the Bank strengthened the governance foundation for responsible banking. The internal control systems are based on corporate values, ethics guidelines, and principles for sustainability and corporate social responsibility. The Board also received exposure during the year to Environmental, Social and Governance (ESG) matters as part of a study tour on modern corporate governance, ESG and artificial intelligence governance and ethics. This is an important indicator that sustainability considerations are being increasingly linked to oversight, strategy and decision-making at the highest levels.



Financial inclusion reach indicators reported for 2025 and 2024.

ESG Strategy and Priorities

The Bank’s ESG direction is embedded in its strategic intent, governance architecture and response to current and emerging risks. At a strategic level, the 2023-2027 plan is anchored in the purpose of improving livelihoods and delivering sustainable impact, guided by a vision of transforming lives and developing economies to their fullest potential. It is further supported by an objective to enhance resilience, efficiency and sustainability. In this context, the Bank recognises the importance of identifying and prioritising strategic areas that reflect market dynamics, core capabilities and the evolving demands of both climate-related change and digital transformation. In practical terms, the Bank’s ESG priorities in 2025 can be understood through three interrelated themes.

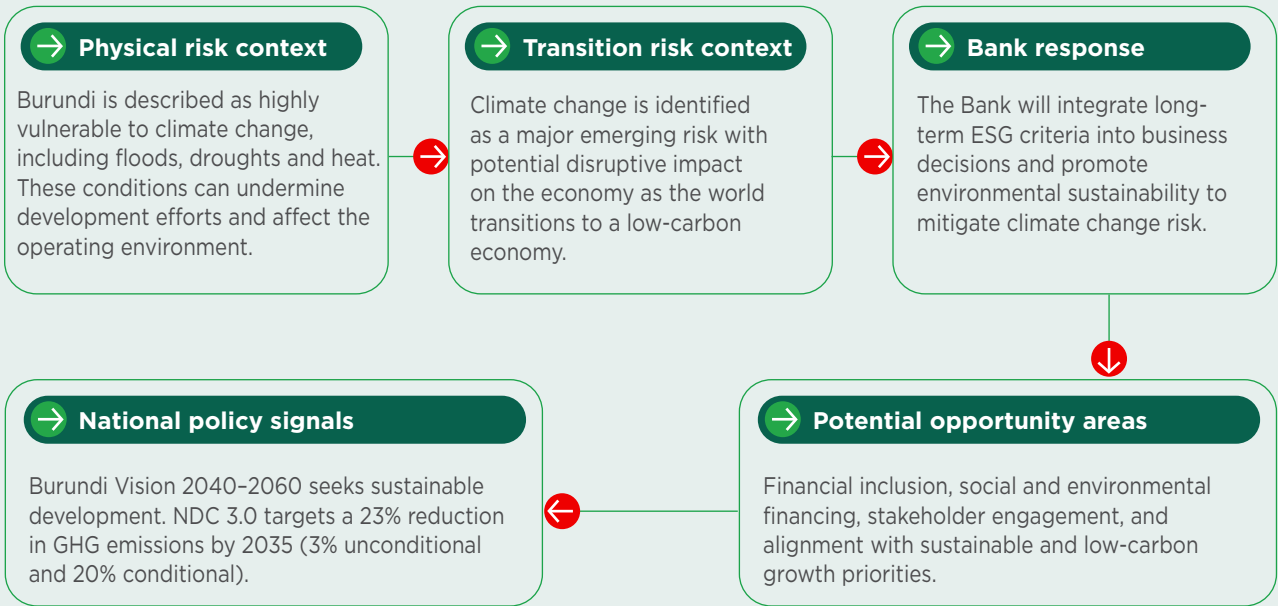
The first is environmental sustainability and climate awareness. The Bank identifies climate change as a major emerging risk with potentially disruptive economic effects. In response, the Bank will continue to promote environmental sustainability and pursue constructive and forward-looking initiatives that contribute to a more sustainable future in the communities and markets in which it operates. ESG criteria will increasingly be integrated into business decisions, with the objective of generating more equitable, sustainable and inclusive outcomes for stakeholders.

The second is social inclusion and shared value creation. The Bank adopts a broad view of financial inclusion that goes beyond access alone to include the quality and actual usage of products and services such as credit, payments, remittances

and savings. This priority is reflected in the wider stakeholder narrative of the report, which links the Bank’s role to support for social and environmental financing, funding for education, health and sports-related opportunities, and innovative solutions that respond to societal and economic needs. The same social orientation is evident in the Bank’s employment practices, health and safety commitments, youth development efforts, women-focused initiatives and direct corporate social investment spending.

The third is governance and responsible conduct. CRDB Bank Burundi S.A. deliberately links sustainability to corporate governance, internal control and ethical standards. The Board oversees risk management and internal controls within a framework intended to support long-term sustainability, while the wider control environment is underpinned by values, ethics guidelines and sustainability principles. The Bank also views stakeholder engagement, transparent reporting, regulatory compliance and integrated reporting as important components of sustaining confidence and creating long-term value. Taken together, these priorities confirm that CRDB Bank Burundi S.A. remains at a relatively early, but increasingly deliberate, stage of ESG formalisation. The overall direction is clear: sustainability is progressively being integrated into strategy, governance, risk management and stakeholder value creation, providing a stronger foundation for more structured ESG implementation over time.

Climate-Related Risks and Opportunities



Source: Report by Those Charged with Governance and Audited Financial Statements 2025.

Climate-related risk and opportunity framing for 2025.



Social Impact and Corporate Social Investment

The social dimension of CRDB Bank Burundi S.A.'s responsible banking agenda remained visible in 2025 through community support, financial inclusion initiatives, employee development and women-focused empowerment programmes. During the year, the Bank worked with related entities and community partners on corporate social investment, financial literacy and inclusion initiatives aimed at expanding access to social and environmental financing, while also supporting education, health and sports-related opportunities in the communities it serves.

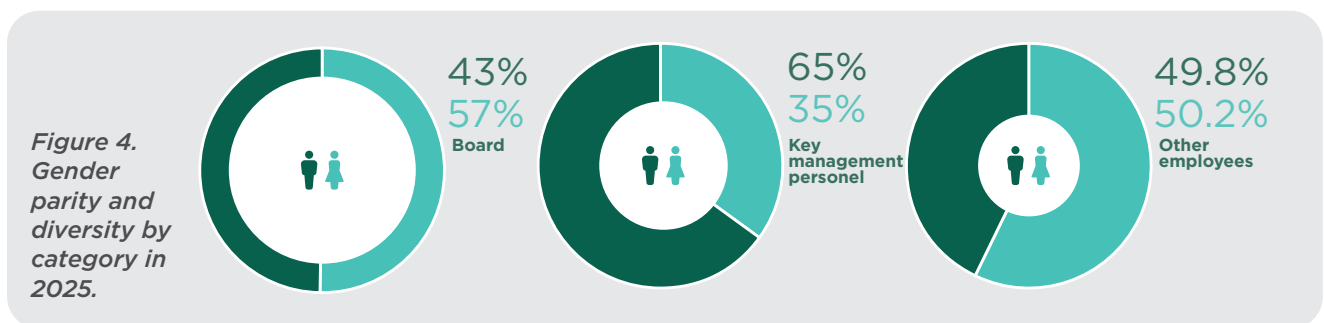
Corporate social investment expenditure amounted to BIF 96 million in 2025. The largest single contribution, BIF 50 million, was extended to Foundation Bonne Action Umugiraneza to support school fees and medical cover for students of Ecole Socle du Savoir de Matongo. A further BIF 21 million was provided to Foundation Buntu, which cares for more than 100 orphans, for the purchase of school kits. The Bank also contributed BIF 20 million through the Tanzania Embassy to support refugees from the Democratic Republic of the Congo, BIF 3 million to SHEBA Burundi Association for school kits for vulnerable children, and BIF 2 million to Hôpital Militaire de Kamenge in support of the inauguration of the country's first state-of-the-art cardiac surgery and interventional cardiology centre.

Beyond direct CSI expenditure, the Bank also made political and charitable donations totalling BIF 150 million during the year. These included BIF 50 million to Radio Télévision Nationale du Burundi for the acquisition of a vehicle intended to strengthen media coverage across the country, and BIF 100 million in support of the 6th edition of the Forum des Femmes Leaders. These contributions reflect the Bank's broader role as a corporate citizen and its continued participation in initiatives that support social cohesion, visibility of national issues and community advancement.

The Bank also used stakeholder-facing events during the year to deepen social connection, promote inclusion and strengthen engagement with the wider community. These included the Malkia Women Market and SME activation through women's cooperatives, an Iftar dinner with Muslim customers, the launch of the Simbanking App, Bancassurance and new branches, as well as the CRDB Bank Burundi Marathon. In addition to supporting product awareness and brand positioning, these platforms enabled the Bank to strengthen relationships with customers and communities across Burundi.

Social impact was also evident within the Bank itself through continued investment in employee development and wellbeing. At the end of 2025, the Bank employed 251 staff, up from 186 in 2024. During the year, BIF 1.1 billion was invested in staff training to strengthen employee capability, while 11 staff members were attached to different departments at the parent bank for exposure and professional development. The Bank also continued to invest in employee wellness, medical support, youth programmes, succession planning and talent management, reflecting a broader commitment to building a productive, safe and developmental workplace.

Diversity and inclusion remained important features of the Bank's social agenda. The Bank is described as an equal opportunity employer and reports gender composition across the Board, key management and other employee levels. In 2025, the Board comprised 57% men and 43% women, key management personnel 65% men and 35% women, and other employees 49.8% men and 50.2% women. The Bank also continued to support women's advancement and promote a wider diversity, inclusion, equity and belonging agenda. Taken together, these disclosures indicate that social impact at CRDB Bank Burundi S.A. extends beyond philanthropy alone. It encompasses community investment, inclusion, employee development, leadership advancement and stakeholder engagement, reflecting a broader view of responsible banking in which long-term value creation is linked to the wellbeing and resilience of both communities and the institution itself.



Climate-Related Risks and Opportunities

Climate-related considerations continued to gain prominence in 2025 as part of both the external operating environment and the Bank's broader emerging-risk landscape. For CRDB Bank Burundi S.A., these issues are increasingly relevant because the long-term resilience of customers, sectors, collateral values and economic activity is closely linked to the effects of climate change and the country's wider sustainability pathway.

At the policy level, the bank has outlined a national direction toward sustainable and low-carbon growth. Burundi Vision 2040-2060 sets out ambitions for sustainable development, structural transformation without undermining ecological balance, evidence-based decision-making, and improvements in the quality of life of the population. Burundi completed a Green Climate Fund readiness grant to strengthen climate-change coordination and stakeholder engagement, including women's groups and the private sector. In its updated NDC 3.0, the country has pledged to lower greenhouse-gas emissions by 23% by 2035, comprising a 3% unconditional reduction and a further 20% conditional on international assistance.

For the Bank, climate-related risks are part of the broader universe of current and emerging risks. Climate change is a major emerging risk with a potentially disruptive impact on the economy and that it poses both physical and transition risks to the business as the world moves toward a low-carbon economy. Physical risks are relevant because extreme weather conditions can affect borrowers, agricultural output, infrastructure, supply chains and household resilience. Transition risks are relevant because shifts in regulation, policy, financing priorities and stakeholder expectations may alter the risk-return profile of sectors and clients over time.

The Bank is committed to integrating long-term ESG criteria into business decisions to ensure climate-related considerations form part of decision-making and risk evaluation.

Sustainability Performance Indicators and Progress

The table below consolidates the main sustainability-related indicators that are directly disclosed in the audited report.

Theme	Indicator	2025	2024	YoY	Commentary
Financial inclusion	Turi Hose agents	3,005	2,000	+50%	Expanded agency reach to improve access to financial services.
Financial inclusion	Registered simbanking customers	37,163	40,022	-7%	Mobile registration declined, though the channel remained material for access and usage.
Financial inclusion	Registered internet banking customers	25,711	16,901	+52%	Internet channel reach expanded strongly during the year.
Community support	Corporate social investment	BIF 96m	75m	N/A	Direct support to education, healthcare, vulnerable children and refugees.
Public value	Tax paid to Government	BIF 14.9bn	9.9bn	N/A	Reported under stakeholder outcomes for Government.
Workforce	Employees at year-end	251	186	+34.9%	Higher headcount supported scale, service delivery and future growth.
Workforce	Staff training spend	BIF 1.1bn	BIF 890m	N/A	Training investment aimed at skills, succession and development.
Diversity	Board gender mix	57% male / 43% female	57% male / 43% female	Stable	Board gender composition unchanged year on year.
Diversity	Key management gender mix	65% male / 35% female	67% male / 33% female	Improved female share	Women representation improved in key management.
Diversity	Other employees gender mix	49.8% male / 50.2% female	57% male / 43% female	More balanced	Other employees reached near parity in 2025.

Viewed together, these indicators show meaningful progress in the Bank's responsible banking agenda during the 2025 FY. The strongest advances were visible in agency reach, internet banking registration, workforce scale, employee training investment, and the balanced gender profile among other employees. Community support remained tangible through CSI spending and other social contributions, while the Bank's tax contribution reinforced its public value role. The main area where reported performance was less positive was simbanking registrations, which declined from the prior year even as the Bank continued to broaden digital access overall.

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25



06

**Financial
Review**

Statement from the Director of Finance & Administration



“ Across the period to 2025, the Bank has scaled profit and balance sheet capacity materially, reflecting the deliberate build-out of our franchise under the current strategic cycle. ”



Dear Shareholders,

The 2025 financial year presented unique opportunities for CRDB Bank Burundi S.A., even as we continued to pursue disciplined growth and expansion in line with our 2023–2027 strategic ambitions.

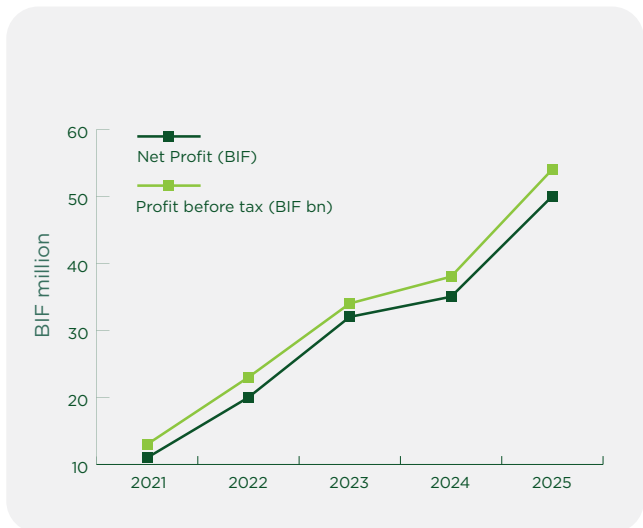
For the finance function, the year was defined by one clear responsibility: to fund and steward a rapidly expanding balance sheet while preserving resilience (capital adequacy, liquidity strength, and a sound control environment) so that growth remains sustainable.

This statement complements the audited financial statements for the year ended 31 December 2025. It provides a practical explanation of what moved the numbers: the drivers of profitability, the composition and deployment of assets and liabilities, and how our funding and liquidity profile supported business activity during the third year of executing our strategy. The commentary is anchored strictly on audited results for 2025 and comparative figures for 2024, and references disclosed five-year KPI trends where available.

Five-year Financial Trajectory

While the audited financial statements focus on the 2025 results with 2024 comparatives, the broader five-year view is useful for understanding the direction of travel. Across the period to 2025, the Bank has

scaled profit and balance sheet capacity materially, reflecting the deliberate build-out of our franchise under the current strategic cycle.



Profitability trend (5-year) — profit before tax and net profit (KPI series).

Profitability and the Quality of Earnings

During the 2025 FY, the Bank recorded profit before tax of BIF 52697 million (2024: BIF 46 894 million), representing 12% growth. After a tax charge of BIF 1 473 million (2024: BIF 2 377 million), net profit increased to BIF 51 224 million (2024: BIF 44 516 million), up 15%. Earnings per share increased to BIF

533 287 from BIF 463 448 in 2024, reflecting higher profit attributable to equity shareholders on an unchanged number of ordinary shares in issue.

As the balance sheet expanded strongly, profitability ratios moderated versus 2024. Return on equity (ROE) was 27.83% (2024: 31.12%), while return on assets (ROA) was 2.32% (2024: 3.21%). These ratios remain strong and compare favourably to the 2025 industry averages disclosed (ROE 18.5% and ROA 0.3%).

Net Interest Income as the Earnings Engine

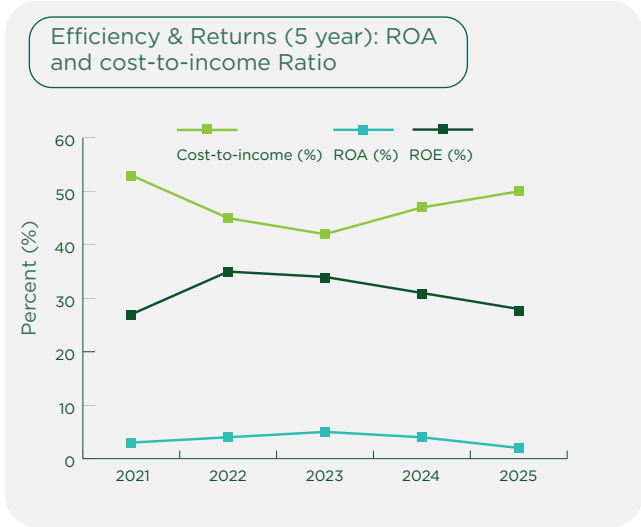
Interest income increased from BIF 122 765 million in 2024 to BIF 198 678 million in 2025, a 62% increase. The most direct explanation is the expansion in earning assets during the year. The credit portfolio increased from BIF 911 982 million at 31 December 2024 to BIF 1 479 816 million at 31 December 2025 (62% growth). In addition, the cashflow analysis indicates that funds generated in 2025 were deployed to increase lending to customers by BIF 567.8 billion and government securities by BIF 400.7 billion; movements that are consistent with the sharp uplift in interest income.

Fee and commission income increased from BIF 24 877 million in 2024 to BIF 25,925 million in 2025 (4% growth). This points to stable transaction-based income as customer activity and channel usage expanded, particularly in agency, internet and ATM channels.

Cost Profile, Efficiency and Operating Leverage

Total staff and administrative expenses increased from BIF 45 337million in 2024 to BIF 64 384 million in 2025 (42% growth). This increase is consistent with the operational requirements of servicing a substantially larger balance sheet, higher transaction volumes and a broader delivery footprint, as well as the cost of sustaining strong compliance and control standards as the Bank grows.

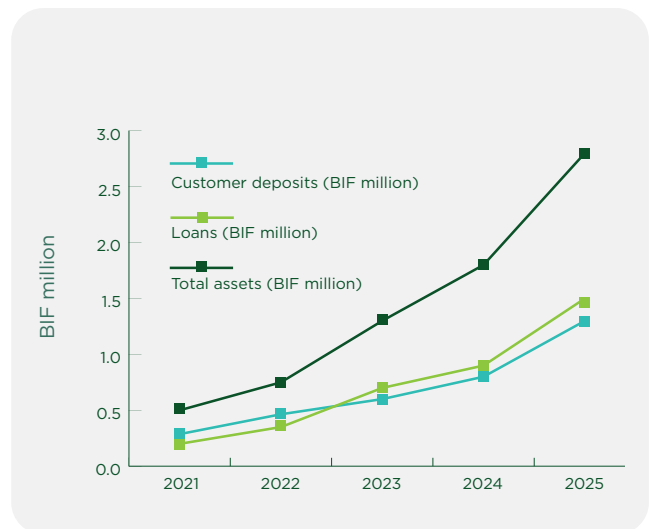
The efficiency ratio (non-interest expense to total income net of interest expense) increased to 49.59% from 47.17% in 2024. This level remains broadly aligned with the industry average cost-to-income ratio of 50.2% reported for 2025. Looking ahead, our finance agenda supports management actions focused on productivity; process optimization, automation and disciplined spend governance, so that income growth converts into stronger operating leverage over time.



Efficiency and returns (5-year) – ROE, ROA and cost-to-income ratio (KPI series).

Statement of Financial Position and Balance Sheet Deployment

Total assets increased from BIF 1 803 695 million in 2024 to BIF 2 743 090 million in 2025 (52% growth). This reflects growth in lending and increased investment activity during the year. Customer deposits increased from BIF 842 381 million at 31 December 2024 to BIF 1 289 028 million at 31 December 2025 (53% growth). The loans-to-deposits ratio increased to 114.85% from 105.20% in 2024, indicating that lending expanded faster than deposits; an important metric we monitor closely to ensure growth remains supported by stable funding and appropriate liquidity buffers.



Scale (5-year) – total assets, customer deposits and loans

Interest income increased

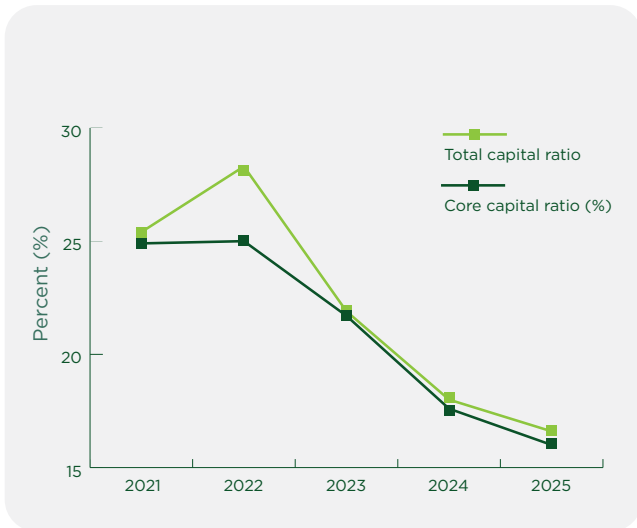
62.0% ↑ from BIF 122 765 million in 2024 to BIF 198 678 million in 2025,



Capital Adequacy, Regulatory Compliance and Resilience

The Bank’s issued and fully paid-up ordinary share capital remained BIF 48 027 million, with no changes in capital structure compared to the previous year. Total equity increased to BIF 184 581 million (2024: BIF 143 064 million), comprising issued capital of BIF 48 027 million, retained earnings of BIF 69 061 million and other reserves of BIF 67 492 million.

Capital adequacy remained above regulatory thresholds throughout the year. The core capital ratio was 16.0% (2024: 17.6%) and the total capital ratio was 16.5% (2024: 18.0%), both above the regulatory minimum requirements of 12.5% and 14.5% respectively. There were no changes to the KPI definitions or computation methods compared to prior years.



Capital adequacy (5-year) – core and total capital ratios (KPI series).

Funding Mix, Liquidity Management and Treasury Oversight

Our primary source of funding remained customer deposits, representing 55% of total funding, with borrowings at 37% and equity at 9% (no major change compared to 2024). Current and savings deposits (CASA) represented 92% of total customer deposits in 2025 (2024: 90%), supporting a lower cost of funds.

Borrowings increased to align with growing customer credit demand and liquidity and maturity-mismatch management. As at 31 December 2025, borrowings comprised BIF 262 854 million (current) and BIF 615 973 million (non-current), compared to BIF 178 819 million and BIF 387 924 million respectively in 2024.

Treasury conducts its activities within Board-approved financial and treasury policies that are reviewed annually. Market risks—particularly liquidity and interest rate risk—are overseen by the Board through the Board Risk Committee, with management-level oversight through ALCO and the Management Audit and Risk Committee. ALCO meets monthly, and treasury maintains short- and long-term funding plans to align asset growth with stable funding and an appropriate maturity profile.

Cashflows and How Funds Were Deployed

Operating cashflows were driven by an increase in customer deposits of BIF 446.6 billion (2024: BIF 231.2 billion) and an increase in borrowings of BIF 312.0 billion (2024: BIF 282.2 billion). Funds generated in 2025 were mainly utilised to increase lending to customers by BIF 567.8 billion (2024: BIF 227.0 billion) and government securities by BIF 400.7 billion (2024: BIF 113.0 billion). These movements explain the year-on-year expansion in total assets and the growth in interest income.

<p>Total Assets</p> <p>Closed at BIF 2,743.4 billion against a target of BIF 2,292.2 billion.</p>	<p>Net Loans & Advances</p> <p>Closed at BIF 1,479.8 billion against a target of BIF 1,386.8 billion.</p>
<p>Profit Before Tax</p> <p>BIF 52.4 billion was below the target of BIF 91.3 billion</p>	<p>Cost-to-Income Ratio</p> <p>was 49.6% versus a target of 41.4%.</p>

Understanding Performance Versus Targets

The 2025 FY delivered strong scale outcomes, but profitability and efficiency metrics were below target. Total assets closed at BIF 2 743.0 billion against a target of BIF 2,292.2 billion, and net loans and advances closed at BIF 1 479 816 billion against a target of BIF 1,386.8 billion. At the same time, profit before tax of BIF 52.6 billion was below the target of BIF 91.3 billion, while profit after tax of BIF 51.2 billion was below the target of BIF 64.9 billion. Deposits closed at BIF 1,289.0 billion against a target of BIF 1,399.1 billion, and the cost-to-income ratio was 49.6% versus a target of 41.4%.

From a finance perspective, this profile is consistent with a year in which growth and scale-up requirements outpaced the rate at which profits could reach the budgeted level. In practical terms: income increased strongly, but we also carried the costs of scaling capacity, controls and delivery channels. These are not one-off considerations; our task is to ensure that the productivity agenda keeps pace with growth so that scale translates into stronger returns and improved operating leverage.



Outlook and Finance Priorities for 2026

The Bank closed 2025 with adequate capital, liquidity and risk foundations to meet opportunities and challenges in 2026 and beyond. Looking forward, the finance agenda will remain tightly aligned to the 2023-2027 strategy and will emphasise three areas. First, balance sheet optimization (ensuring that growth in lending and investment activity continues to be funded prudently, with close monitoring of liquidity buffers, maturity profiles and the loans-to-deposits dynamics). Second, productivity and discipline; strengthening spend governance, supporting process reengineering initiatives, and using better data and analytics to sharpen decision-making and accountability. Third, resilience; maintaining strong compliance and reporting standards, supporting risk governance committees with timely financial insights, and ensuring that the Bank remains prepared for market shifts, including emerging risks such as climate-related risk that can influence customer creditworthiness and operating continuity.

Across these priorities, my commitment is to keep our financial reporting and stewardship transparent, clear and decision-useful. We will continue to support management with rigorous financial discipline while maintaining the flexibility needed to invest in technology, customer experience and scalable channels that strengthen the Bank’s long-term competitiveness.

Appreciation

I wish to extend my sincere gratitude to our shareholders for their confidence and long-term commitment, our customers for trusting us with their ambitions, and our employees for delivering results with professionalism and integrity. I also acknowledge our regulators and partners for their guidance and collaboration, which continue to strengthen the stability of the financial system and the quality of our delivery.



Paul Mlay, **ACPA**

Director of Finance and Administration

Déclaration du Directeur des Finances et de l'Administration



“ Sur la période jusqu'en 2025, la Banque a significativement renforcé sa capacité bénéficiaire et sa capacité de bilan, reflétant le développement volontaire de notre franchise dans le cadre du cycle stratégique actuel. ”



Chers Actionnaires,

L'exercice 2025 a présenté des opportunités singulières pour la CRDB Bank Burundi S.A., dans un contexte où la Banque a poursuivi une trajectoire de croissance et d'expansion maîtrisée, en parfait cohérence avec les ambitions définies dans le plan stratégiques 2023-2027.

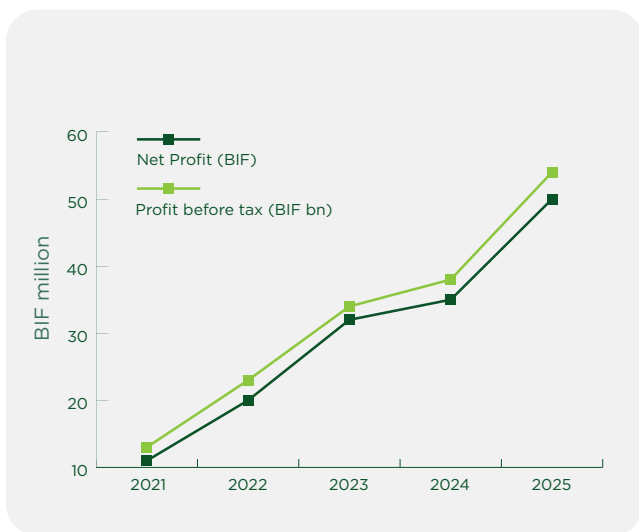
Pour la fonction finance, l'année a été guidé par un mandat stratégique clair : Assurer le financement et le pilotage d'un bilan en forte expansion tout en préservant la résilience de la Banque. Cela a impliqué le maintien d'une adéquation solide des fonds propres, le renforcement de la position de liquidité et la garantie d'un environnement de contrôle robuste. Ces efforts ont été essentiels pour soutenir une croissance durable, prudente et génératrice de valeur à long terme. La présente déclaration complète les états financiers audités de l'exercice clos le 31 décembre 2025. Elle fournit une lecture analytique et opérationnelle des principaux facteurs ayant influencé l'évolution des résultats : les moteurs de la rentabilité, la composition et l'allocation des actifs et des passifs, ainsi que la manière dont notre profil de financement et de liquidité a soutenu la performance au cours de la troisième année de mise en oeuvre de notre stratégie. Ce commentaire s'appuie exclusivement sur les états

financiers audités de 2025 et les données comparatives de 2024, et intègre, lorsque disponibles, les tendances observées sur cinq ans pour les principaux indicateurs de performance clés (KPI).

Trajectoire financière sur cinq ans

Alors que les états financiers audités mettent l'accent sur les résultats de 2025 accompagnés des comparatifs de 2024, la perspective sur cinq ans demeure essentielle pour apprécier pleinement la trajectoire de la banque. Sur la période menant à 2025, la Banque a significativement renforcé sa capacité bénéficiaire ainsi que la solidité de son bilan, reflétant le développement volontaire et maîtrisé de notre franchise, conformément aux priorités définies dans le cycle stratégique en cours.





Tendance de rentabilité (5 ans) – résultat avant impôt et résultat net (série de KPI).

Rentabilité et qualité des résultats

Au cours de l'exercice 2025, la Banque a enregistré un résultat avant impôt de 52 697 million de FBU (2024 : 46 894 million de FBU), soit une croissance de 12 %. Après une charge d'impôt de 1 473 million de FBU (2024 : 2 377 million de FBU), le résultat net enregistré est de 51 224 million de FBU (2024 : 44 516 million de FBU), en hausse de 15 %. Le bénéfice par action est passé à 533 287 FBU, contre 463 448 FBU en 2024, reflétant une croissance du bénéfice attribuable aux actionnaires, pour un nombre d'actions ordinaires en circulation inchangé.

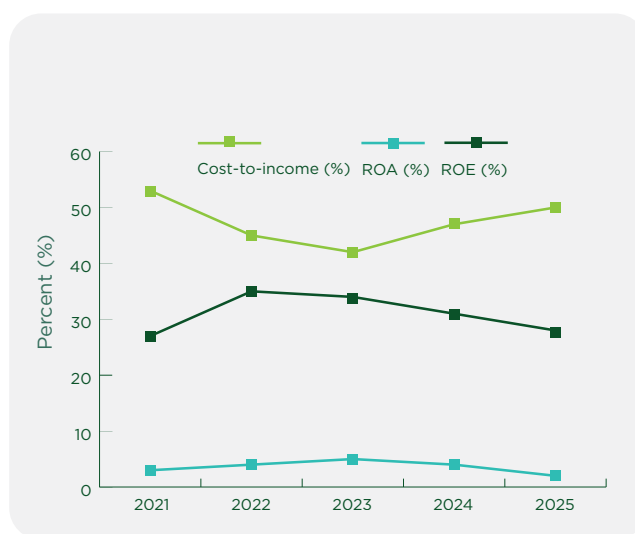
À mesure que le bilan s'est fortement accru, les principaux ratios de rentabilité ont connus une croissance modérée par rapport à 2024. Le rendement des capitaux propres (ROE) s'est établi à 27,83% (2024 : 31,12 %), tandis que le rendement des actifs (ROA) s'est établi à 2,32 % (2024 : 3,21 %). Ces indicateurs demeurent solides et se situent nettement au-dessus des moyennes sectorielles publiées pour 2025 (ROE: 18,5 % et ROA: 0,3 %), confirmant la qualité et la robustesse du modèle opérationnel de la Banque. Le produit net bancaire d'intérêts comme moteur des résultats

Les produits d'intérêts sont passés de 122 765 million de FBU en 2024 à 198 678 million de FBU en 2025, soit une hausse de 62 %. Cette évolution reflète directement l'augmentation substantielle des actifs productifs au cours de l'exercice. Le portefeuille de crédits est passé de 911 982 million de FBU au 31 décembre 2024 à 1 479 816 million de FBU au 31 décembre 2025 (croissance de 62 %). En outre, l'analyse des flux de trésorerie indique que les fonds générés en

2025 ont été affectés à l'augmentation des prêts à la clientèle de 567,8 milliard de FBU et des bons du trésor de 400,7 milliard de FBU. Ces mouvements d'une expansion cohérente des actifs générateurs de revenus et expliquent la forte progression des produits d'intérêts. Les commissions et frais perçus sont passés de 24 877 million de FBU en 2024 à 25,925 million de FBU en 2025, soit une croissance de 4 %. Cette progression reflète la stabilité des revenus fondés sur les transactions, portée par l'intensification de l'activité clientèle et par une utilisation accrue de nos canaux, notamment les agences, les services bancaires en ligne et les guichets automatiques de billets (GAB). Structure des coûts, efficacité et effet de levier opérationnel

Le total des charges de personnel et des charges administratives est passé de 45 337 million de BIF en 2024 à 64 384 million de BIF en 2025, soit une croissance de 42 %. Cette hausse reflète les exigences opérationnelles accrues liées au service d'un bilan nettement plus important, à l'augmentation des volumes de transactions et à l'élargissement de notre empreinte de distribution, ainsi que le coût du maintien de standards élevés en matière de conformité, de contrôle interne et de qualité de service dans un contexte de développement rapide de la Banque.

Le ratio d'efficacité (charges hors intérêts rapportées au total des revenus nets des charges d'intérêts) s'est établi à 49,59 %, contre 47,17 % en 2024. Ce niveau demeure globalement aligné avec le ratio sectoriel charges/revenus moyen publié de 50,2 % pour 2025. À l'avenir, notre agenda finance continuera de soutenir les initiatives de management axées sur la productivité : optimisation des processus, automatisation et gouvernance rigoureuse des dépenses, afin que la croissance des revenus se traduise par un effet de levier opérationnel plus marqué et durable dans le temps.



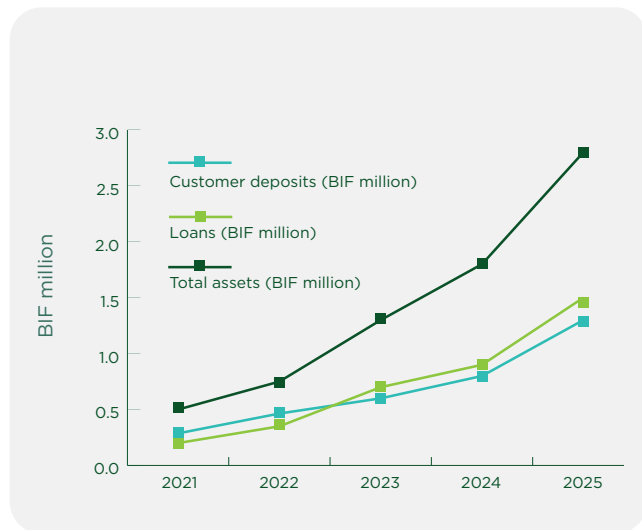
Efficacité et rendements (5 ans) – ROE, ROA et ratio charges/revenus (série de KPI).

Les produits d'intérêts sont passés

62.0% ↑ de 122 765 millions de BIF en 2024 à 198 678 millions de BIF en 2025

Situation financière et allocation du bilan

Le total des actifs est passé de 1 803 695 million de FBU en 2024 à 2 743 090million de FBU en 2025, soit une croissance de 52 %. Cela reflète la progression des crédits et l’augmentation de l’activité d’investissement au cours de l’exercice. Les dépôts de la clientèle sont passés de 842 381 million de FBU au 31 décembre 2024 à 1 289 028 million de FBU au 31 décembre 2025, soit une croissance de 53 %. Le ratio crédits/dépôts est passé à 114,85 %, contre 105,20 % en 2024, reflétant une progression plus rapidement des crédits que les dépôts. Il s’agit d’un indicateur clé que nous suivons de près afin de nous assurer que la croissance demeure soutenue par une structure de financement stable et des coussins de liquidité appropriés.

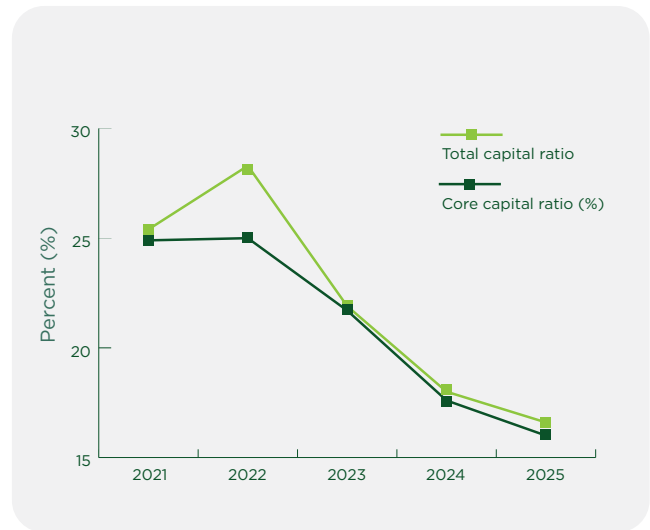


Taille (5 ans) – total bilan, dépôts clientèle et crédits (série de KPI ; dépôts 2021-2022 non disponibles dans la série publiée).

Adéquation des fonds propres, conformité réglementaire et résilience

Le capital social ordinaire émis et entièrement libéré est resté à 48 027 million de FBU, sans modification de structure du capital par rapport à l’exercice précédent. Les capitaux propres totaux se sont établis à 184 581 million de FBU (2024 : 143 064 million de FBU), comprenant un capital émis de 48 027 million de FBU, des bénéfices non distribués de 69 061 million de FBU et d’autres réserves de 67 492 million de FBU.

L’adéquation des fonds propres est demeurée supérieure aux seuils réglementaires tout au long de l’exercice. Le ratio de fonds propres de base s’est établi à 16,0 % (2024 : 17,6 %) et le ratio total de fonds propres à 16,5 % (2024 : 18,0 %), tous deux au-dessus des exigences minimales réglementaires de 12,5 % et 14,5 % respectivement. Il n’y a eu aucun changement dans les définitions des indicateurs clés de performance (KPI) ni dans les méthodes de calcul par rapport aux exercices antérieurs.



Adéquation des fonds propres (5 ans) – ratios de fonds propres de base et total (série de KPI).

Mix de financement, gestion de la liquidité et supervision de la trésorerie

Notre principale source de financement est demeurée constituée des dépôts clientèle, représentant 55 % du financement total, avec des emprunts à 37 % et des capitaux propres à 9 % (aucun changement majeur par rapport à 2024). Les dépôts à vue et d’épargne (CASA) ont constitué 92 % des dépôts clientèle totaux en 2025 (2024 : 90 %), contribuant au maintien du coût des fonds plus faible et à une structure de financement stable et efficace.

Les emprunts ont augmenté afin de s’aligner sur la croissance de la demande de crédit de la clientèle et sur la gestion de la liquidité ainsi que la couverture des inadéquations de maturité. Au 31 décembre 2025, les emprunts se composaient de 262 854 million de FBU (courants) et de 615 973 million de FBU (non courants), contre 178 819 million de FBU et 387 924 million de FBU respectivement en 2024.

La Trésorerie exerce ses activités dans le cadre de politiques financières et de trésorerie approuvées par le Conseil d’administration et révisées annuellement. Les risques de marché, en particulier le risque de liquidité et le risque de taux d’intérêt font l’objet d’une supervision rigoureuse du Conseil au travers de son Comité des risques, tandis que la supervision opérationnelle est assurée par la direction au travers le Comité de gestion des actifs et du passif (ALCO) et le Comité d’audit et des risques. Le Comité de gestion des actifs et du passif se réunit mensuellement, et la Trésorerie maintient des plans de financement à court et à long terme afin d’aligner la croissance des actifs sur un financement stable et un profil d’échéances approprié.

Flux de trésorerie et affectation des ressources

Les flux de trésorerie opérationnels ont été soutenus par une augmentation des dépôts clientèle de 446,6 milliard de FBu (2024 : 231,2 milliard de FBu) ainsi que par une hausse des emprunts de 312,0 milliard de FBu (2024 : 282,2 milliard de FBu). Les fonds générés en 2025 ont été principalement utilisés pour accroître les prêts à la clientèle de 567,8 milliard de FBu (2024 : 227,0 milliard de FBu) et les titres de trésor de 400,7 milliard de FBu (2024 : 113,0 milliard de FBu). Ces mouvements expliquent la progression annuelle du total des actifs et la forte croissance des produits d'intérêts.

Comprendre la performance par rapport aux objectifs

L'exercice 2025 s'est traduit par une forte expansion de la taille, même si les indicateurs de rentabilité et d'efficacité ont demeurés en deçà des objectifs. Le total des actifs a atteint 2 743,0 milliard de FBu, dépassant un objectif de 2 292,2 milliard de FBu, tandis que les prêts et avances nets se sont établis à 1 479 816 milliard de FBu au-dessus de l'objectif de 1 386,8 milliard de FBu. Parallèlement, le résultat avant impôt s'est élevé à 52,6 milliard de FBu, inférieur à l'objectif de 91,3 milliard de FBu, et le résultat net après impôt s'est établi à 51,2 milliard de FBu, également en dessous de l'objectif de 64,9 milliard de FBu. Les dépôts se sont établis à 1 289,0 milliard de FBu contre un objectif de 1 399,1 milliard de FBu, et le ratio charges/revenus s'est établi à 49,6 % contre un objectif de 41,4 %.

Du point de vue finance, cette performance reflète une année où les exigences de croissance et de montée en capacité ont progressé plus rapidement que la capacité des profits à atteindre les niveaux budgétés. Concrètement, les revenus ont fortement progressé; toutefois, la Banque a également supporté les coûts liés au renforcement des capacités opérationnelles, à l'intensification et à l'élargissement des canaux de distribution. Il ne s'agit pas de considérations ponctuelles ; notre responsabilité est de veiller à ce que l'agenda de productivité suive le rythme de la croissance, afin que l'augmentation de la taille se traduise par des rendements plus élevés avec un effet de levier opérationnel amélioré.



Perspectives et priorités financières pour 2026

La Banque a clôturé l'exercice 2025 avec des fondations adéquates en matière de fonds propres, de liquidité et de gestion des risques, lui permettant d'aborder avec confiance les opportunités et les défis attendus en 2026 et au-delà. À l'avenir, l'agenda finance demeurera étroitement aligné sur la stratégie 2023-2027 et s'articulera au tour de trois axes. Premièrement, l'optimisation du bilan (veiller à ce que la croissance des crédits et de l'activité d'investissement continue d'être financée prudemment, avec un suivi étroit des coussins de liquidité, des profils d'échéances et de la dynamique crédits/dépôts). Deuxièmement, la productivité et la discipline: renforcer la gouvernance des dépenses, soutenir les initiatives de réingénierie des processus et recourir à des données et analyses pour affiner la prise de décision et la responsabilisation. Troisièmement, la résilience: maintenir des standards élevés de conformité et de reporting, soutenir les comités de gouvernance des risques avec des informations financières en temps utile, et veiller à ce que la Banque reste prête face aux évolutions du marché, y compris les risques émergents tels que le risque climatique susceptible d'influencer la solvabilité de la clientèle ainsi que la continuité des opérations.

À travers ces priorités, je m'engage à maintenir un reporting financier et un pilotage fondés sur la transparence, la clarté et la pertinence pour la prise de décision. Nous continuerons à accompagner le management par une discipline financière rigoureuse, tout en conservant la flexibilité nécessaire pour investir dans la technologie, l'expérience client et des canaux évolutifs qui renforceront durablement la compétitivité de la Banque sur le long terme.

Remerciements

Je souhaite exprimer ma sincère gratitude à nos actionnaires pour leur confiance et leur engagement de long terme, à nos clients pour la confiance qu'ils accordent à nos ambitions, ainsi qu'à nos collaborateurs pour les résultats obtenus avec professionnalisme et intégrité. J'adresse également mes remerciements à nos régulateurs et nos partenaires pour leur orientation et leur collaboration continues, qui contribuent au renforcement de la stabilité du système financier et de la qualité de notre action.

Paul Mlay, ACPA

Directeur des Finances et de l'Administration

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07

Financial Statements



COMPANY INFORMATION

REGISTERED OFFICE

CRDB BANK BURUNDI S.A.

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Immeuble BATRALAC

P.O. BOX 254 Bujumbura-Burundi

City Market

Quartier Industriel, Avenue de l'OUA

Immeuble Garage AUTOTECH

P.O. BOX 254 Bujumbura- Burundi

Ngozi

Quartier Shikiro, Route Nationale N°6

P.O. BOX 254 Bujumbura-Burundi

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THE REPORT BY THOSE CHARGED WITH GOVERNANCE

1. INTRODUCTION

Those charged with governance have the pleasure to submit their report and the audited financial statements for the year ended 31 December 2025, which disclose the state of affairs of CRDB Bank Burundi S.A.

2. INCORPORATION

CRDB Bank Burundi S.A. was incorporated in Burundi in the year 2012 under the Company's Act and is domiciled in Burundi. CRDB Bank Burundi S.A. is a wholly owned subsidiary of CRDB Bank Plc. CRDB Bank Plc is a commercial bank incorporated and domiciled in Tanzania and is listed on the Dar Es Salaam Stock Exchange. The bank has a wide network and strong presence in corporate banking, Retail banking, SME, Treasury, Alternative digital channels, Micro finance, and Agency banking which efficiently offers a comprehensive range of financial services to the public.

3. ASPIRATION

Be an undisputable market leader

4. PURPOSE

Improve livelihoods and deliver sustainable impact.

5. VISION

Transform Lives and develop economies to their fullest potential.

6. MISSION

Provide disruptive solutions to unlock social-economic value for our stakeholders.

7. CORPORATE VALUES

We are guided by the following corporate values: Deliver impact, learn continuously, behave responsibly, and achieve together.

8. ENTITY OPERATION

CRDB Bank Burundi S.A is a licensed bank in Burundi under the Banks Act, 2017 of the Republic of Burundi. The principal activity of the Bank is the provision of banking services to corporate customers, SMEs, Government, microfinance institutions and individuals.

The Bank remains to be among the fastest growing commercial Banks in Burundi with a share of total customer deposits of 19% and assets share of 22% in 2025 (Ranking 1st in Loans to the public, Total Assets and Total Deposits)

Environmental matters and impact to bank's business operations

The Bank believe that taking care of the environmental and social matters is a serious responsibility for every individual. As a corporate citizen we have embraced a culture of responsible living, with the ultimate intention of building a sustainable work environment with insignificant impact on the environment which can impact business operations.

Bank's Employees

At CRDB Bank, we believe our people are the cornerstone of our success. Their engagement and commitment make us who we are. Our employees play an important role in contributing to the long-term success and performance of the bank. The employee focus is centred on Learning and Development, Employee Well-being, Employee Engagement, and Diversity and Inclusion.

- **Learning and Development**

Despite operating in a very tight schedule, learning is the top priority of the Bank. The Bank introduced the digital learning platform (LinkedIn) in 2024 to date, facilitating self-learning among employees across the network. Convenience is guaranteed; the platform is also accessed through mobile phones, hence enabling staff to access the platform from anywhere.

- **Employee Well-being**

Employee wellness is an integral component of our employee value proposition, centered around the value of 'Care'. We constantly explore possibilities and opportunities to deliver the finest customer experience. In the process, we realized that an engaged workforce is not just a productive one, but also a key element for creating 'Happy Customers' begins with health. The key health issues at the workplace stem from sedentary lifestyle, coupled with improper posture and stress. We conduct regular medical check-ups and create awareness on best health practices. We also provide counselling to help our people deal with mental health issues through a dedicated helpline at the Group. All our employees are provided with medical insurance covers.

Bank also pays special attention to the importance of good nutrition, physical fitness, and stress reduction. Our Bank firmly believes that quality health plays an important role in the success of the organization and to promote health and wellbeing among our staff.



THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

8. ENTITY OPERATION(Continued)

The Bank launched wellbeing services in 2021 with the focus on empowering colleagues and eligible dependents to address individuals' challenges which require support in physical and social wellbeing.

The services include:

- i. Professional telephone counselling: Counselling for psychosocial problems, substance abuse, and addiction, relationship problems, financial management, health, personal, or work-related problems, and all mental disorders.
- ii. Professional online and physical Counselling: For any psychological, relationship, medical stress, financial problems, marital and prenatal counselling, trauma-focused counselling, teenage counselling, family therapy, individual and corporate coaching, fitness, nutrition, and lifestyle management
- iii. Managerial Consultation for stress management, crisis management, assistance in managing risk cases, cultural diversity, or performance management of employees.
- iv. Psychiatric care arrangement: outpatient assessment and care through an accredited Psychiatrist.
- v. Emergency response critical incident stress debriefing (CISD): Worksite counselling and stress management support such as armed robbery, death, or disaster at a worksite.
- vi. Education support and awareness: Conduct an awareness program across the network to equip employees on key psychological threats/signs periodically.

- **Employee Engagement**

The Bank believes Employee engagement is the foundation which support several positive business outcomes such as productivity, improved bottom lines, growth, customer experience, employee retention and safety. At CRDB employees are engaged at three different levels: physical, emotional, and cognitive. These are not only to ensure full commitment from the employees but also creates passionate and enthused workers who strive hard to work towards the Banks's vision and their personal goals.

Employees need to feel committed to the organizations they work for, need to feel valued, and need to feel that they are contributing to something meaningful, all of which can influence and be influenced by emotions. Emotionally engaged employees are more invested in their jobs and more likely to experience job satisfaction. Having a high level of emotional engagement contributes to a positive work environment where it is easier for other employees to engage with their work.

On the aspect of physical engagement, the Bank believes employees who are physically engaged feel enthusiasm for the work they do and have improved mindset tied to mental well-being and devote their emotional and physical energy to their work. Employees with a lot of energy have better overall health, which allows them to contribute more to the business.

Fundamentally, people want to be recognized and appreciated for the efforts they make. To emphasize this in 2020 the Group formally launched an award with the name "CEO awards" aiming at recognizing excellence at the workplace. The awards were structured in line with our strategic themes to recognize key drivers of change within the Bank. As a future-oriented employer, we believe in rewarding excellence among our staff as not only a motivating factor, but also as a noble action.

The Bank believes that, to continue becoming an employer of choice in the market, it must keep its employees engaged and listened too. From time to time, the Bank has used an employee satisfaction survey as a tool to listen and engage its employees. The survey is conducted annually with the main aim to get a better understanding of employees' morale, satisfaction, and engagement across the bank and our subsidiaries. The survey is very important for the bank as it provide feedback to management to improve the working environment.

The modality of survey is conducted via research, an online survey tool which is simple and easy to use. Employee's survey responses are anonymous and survey team cannot trace an individual. The result of survey is communicated to staff via organized group sessions to discuss ways of improving our culture, performance and addressing problem areas.

The survey results are basically used for three purposes.

- i. Identify areas of strength, best practice, and potential improvement of our policies to make them more practical and effective.
- ii. Understand engagement drivers, satisfaction levels and team effectiveness.
- iii. Formulate actions to resolve issues that demotivate people, compromise customer satisfaction and /or diminish performance.

- **Diversity, Inclusion, Equity and Belonging**

Diversity, Inclusion, Equity and Belonging create a positive work environment for all, which leads to better ideas and helps foster a positive work environment that not only promotes equality but delivers results. A diverse and inclusive workplace is one that makes everyone, regardless of who they are or what they do for the business, feel equally involved in and supported in all areas at the workplace.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

8. ENTITY OPERATION(Continued)

Diversity, inclusion, Equity and Belonging (Continued)

With 251 employees across the country, a key focus point for the bank is to be able to attract, recruit, develop and retain a diverse workforce. By actively seeking and including a diverse range of ideas, perspectives and approaches, the bank is better able to reflect, understand and connect with customers; foster creativity and innovation; solve complex problems; improve the quality of business decisions; and boost employee engagement and morale. Our leaders are committed to providing opportunities that allows all employees to reach their full potential.

CRDB Bank Burundi S.A. is committed to being a leader in supporting and valuing the diversity of the people, organizations, and communities, we serve by recognizing and respecting human difference and similarities. The Bank strives to create an environment responsive to different cultures and groups in all our interactions with employees, customers, visitors, suppliers, contractors, shareholders, investors and in the communities in which we operate, and we believe that, by employing people with different cultural experiences and perspectives, we can eliminate these blind spots in how we develop solutions to customer problems. We hold the belief that by enhancing understanding of how messaging, products, and services are received by people with different points of view, we gain a competitive edge to respond to the needs in the market appropriately. For us, diversity is an integral source of our strength, because it fosters innovation and problem-solving by pushing everyone to look at things from different perspectives.

The bank has developed a diversity, inclusion, equity and belonging policy, aiming to ensure that the Bank adhere to the best human resources practices and standards. The Bank is an equal gender employer and there are several efforts being taken to maintain gender balance. As at 31 December 2025, the bank's total workforce stood at 251 staff where 137 (55%) were males and 114 (45%) were females. The biggest age group in our workforce is below 45 years of age.

The Bank continued to focus on driving women agenda through special sessions which aimed at inspiring and empowering more women to draw unique leadership qualities that would enable them to rise to the highest levels of leadership. The Bank continued its She initiatives program as one of the initiatives aiming at empowering women through training, coaching, and mentoring.

Social and community issues

The bank acknowledges that Corporate Social and community issues are of increasing importance to our stakeholders and are vital to the continued success of the bank. The Bank is committed to contribute to sustainable developments by delivering economic, social, and environmental benefits for all its stakeholders. This is recognized as an important element of good corporate citizenship, alongside sustainability and good governance, aims to improve the lives of disadvantaged people across multiple development sectors. As a result, we have a Corporate Social Investment policy (CSI) that guarantees the bank always operates in a responsible manner for the benefit of our stakeholders. The bank implements CSI by partnering with and investing in communities to find sustainable solutions.

The Bank's Corporate Social Investment strategy focus on providing solutions for significant social problems with the aim of creating long term sustainability particularly on the areas of health and wellness, education, environment, women and youth and enhancement of financial capabilities (financial literacy and financial inclusion) to the society. The Bank also focuses on programs that enable communities to provide for their own immediate needs and empower them to improve themselves in the future to earn a living and become self-sustainable and/or self-reliance.

Employees are also encouraged to be involved in CSI programs aimed at improving the standard of living of the communities surrounding them. For further details on our Corporate Social investment, refer to section 28.

The governance

Our Bank is founded on strong principles of good corporate governance, which we conceive as integral to our prosperity. We understand the depth of the responsibility placed upon us by our shareholders to safeguard their hard-earned investments. Therefore, we conduct our business openly and in transparent manner adhering to tenets of good corporate governance.

The Bank has Risk Management Framework which forms the Bank's integral part of corporate governance. It defines the Bank's high-level governance structure and documents the key responsibilities and accountabilities that are in place to manage risks inherent in the bank's business and operations. For further details on our corporate Governance structure, refer to section 20. We have a diverse board of directors that has the right balance of skills and experience to steer our bank into prosperity.

The Bank's operating model

Our integrated business model is designed to address the widespread needs covering all market segments by responding to the rapidly changing world. Our governance operating model ensures a robust internal governing bodies and proper systems and processes are in place to support our customers and stakeholders.

The Bank continues to be innovative and adopt an agile operating model to be able to respond rapidly to our customers' ever-changing needs. The Bank provides a wide range of products which suit the needs of different segments in the market, through our business divisions namely Retail, Corporate, and Treasury.



THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

8. ENTITY OPERATION(Continued)

The Bank's operating model (Continued)

The Bank has grown to become the most innovative and preferred financial services partner in Burundi, supported by uniquely and updated service. We are transforming our digital presence, providing simpler, seamless interactions through digital platforms while sustaining extensive customer reach through our branch network by offering digital solutions including simbanking, internet banking, and agency banking (Turi Hose). More details of bank's operating model are disclosed under section 9.

9. OPERATING ENVIRONMENT

Global Economic Growth

The IMF projects global growth of 3.2 percent in 2025 compared with 3.3 percent in 2024 and is projected to grow at the same pace in 2026. Inflation was low and trended downward, reaching to central bank targets in many countries, largely due to low energy prices and the lagged impact of effective implementation of monetary policy. Global headline inflation is forecasted to drop to 4.2% in 2025, continuing downward to 3.5% in 2026, with advanced economies converging to targets sooner than in emerging and developing economies.

Medium-term risks to the baseline are tilted to the downside, while the near-term outlook is characterised by divergent risks. Upside risks could lift already-robust growth in the United States in the short run, whereas risks in other countries are on the downside amid elevated policy uncertainty. Policy-generated disruptions to the ongoing disinflation process could interrupt the pivot to easing monetary policy, with implications for fiscal sustainability and financial stability. Managing these risks requires a keen policy focus on balancing trade-offs between inflation and real activity, rebuilding buffers, and lifting medium-term growth prospects through stepped-up structural reforms as well as stronger multilateral rules and regulations.

Macro and micro economic overview

Burundi

Burundi's economy is still challenged by the Russia's war in Ukraine and the political instability in the Eastern Congo. However, the country has demonstrated remarkable resilience, and the outlook remain favourable, with a stagnant projected GDP growth rate of 4.1 percent in 2026, same as in 2025 owing to the mining sector and public investment. According to the IMF, Burundi is benefiting from a more favourable external economic environment and has initiated a policy of gradually reducing inflation and exchangerate gaps, supported by a comprehensive and ambitious macroeconomic stabilization strategy that could significantly improve the country's outlook.

The overall inflation decreased to 26.3 percent in 2025 from 36.3 percent at end of December 2024 and is expected to drop around 10-15 percent by the end of 2027 if the efforts made remain in place. The BIF/USD closed at 2970.29 on 31 December 2025 compared to 2,915 reported on 31 December 2024.

The IMF's Burundi economic outlook reports that Burundi's economy is promising, with growth projected to 4.1 percent in the medium term, supported by several positive developments including the impact of reforms like the budget deficit reduction policy and a gradual reduction of inflation and exchangerates gaps, projects in the agricultural and mining sectors, and financial reforms aimed at controlling inflation and BIF/USD exchange rates gaps.

Economic growth prospects remain strong, also supported by the country's progressive re-engagement with the IMF and the international community.

Climate change issues and policy options

Burundi is known as one of the most vulnerable countries to climate change in the world due to its geographical (rugged relief) and climatic (floods, droughts, heat) characteristics. The observed and predicted impacts of climate change progressively undermine development efforts and risk hampering the aspirations of the Burundian people. The Vision of Burundi 2040-2060 describes actions and goals that the government will take to ensure sustainable development to emerging economy by 2040 and a developed economy by 2060.

Through this Vision the Government of Burundi has pledged commitment involving three main issues namely, (i). Structural transformation of the economy to drive an acceleration of economic growth without hindering ecological balance, (ii). Evidence based decision making and a result-based management and financing approach and (iii). An improvement in the conditions and quality of life of the population with sustainable and controlled demographic growth.

Furthermore, Burundi completed a Green Climate Fund (GCF) readiness grant aimed at strengthening the National Designated Authority (NDA) to better perform the coordination role for climate change initiatives and the establishment of a sustainable mechanism of engaging key stakeholders, including women groups and the private sector in climate finance decision-making. In its current (2025) updated Nationally Determined Contribution (NDC 3.0), Burundi has pledged to lower its GHG emissions by 23% by 2035, including a 3% unconditional reduction achievable with domestic resources and an additional 20% contingent upon international assistance, compared to the businessasusual scenario. Burundi's NDC 3.0 is aligned with the National Adaptation Plan (NAP), the Burundi Vision 2040-2060, and the national development plan, reinforcing the country's commitment to sustainable and lowcarbon growth.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

9. OPERATING ENVIRONMENT (Continued)

Competitive position

The banking landscape continues to face competition from other players, mainly Mobile Network Operators (MNOs) and FinTech with technology disruptions becoming a norm. CRDB will continue to drive a digital transformation agenda towards building the bank of the future and creating value to our society through access to credit, financial inclusion and social responsibility programs.

The Bank will continue to leverage its competitive advantage through customer centricity, improved technology, wide network of over 38 outlets (branches, ATM and franchises) and a committed work force to deliver value to all stakeholders. The Bank continues to support customers demand which has been a sustainable focus throughout the year. This has been achieved through providing banking services all over Burundi.

Speed and effect of technological change

In today's world, banks offer most of its banking services online through digital channels, including the Internet and mobile applications with limited physical presence. Bank's business operation is based on the application of financial technology (fintech) and innovation. Technology plays a pivotal role in determining what customers want and how their needs can be met. With the benefits of a technology-driven operation and a cloud-native banking model, new customer experiences and financial inclusion can be achieved.

The banking sector has embraced technology to serve customers more efficiently and conveniently. The use of technology has revolutionized banking from brick and mortar to clicks, changing how banks deliver services across its channels. The Bank is strategically focused to deploy technological advancements to meet the growing customers' demands and remain competitive. The Bank committed to adopting new technologies and business models that support growth and driving digital adoption.

The emergence of online banking has changed the way banks operate, and the risk profile. With a heavy reliance on technology banks are exposed to various risks like information and cybersecurity risks. Data leakage and confidentiality breaches due to unauthorized access or cyberattack may result in legal costs and serious damage to the bank's reputation. CRDB has established a cyber security framework that safeguards its network from any breach efforts and ensures financial security for its clients to prevent breaches. CRDB bank's information security is of paramount importance as its core business area is the provision of banking services to clientele both within the country and in the Diaspora through our outlets physical and online.

Market forces

The Bank serves a diverse customer base with changing needs and ever-increasing demand for more value and convenience. Technology is highly impacting the banking landscape; clients expect seamless 24/7 banking with constant innovation. The Bank maintains a customer centric focus, innovating business models that meet the customer demands and leverages on cutting edge technology to find solutions for customer needs. We have enhanced capabilities of our core banking system and alternative channels and ensure our footprint presence across the country.

Societal matters in the environment we operate

Financial inclusion

Building on our desire to transform, we remain keen on deepening access to financial services in Burundi because we believe financial inclusion has a bearing on our sustainability. We strive for full inclusion for the unserved and underserved population within our market of operation.

The Bank made reforms in its business which is concentrated in creating sustainable value, increasing financial inclusion, and building the economy integrated through products, services, and innovative service delivery systems through our wide range of network, ATMs, Agency banking and point of sales. Our distribution network for example Turi Hose agents increased to reach 3 005 from 2 000 recorded last year. The bank also operated simbanking and internet banking channels with 37 163 and 25 711 customers registered to the services respectively. All these lead to improved access to financial services in the region which focus on strengthening financial inclusion.

Our strategy embraces a broad definition of financial inclusion, seeking to improve access, ensure quality and actual usage of financial products and services, including credit, payments, remittances, and savings. As a Bank, we are focused on making sure technology transforms financial services in a way that works for everyone.



THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

9. OPERATING ENVIRONMENT (Continued)

Human rights

CRDB Bank Burundi S.A. complies with all regional and international human rights instruments. We also promote human rights through our employment policies and practices, through our supply chain and through the responsible use of our products and service in accordance with the requirements of the Constitution of the Republic Burundi.

Health

The Bank is committed to conducting our business in compliance with all applicable health and safety laws and regulations. The Bank strive to provide a safe and healthy work environment to avoid adverse impact and injury to its employees and customers by taking responsibilities towards the safety of everyone on our premises, including employees, contractors, customers, visitors, and members of the public, and ensures that they are not exposed to risks that may compromise their Health and Safety.

Population and demographic changes

The Bank maintains a customer-centric focus and consider demographic data such as age, education, income, ethnicity, and gender to create business models that meet the customer demands by using all valuable pieces of information when developing new products, creating marketing campaigns, or deciding where to place branches and agencies. With all the parameters of demographic the bank consider age as very crucial that need to be tracked because of the move of wealth into younger generations.

Environmental challenges

In a bid to enhance the economy and maximize wealth, humans continue to engage in activities that are detrimental to the environment. As a result, the world is faced with the challenges of climate change, such as floods, loss of ecosystem, heat waves and resource shortages as planetary limit are approached. Concern for environment related issues is increasing globally and, recently, among enterprises and institutions, leading to the development of various means of evaluating it. Climate change presents a conspicuous threat to societies as well as natural environments. As a financial services provider, we will continue to promote environmental sustainability to mitigate climate change risk in Burundi and outside Burundi while using constructive and advanced initiatives to contribute towards a more sustainable future for the societies in which we operate.

Political environment

CRDB Bank Burundi S.A is operating under stable political environment to safeguard the interests of shareholders and meet stakeholders' needs, and overall stabilization and growth of the bank and economy at large. The stable political environment has also promoted the increase in foreign and domestic investments and operations through fair and stable tax regime, and policies induced by the government leading to the increase of production capacity. The country political stability provides assurance to both local and international stakeholders, as well as increased investments.

10. BANK STRATEGY AND OBJECTIVES

Highlight of implementation of five years' strategy

The Bank embarked on a five-year business strategy (2023 – 2027) focused around four main areas - 'Improve Livelihoods and deliver sustainable Impact' as the purpose, "Transform Lives and develop economies to their fullest potential" as the vision, Providing disruptive solutions to unlock social-economic value for our stakeholders" as the mission, and the aspiration "To be the market leader". These strategic directional instruments for the five years provide a wider context of the bank's growth ambitions, considering the challenges within the markets of operations, and our stakeholders' aspirations.

The current Strategy is being implemented through four main objectives which are, 'Become obsessed with the customer', 'Increase capability to seize opportunities in business regions and key sectors', 'Build a strong, healthy and productive Workforce', and 'Improve the organization resilience efficiency & sustainability'.

2025 was the 3rd year of implementation of the Bank's five-year business strategy for the period 2023-2027. Being the third year of the strategy implementation with the strategic aspiration of "evolve," the bank aimed at deploying bold strategies to address internal setbacks which hinder our performance goals.

In 2025, the Bank made commendable progress in its implementation, resulting in significant gains in terms of positioning the Bank for sustainable growth. To ensure optimal delivery on the strategy, the Bank uses strategic themes for each financial year, which are informed by both the external environment and the challenges within the organization.

The strategic themes play a significant role in ensuring fidelity to the medium-term strategy, and a sustained focus on seven strategic thrusts within the context of the long-term vision of the organization. The Bank has seven established strategic segments to serve namely; Youth, Women, Agriculture, MSMEs, Salaried, Diaspora and Corporate & Public.

CRDB Bank Burundi S.A recognizes the need to identify and prioritize strategic areas in line with the market and its core capabilities but in consideration of the current climate change initiatives and digital transformation.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

10. BANK STRATEGY AND OBJECTIVES(Continued)

The Bank's strategic progress

The Bank reports on the outcomes of the strategic progress that we have made in 2025 by evaluating our financial and non-financial performance against our strategic value drivers. As we move towards completion of the ending strategy, the Bank has sustained growth amid market dynamics and performed remarkably well when compared to the set strategic financial KPIs.

This achievement was made possible through enhancement of balance sheet efficacy, driving a seamless digital experience for our customers, addressing productivity and efficiency gaps, revamping the distribution model, and maximizing on strategic partnerships and stakeholders' engagement. As a result, the Bank experienced growth in all angles of the Business:

- An increased customer base and transaction channels
- Increased financial inclusion, accessibility, and penetration through digital channels.
- Higher efficiency and optimized costs through improvements in technology
- Good portfolio quality
- A strong market presence with a recognizable brand
- Strengthened compliance and good corporate governance.

Below are the bank's financial KPIs that those charged with governance use in measuring the achievement of strategic objective set and managing bank's operations.

Key financial performance Indicator	Target 2025	2025	2024	2023	2022	2021
Return on equity	> 30.7%	27.8%	31.1%	34.50%	35.00%	26.80%
Return on assets	> 4.5%	2.3%	3.2%	3.50%	3.50%	3.00%
Cost to income ratio (cir)	< 41.4%	49.6%	47.2%	43.00%	45.40%	52.10%
Growth in customer deposits	> 67%	53.0%	37.8%	32.00%	62.00%	73.40%
Non-performing loans to total loans	< 3%	2.2%	1.2%	0.22%	0.30%	0.30%
Growth in loans and advances to Customers	> 40%	62.3%	33.1%	123%	58.40%	46.40%
Growth in total assets	> 48%	52.1%	61.1%	48.80%	55.20%	64.90%
Total capital ratio	> 17%	16.5%	18.0%	21.80%	24.70%	25.40%

Bank short, medium, and long-term strategic objectives

For the Bank to create long-term sustainable value, we recognize the need for an appropriate strategy, focused leadership, healthy corporate values, and timely response to shareholder's needs. In the long term, the Bank's primary objective is to attain market leadership and bring sustainable impact for the Burundi Community.

As we progress on our new strategy 2023-2027, we are confident that we will continue to respond effectively to the industry's challenges and most importantly, the bank has re-imagined itself to improve its competitiveness and secure its sustainability for decades to come. We have continued to prioritize efficiency, innovation, competitiveness, and our focus on sustainability to deliver our 2027 ambitions and fulfil our purpose.

During the development of the Bank 5-year strategy (2023-2027), the Bank had:

- Identified its goals and aspirations.
- Identified priority areas of focus i.e., customer segments, products, geographical locations and channels.
- How CRDB will position itself as a preferred Bank for Burundi market to ensure success
- How CRDB will configure itself internally to capture and maintain clients within Burundi market



THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

10. BANK STRATEGY AND OBJECTIVES(Continued)

Strategies to implement strategic objectives

The Bank aims to achieve digitalization across all our transactions through increasing accessibility of banking services by encouraging virtual money management through providing value-adding internet and mobile banking functionalities. The Bank will continue to optimize the balance sheet, capitalize on stakeholder engagements for business growth, and build capacity to hasten execution of the strategy. The Bank shall also continue to create technological strength to increase our capacity to serve.

We aspire to enhance service experience through process simplification and automation. We will therefore prioritize the delivery of critical technology projects as enablers and accelerate process reengineering programs. This is in line with the bank vision (2023-2027), that is; Transform lives and develop economies to their fullest potential.

Bank strategic pillars

Our strategic priorities shall remain centred around cementing our position in the market, business growth, sustainability and building strong foundations for future growth. Everything we do will focus on the below three priorities and we have set targets against which we will track our progress.

	Ringfence the Business	Strengthen our service offerings and cement our presence in the market
Strategic Pillars	Grow the Business	Tap into our unrealized potential and introduce offerings that are new to the Bank
	Futureproof the Business	Enhance Sustainability and Governance, explore new horizons to adapt to evolving client demands

Our strategic framework

Strategic	Provide distinctive customer experience. Attract new and retain existing customers Increase the transaction income Compliance with Regulation Increase in market share
Economic	Improve the return on equity Grow quality loan book responsibly Improve the efficiency ratio
Operational	Digital transformation Develop automated solutions Train and develop employees
Social	Help surrounding communities Financial inclusion Build a reputation as an employer of choice
Environmental	Ensure environmental sustainability

Those charged with governance manage the Bank’s operations by monitoring the achievement of KPIs set on a quarterly basis through the performance reports which are being presented by Management, highlighting the achievement of each KPI, challenges if any regarding the internal or external environment and the support required to achieve the set objectives.

11. BANK BUSINESS OPERATING MODEL

CRDB Bank plays a key role in connecting the providers and users of capital. We recognize the role we play in society, and our success as a business has always been closely linked to the progress of the people, communities, and businesses we serve. We aspire to grow and deliver value for all our stakeholders. For us, value is best illustrated in the quality of lives of our shareholders, our people, and the community around us. In driving value for our stakeholders, we anchor our actions on a firm foundation of the defined strong values.

The Bank’s mission is to provide disruptive solutions to unlock social-economic value for our stakeholders while our purpose is to improve livelihoods and deliver sustainable impact.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

11. BANK BUSINESS OPERATING MODEL (Continued)

We have a robust portfolio supported by a resilient balance sheet and great talent. We invest in people, technology, and processes to deliver value in a responsible and sustainable manner. Therefore, through innovation and strategic investments, we continue to expand our delivery channels to deepen access to financial services.

The Bank has a robust plan to drive financial inclusion with a clear aim to serve underserved communities and include the lower segment of the market into the financial ecosystem. As a commercial bank in Burundi, our relevance today and in the future, along with our ability to create value for our stakeholders is dependent on our capability to effectively manage and leverage the forms of resources available by transforming inputs, through our operating activities, into outputs and outcomes that aim to fulfil the Bank's strategic purposes and create value over the short, medium, and long term.

Inputs employed to provide service to customers.

Below are the key inputs relating to the key resources on which the bank depends to provide services to the customers.

Resources	Input
<p>Financial resources</p> <p>We deploy our financial resources to support our customers achieve their goals. Our strong base of our financial capital supports our operations and funding growth. Our investors, both debt and equity, played a big part in the makeup of our financial capital to execute the Bank's strategy. The Bank maintained a solid capital base and diversified funding sources that enabled us to provide banking solutions competitively across the markets we operate. Group access fund at the competitive rates, to efficiently create and maximize shareholder value.</p>	<p>Strong balance sheet with Total assets BIF 2 743 billion and equity BIF 184 billion</p> <p>Material market share of total customer deposits 19% and 22% of total assets</p>



THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

11. BANK BUSINESS OPERATING MODEL (Continued)

Inputs employed to provide service to customers

Resources	Input
<p>Human resources</p>	<p>The bank’s total workforce stood at 251 staff where 137 (55%) were males and 114 (45%) were females.</p>
<p>Our people are our organization. We deliver success through a purpose-driven and inclusive culture. Our people are at the heart of our success. Their diverse skill sets, expertise and industry knowledge constitute our human capital.</p>	<p>The biggest age group in our workforce, 232 is below 45 years of age (92.4%)</p>
<p>We enhance our human capital through continuous training and development programmes. Our focus on developing a skilled and motivated workforce enables us to acquire, serve and retain our customers.</p>	<p>Experienced and competent leadership team Gender and diversity inclusiveness</p>
<p>We have an engaged and motivated workforce that is guided by a clear vision and anchored in strong values. We are focused on embedding a culture of continuous development, which increases competitiveness and investment in the development of skills required by employees to serve the digital customer of the future.</p>	<p>Equal opportunities in training and development</p>
<p>Intellectual resources</p>	<p>Free of discrimination and harassment</p>
<p>The adoption of data analytics and emerging technologies enables us to increase operational efficiencies. The knowledge and expertise incorporated within our systems, processes and procedures and the equity built in the Bank’s brand constitute our intellectual capital.</p>	<p>Strong heritage brand</p>
<p>We have invested in a strong brand, strategic partnerships and innovative products and solutions that we offer to our customers. We have made commendable progress in digital adoption with focus on automation, which is a key driver of delivering our digital strategy.</p>	<p>Our philosophy of service is driven by our deep belief in innovation.</p>
<p>Natural resources</p>	<p>Our sustainability strategy speaks to our desire to spearhead innovation in the financial services sector.</p>
<p>The natural resources we consume to conduct our business and seamlessly deliver our products and services constitute our natural capital. Our energy consumption, carbon dioxide emissions, paper consumption and waste management impact this capital. Further, we screen all credit facilities to assess them for environmental and social risks.</p>	<p>The Bank is keen on the consumption of electricity, fuel, water at our offices and driving paperless culture.</p>
	<p>The Bank finance projects and businesses which manage their social and environmental impact in a responsible manner.</p>

THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

11. BANK BUSINESS OPERATING MODEL (Continued)

Resources	Input
<p>Natural resources (continued) We are keen on the consumption of electricity, fuel, and water at our offices and driving paperless transactions through deployment of digital tools and automation. We are committed to reducing our carbon footprint by remaining conscious to our materiality.</p>	<p>The Bank embraces a culture of responsible living, with the ultimate intention of building a sustainable work environment.</p>
<p>Manufactured resources. Our physical and digital infrastructure through which we conduct business activities. It includes our branch network, digital platforms, and IT estate which we are in the process of enhancing and simplifying.</p>	<p>Our distribution network comprising; Banking outlets 25 (including super agents and franchises) ATMs (13) Turi Hose agents (3 005) It also covers our IT infrastructure and security.</p>
<p>Social and relationship resources In our engagements with key stakeholders, we continuously strive to deliver a meaningful value exchange. We value the views of our stakeholders because they play a significant role in shaping our response to business and societal issues.</p>	<p>Stakeholders' relationship is key for the success. Continuous engagement with regulators.</p>

Our core business activities

The Bank differentiates itself in the market by providing excellent service to our customers. The Bank's strategic aspiration is centred on "customer first, innovative mind and efficiency at core". Our robust technology and infrastructure capabilities drive seamless customer experiences and support strong resiliency. We have invested in technology, which enables competitive product development, enhancement of digital channels and implementation of reliable techniques for control of risks, therefore enabling us to reach diversified markets.

The Bank's business model offers a comprehensive range of financial services to individuals, Small and Medium-sized Enterprises (SMEs) and corporations. Our integrated business model is designed to address the widespread needs covering all market segments by responding to the rapidly changing world.

The below are the key products and services offered by the bank;

- Accepting customer's deposits and providing secured and unsecured loans in form of term loans, overdrafts, salary advance, credit card, Letter of credit and guarantee based on customer needs and risk appetite.
- Providing transfer of funds within and outside the country through various channels such as simbanking, internet banking, Swift, etc.
- Protecting against risk through the Bancassurance business.
- Trade and supplier finance through issuance of Letter of credit and guarantee as a working capital to access international markets.

Bank's approaches to innovation

Innovations which are being implemented by the bank come from the business strategy and customer needs. CRDB is the bank that listens, we listen what our customers need at that specific moment and align our strategy to meet the customer's needs.

Operating model and response to change

The Bank's operating model is designed to be flexible and provide room to quickly adapt to changes in the environment we operate. It requires continuous innovation and proactiveness for the bank to stay competitive in addressing market demands while improving customer experience. The bank's strategy is to continuously promote and drive an agile culture throughout the organisation to speed-up execution and adapt the changes in the environment we operate.



THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

12. STAKEHOLDER RELATIONSHIP

Effective relationship through consistent dialogue with key stakeholders is central to business sustainability, both in terms of understanding the key stakeholders needs and interest, opinions, and concerns, and in delivering the bank’s commitments and respond on concerns through decisions, actions, and performance as well as on going communication with our stakeholders.

Set out below are the key stakeholders with whom the bank engages on a regular basis and the means of engagement.

Stakeholder	Stakeholders’ Engagement	Outcome
Shareholders/ Investors	<ul style="list-style-type: none"> Annual General Meeting (AGM) is held on a yearly basis, The annual report Regular investors meeting 	<p>Shareholder value creation through an attractive and sustainable dividend stream (BIF 162 206 dividend per share in 2025 for 2024 performance and expect to declare BIF 186 650 dividend per share in 2026 for 2025 performance).</p> <p>Continuous engagement to inform their investment decisions.</p> <p>Transparent reporting and Sound risk management.</p>
Employees	<ul style="list-style-type: none"> Continuous engagement between management and employees through various ways physically and virtually where employees are encouraged to speak up all matters pertaining staff issues. Employee annual feedback survey through an online platform is conducted to get feedback from employees on areas for improvement. Annual performance appraisal discussions. 	<ul style="list-style-type: none"> A workplace where employees can be productive and achieve their potential. Fair remuneration, effective performance management and recognition. Career development and advancement opportunities. A safe and health work environment.
Customers	<ul style="list-style-type: none"> A series of branch/office visits and customer events for retail, corporate and insurance customers. A hotline is there to ensure constant engagement with the customers; and Interaction with customers via CRDB website and other social media platform including the Instagram, Facebook, and Twitter. 	<ul style="list-style-type: none"> Innovative financial solutions and services Convenient access to banking services through digital channels. Excellence in client service. Value-for-money banking that is competitive and transparent in pricing. Strong cyber risk management Fair bidding and timely payments Governance and ethical practices.
Suppliers	<ul style="list-style-type: none"> Formalized procurement policies and procedures have been established throughout the bank; and Competitive procurement of goods and supplies is always exercised, and fairness is of utmost importance while awarding supply contract to selected service providers. Regular meetings virtually and physically 	<ul style="list-style-type: none"> Fair bidding and timely payments Governance and ethical practices.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

12. STAKEHOLDER RELATIONSHIP

Stakeholder	Stakeholders' Engagement	Outcome
Regulatory authorities	Regular interactions through Government relations and Regulatory Affairs teams.	<ul style="list-style-type: none"> Continuous streamlining with all required regulations A stable and transformed financial services sector. During the year tax BIF 14.9 billion was paid to the Government
Community/Society	<ul style="list-style-type: none"> Collaboration with related entities concerning CSI to foster responsible initiatives and disseminate best practices; and financial literacy and inclusion initiatives. 	<ul style="list-style-type: none"> Providing support and access to social and environmental financing to address societal needs. Increased access to, and funding for education, health, and sports-related opportunities. <p>Innovative products that address societal and economic challenges.</p>
Regulatory authorities	<ul style="list-style-type: none"> Regular communication with the Central Bank of the Republic of Burundi (BRB), Telecommunication Regulatory Authority (ARCT), and Interaction with Burundi Revenue Authority (OBR) in respect of CRDB's tax commitments, as appropriate. 	<ul style="list-style-type: none"> Compliance on legal and regulatory obligation. formulation of relevant policy frameworks and enforcement thereof. Active participation and contribution to industry and regulatory working groups. Financial stability.

Stakeholders Scorecard

Our business is built on a desire to transform lives. The activities are designed to drive three main outcomes: drive social progress and individual well-being, help preserve the environment and ensuring sustainable prosperity for all stakeholders. The bank recognises that, the value of our stakeholders' relationships influences our ability to accomplish our purpose. Hence, we measure the value of our relationship with our stakeholders through a variety of ways to make an informed evaluation.

Stakeholders	Indicator	How does it link to value creation	2025	2024
Customers	Net Promoters Score	Quality of service experienced by customers	82%	77%
	Customer Satisfaction Score		90%	90%
Employees	Staff engagement index	Engaged employees index	96%	88%
	Retention of high performing employees	Ability to retain high -performing employees	100%	100%
	Permanent employee turnover	Ability to retain employees	3.0%	3.7%
	Diversity-Internal promotion of women	Development of internal skills and capability	24%	7%



THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

12. STAKEHOLDER RELATIONSHIP(Continued)

Stakeholders Scorecard (Continued)

Stakeholders	Indicator	How does it link to value creation	2025	2024
	Diversity -women in middle management	Progress of women in leadership position	35.0%	33.3%
	Training amount Spent	Employee development investments	1.146 Mn	890 Mn
Regulator	Liquidity coverage ratio	BRB Compliance	339%	336%
	Tax paid	Contribution to Government funds	14.9 bn	9.9 bn
Societal and Planet	Education, health and environment	Contribution to society and the planet	96 MN	75.3Mn

13. FACTORS THAT IMPACTED OUR ABILITY TO CREATE VALUE

Our operating environment is characterised by increased competition, disruptive technologies, changing consumer behaviour and regulatory and policy changes. Within the context of our current strategic, cultural, and digital journey. The Bank manages the following material matters.

Issue	Risk/Impact on Value Creation	Our Response
Increasing Competition	Loss of market share coupled with pressure on revenues and possible loss of revenues if our offerings do not remain competitive.	Delivering innovative products and services through an increasingly automated and digitized environment.
Disruptive technologies and digital adoption	Digital transformation is changing the way we do business, from client on-boarding and products sales to servicing.	Improving our partnerships to drive greater alignment between our business and technology partners to ensure we remain agile in the face of change.
Rising stakeholder expectations	Stakeholders' sentiments can impact our reputation and, affect the cost and availability of funding that is required to drive long-term performance.	Increased engagements with stakeholders to best understand their expectations to incorporate into our strategic planning. Adopting integrated reporting to increase transparency on our value creation process.
Ongoing regulatory and policy changes	Growing compliance costs which may have to be passed on to customers and ultimately impact shareholder returns.	Allocating a material proportion of our investment to regulatory compliance and risk prevention initiatives. Engagement with policy makers and communities to advocate for appropriate regulatory reform. Maintaining constructive and proactive relationships with key regulators.
Current and emerging risks	<p>Risk of cyber-attacks on our Bank's systems through hacking, phishing, ransomware, and other means, may result in disruption of our services or leak of bank's confidential and customer information.</p> <p>Climate change is the major emerging risk in the world with a potential disruptive impact on the economy. It poses both physical and transition risks to our business, as the world transitions to a low-carbon economy.</p>	<p>The Bank have a robust data protection and cybersecurity framework in place which comprise of technological infrastructure and personnel with strong expertise in the field.</p> <p>The integration of long-term ESG criteria into business decisions, with the goal of providing more equitable, sustainable, and inclusive benefits to our stakeholders.</p>

THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

14. FINANCIAL PERFORMANCE AND FUTURE DEVELOPMENT PLANS

FINANCIAL PERFORMANCE

Those charged with governance are responsible for the vision, mission, and strategic objectives of the Bank and ensure the overall objectives are being supported by business plan, budgets, and marketing plan. The board is also responsible for the review and approval of operational and financial objectives of the Bank, amendments of key performance indicators, financial statements before publication and succession plan of senior management including Managing Director. On Quarterly basis, management presents the Bank performance to the board for their review and guidance. The year 2025 was the third year of implementing the third five-year business strategy of the Bank (2023-2027) whose focus was to expand our outreach using cost effective delivery channels in Burundi.

- The Bank made profit before tax of BIF 52 697 million compared to BIF 46 894 million recorded in 2024 recording 12% growth.
- During the year, the Bank provided for BIF 1 473 million for tax hence recording net profit of BIF 51 224 million compared to BIF 44 516 million recorded in 2024 which is 15% growth.
- Interest income increased from BIF 122 765 million recorded in 2024 to BIF 198 678 million as at 31 December 2025 which is 62% growth.
- Fee and commission income increased from BIF 24 815 million recorded in 2024 to BIF 25 925 million as at 31 December 2025 which is 4% growth.
- Staff and administrative expenses increased from BIF 45 337 million recorded in 2024 to BIF 64 384 million as at 31 December 2025 which is 42% growth.

Assets

Total assets increased from BIF 1 803 695 million in 2024 to BIF 2 743 091 million in 2025 which is a 52% growth. The Bank closed 2025 with adequate capital, liquidity and risk foundations well placed to meet the opportunities and challenges that lie in 2026 and ahead.

Deposits

Total deposits mobilized increased from BIF 842 381 million as at 31 December 2024 to BIF 1 289 028 million as at 31 December 2025 which is a 53% growth.

Lending

The credit portfolio increased from BIF 911 982 million as at 31 December 2024 to BIF 1 479 816 million as at 31 December 2025 which is a 62% growth.

Performance in the Banking industry

CRDB Bank continue to remain among the top leading Banks in Burundi in terms of balance sheet size with 22% market share in total assets, 19% market share in deposits.

Key performance indicators of the Bank in comparison with the industry average in 2025;

KPI	INDUSTRY AVERAGE	CRDB
Non-performing loans	3.6%	2.2%
ROA	0.3%	2.3%
ROE	18.5%	27.8%
CIR	50.2%	49.6%



THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

14. FINANCIAL PERFORMANCE AND FUTURE DEVELOPMENT PLANS(Continued)

FINANCIAL PERFORMANCE(Continued)

Key performance indicators (KPIs)

Below are the financial KPIs which are used by those charged with governance to measure performance of the Bank as at 31 December 2025.

KPI	Definition and calculation method	2025	2024
Return on Equity	(Net Profit / Total Equity) * 100%	27.83%	31.12%
Return on Assets	(Profit Before Tax / Average Assets) *100%	2.32%	3.21%
Efficiency Ratio	(Non-Interest Expense/Total Income net of Interest Expense) *100%	49.65%	47.17%
Earnings per share (BIF)	Profit attributable to equity shareholders / Number of Ordinary shares in issue (BIF)	533 287	463 448
Gross loans to customer deposits	(Gross loans to customers/Total deposits from customers) *100%	114.85%	105.20%
Growth in total asset	(Current year total assets - Previous year total assets)/Previous year total assets) * 100%	52.10%	61.13%
Growth in customer deposits	(Current year Deposits-Previous year deposits)/ Previous year deposits) *100%	53.02%	37.84%
Core Capital ratio	(Core capital/Risk weighted assets including off balance sheet items) *100%	16.0%	17.6%
Total Capital Ratio	(Total capital/Risk weighted assets including off balance sheet items) *100%	16.5%	18.0%

The source of the above KPI computed is based on the numbers of the audited financial statements and no adjustment made.

During the year there were no changes to either KPIs or the computation method that needed to be disclosed in the underlying accounting policies adopted in the financial statements compared to previous financial years. The Bank complied with all the regulatory ratios during the year. The Bank KPI targets for 2025 are disclosed in section 8.

Achievement against budget - In 2025 the Bank achieved remarkable performance and sustained growth amid market dynamics. Our focus was on five strategic key areas namely:

- Protecting the bank financial strength,
- Building resilience business models,
- Workforce optimization,
- Accelerating automation, innovation, and digital adoption
- Prioritizing regulatory and compliance

Based on the planned activities aligned with the Bank strategy, business environment and assumptions used, management managed to deliver the budgeted numbers as per below with KPIs;

KEY INDICATORS	ACTUAL 2025	TARGET 2025
Profit before Tax	52.6	91.3
Profit after Tax	51.2	64.9
Total Assets in bn	2 743.1	2 292.2
Total Deposits in bn	1 289.0	1 399.1
Net Loan & Advances in bn	1 479.8	1 386.8
Return on asset	2.3%	4.5%
Return on equity	27.8%	30.7%
Cost to income ratio	49.6%	41.4%
Non-Performing loan ratio	2.24%	3.0%

THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

14. FINANCIAL PERFORMANCE AND FUTURE DEVELOPMENT PLANS(Continued)

FINANCIAL PERFORMANCE(Continued)

The strategy of the Bank focuses on creating the best experience for the customer, and by doing so builds brand loyalty. The Bank ensure that the customers are at the centre of a business's strategy. The Bank believe that our clients are the primary reason that we exist, and we use every means at our disposal to keep them satisfied. Before we introduce any product or services, we get feedback or comments from our customers, not all but from few which are representing others because is not easy to reach all of them. Even on the existing products and services, in many instances the improvements/enhancements are done on the response to our customer's needs. Details of stakeholders needs, and interest are disclosed in section 10.

Performance of Non-Financial KPIs;

Description	2024	2025	YoY Growth
Mobile Banking (Simbanking)			
Volume (transactions)	466,927	471,424	1%
Number of registered accounts	40,022	37,163	-7%
Internet Banking			
Volume (transactions)	58,311	128,101	120%
Number of registered customers	16,901	25,711	52%
Agency Banking			
Volume (transactions)	630,666	963,751	53%
Number of registered agents	2,000	3,005	50%
ATMs			
Volume (transactions)	246,779	277,027	12%
Number of registered cards	41,651	56,139	35%

FUTURE DEVELOPMENT PLANS

In 2026 the Bank will continue the implementation of the 5-years strategy (2023-2027). The Bank will focus on growing and ringfencing the business and put the customer at the centre of what we do by addressing their evolved needs. In addition, we will remain relevant in the business by responding to the market dynamics.

Looking ahead, the Bank shall focus on retaining and growing our market share, while driving the business in the market through strategic partnership and innovative digital solutions. Our customer needs and preferences are continuously evolving and our ability to respond with robust offerings will determine our key success in the market. The Bank shall continue to focus on delivering our customers digital strategy, enabling process optimisation, enhancing customer experience, and ensure ease of use.

The Bank shall continue to strengthen the ICT infrastructure for future growth and transform how we operate and offer services. Our service experience aspiration is to enhance the entire operations value chain through process simplification and automation. Thus, we will prioritize the delivery of critical technology projects as enablers and accelerate process reengineering programs. Most paramount, we are committed to implementing a holistic transformation leading to the bank of the future. This will be achieved through introduction of innovative products to the market, driving efficiency through automation of processes, driving staff productivity, and focusing on value added customer services and selective expansion of business while carefully managing both costs and risks. Adapting new culture will drive performance, productivity, and profitability. Create technological capabilities to transform how we operate and offer services, enhancing cyber maturity posture and data protection. Specifically, our strategic direction will strike the right balance between business growth and compliance.

On Sustainability, the bank ESG priorities are important component of our future growth and shall become a crucial point of investment and capital allocations decision. As countries develop transition plans towards achieving net zero, this shall provide us with opportunities to further partner with our customers in their sustainability journey and Sustainable Development Goals (SDGs) implementation. 2025 Bank aspirations will be to:



THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

14. FINANCIAL PERFORMANCE AND FUTURE DEVELOPMENT PLANS(Continued)

FUTURE DEVELOPMENT PLANS (Continued)

- Elevate Governance, risk management and sustainability.
- Transform and align business models to address changing customers and key stakeholders' needs.
- Embed climate risk into risk management.
- Maintain focus on digital transformation and accelerate delivery of digital transformation strategy.
- Leverage on the new and existing competitive advantages to attain market leadership.
- Acquire new and optimize existing partnerships to enhance ability to serve and grow.
- Maintain healthy and quality loan portfolio.
- Accelerate delivery of technology projects to address system challenges.

Investment in capital expenditure in 2026

- The Bank will continue to focus on implementation and completion ICT projects aimed at creating a scalable infrastructure for future growth.
- Continue investing in digital transformation.
- Branch network enhancement through construction of branches in strategic locations.

15. MAIN TRENDS AND FACTORS LIKELY TO AFFECT FUTURE DEVELOPMENT PLANS

The banking industry is experiencing a fundamental shift, driven by new competition from FinTech, a cultural shift, continuous change in regulations and compliance, and disruptive technologies. The coming out of FinTech/non-bank start-ups is changing the competitive landscape in financial services, driving traditional institutions to rethink on the way to conduct businesses.

Increasing Competition

The competition posed by FinTech, which mainly target some of the most profitable areas in financial services is substantial. It is expected that these Fintech and start-ups would divert revenue from traditional banks and financial Institutions. These new industry entrants are forcing many financial institutions to strive for partnerships and/or acquisition opportunities as a measure to survive. For the traditional bank to continue to maintain a competitive advantage, must learn from FinTech, by providing a simplified and intuitive customer experience.

Cultural Shift

In the digital world, there is no opportunity for manual processes and procedures. Banks need to think of technology-based solutions to banking industry challenges. As a result, it is important that banks and financial institutions institute a culture of innovation, in which technology is leveraged to optimize existing processes and procedures for maximum efficiency. The cultural shift towards new technologies is reflective acceptance of digital transformation.

Regulatory Compliance

Regulatory compliance has become one of the most significant banking industry challenges as a direct result of the growing number of regulations that banks must comply with.

In some cases, banks incur additional cost to stay up to date on the latest regulatory changes to implement the necessary controls. Overcoming regulatory compliance challenges requires banks to foster a culture of compliance within the organization, as well as implement formal compliance structures and systems.

Rising Expectations

Customers of today's world are very smart and more informed than ever before and expect a high degree of personalized services and convenience out of their banking experience as a result, an increased expectation of digitized experiences. Millennials have led the charge to digitization whereby they prefer to interact with brands via social media and found that they make the larger percentage of mobile and internet banking user. As a result of this trend, banks can expect future generations to be more users of mobile banking rather than visiting physical branches. The challenge for banks is to maintain a hybrid banking model which can serve both the older and younger generations.

Continuous Innovation

For banks to sustain in the current world, it requires continuous innovation which helps banks stay competitive and address market demands while improving customer experience. Innovation stems from insight, and insight tend to be discovered through customer interactions and continuous analysis. Banks needs to build advanced analytics capability to maximise the utilisation of the data asset in revenue growth, risk/fraud control and efficiency (financial control and operational cost). The banks should also continuously promote and drive agile culture throughout the organisation to manage speed, scale, and value of the digital transformation.



THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

15. MAIN TRENDS AND FACTORS LIKELY TO AFFECT FUTURE DEVELOPMENT PLANS (Continued)

Emerging risks

Climate change is the major emerging risk in the world with a potential disruptive impact on the economy. It poses both physical and transition risks to our business, as the world transitions to a low-carbon economy. The banking industry is currently working on two interconnected objectives. At the same time figuring out the impact of climate change on the strategy and operations, banks are attempting to help customers and societies to navigate this complicated and fast-moving market dynamics too.

The Bank categorize climate-related risks into two:

- Physical risks, which cover those risks that impact the premises and operations of the bank, its customers, and the wider economy. These includes extreme weather events and long-term shifts in climate leading to the closing of branches or facilities, negatively impacting the creditworthiness of clients, and adversely affecting value asset prices.
- Transition risks: which cover those that impact a bank's products and services because of the move toward a lower carbon economy. These includes the extent to which bank's funds or has a stake in entities that emit greenhouse gases (GHGs), evolving stakeholder expectations, and associated legal or regulatory changes.

16. OUR RISK MANAGEMENT

The Bank is committed to meeting stakeholders' expectations in mitigating risks through a robust enterprise-wide risk management framework. The framework aims at ensuring that risks are identified, quantified, managed, and monitored to achieve an optimal-risk reward profile. Our enterprise risk management framework has well-defined the internal structures, adequate processes, systems, and policies, which monitor and help to mitigate existing and prospective risks or threats of damage, injury, liability, loss, and any other negative occurrence that may arise from external or internal vulnerabilities, and which may be avoided through preventive action.

The Bank's Risk Management Framework is implemented through a 'three lines of defence' model which defines clear responsibilities and accountabilities and ensures effective independent oversight and assurance activities take place covering key decisions.

Risk Management Principles

In managing risk, CRDB Bank Burundi S.A considers the value our risk framework creates to ensure it contributes to the bank's objectives. This is achieved through continuous review of processes and systems.

Strategically, we have an integrated risk management and governing structures which form part of our planning processes, at both operational and strategic levels.

All key decision-makers within CRDB Bank Burundi S.A rely on proactive risk management principles to make informed choices, identify priorities, and choose the appropriate action. We address uncertainties by proactively identifying potential risks and implementing controls and treatments to maximize the chance of gain while minimizing the chances of loss.

From experience we know that to effectively manage risk, we must strive to understand and consider all available information relevant to an activity, while being conscious to the fact that there may be limitations on that information.

Our risk management framework guides us on determining how all-available information informs the risk management process, taking into consideration both the internal and external operating environment.

We also appreciate the role of human and cultural factors in risk management. This framework recognizes the contribution that people and culture make in achieving the bank's business objectives. For this reason, we constantly engage stakeholders, both internally and externally, throughout the risk management process, recognizing that communication and consultation are key to identifying, analysing, and monitoring of risk.

Besides, we acknowledge that managing risk needs flexibility, hence our focus on dynamism. We operate in a challenging environment and this, therefore, requires that we stay alive to need context for managing risk and continuously work to identify new risks that emerge while making allowances for those risks that no longer exist.

CRDB Bank aspires to improve its risk management culture by allocating adequate resources, over time to efficiently manage risks and ensure the ability to demonstrate continual achievement.

Bank's attitude toward risk

We actively take risks, as allowed within our risk appetite and risk tolerance levels. In taking Risks, we exhaustively examine adequacy of the benefit in business terms. Unacceptable risks are risks at a level that exceeds the maximum risk tolerance level, as defined by the Board of Directors, or risks that may impair the growth of the bank and perhaps cripple operations. We take a comprehensive perspective, considering regulatory requirements to maximize the bank's profitability at a risk level in line with our risk appetite.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

16. OUR RISK MANAGEMENT (Continued)

Risk Philosophy and appetite

The Bank considers management of risk as one of its core functions and a key factor for business continuity and providing stable and good return to its shareholders.

Various policies, procedures and tools that spell out the risk appetite commensurate to the risk taken and expected return have been developed and implemented. In this process, the bank strives to match the best practices in risk management and ensure that risks are adequately managed.

Bank's approach in managing risk.

The primary responsibility for the management of risk resides with the business and functional areas where the risk is taken. The function owners are responsible for ensuring that the Bank Risk Management Framework has been embedded within the daily risk management processes. In addition, all employees have the responsibility to ensure an effective management of risk and must report appropriately any known breakdowns/omissions in control, or any potential exposures that may result in financial or reputational loss to the bank.

For every product, process or system that is introduced or implemented in the bank, an internal control document is developed and made available to all relevant employees. This document includes the following elements at a minimum; Statement of accountabilities, risk identification and controls in place to mitigate the risks, objectives of the internal controls being proposed and description of the control environment which must be implemented and maintained including monitoring and reporting.

The Bank Management Audit & Risk Committee is established to manage risks and monitor effectiveness of controls implementation. The bank Risk and Compliance function provides an independent oversight and monitoring process for bank risk and controls and reports to the Managing Director.

Roles and responsibilities of the board of directors in risk management

The bank board of directors has an ultimate responsibility for Risk Management function across the bank including setting the tone and influence the culture of risk management within the bank. Other responsibilities include:

- Approving the overall business strategies, Bank Risk Management Framework, and its associated policies.
- Ensure adequate implementation of risk management framework by the management.
- Defining the nature, role, responsibility, and authority of the risk management function within the bank including the scope of risk management work
- Monitoring of the bank risk profile through reports from Management to determine the level of risk exposure and whether it is within the Board's risk appetite and take remedial actions in a timely manner.

Responsibility of the senior management in managing risk

Setting the tone of risk management and influence risk management culture within the bank. More specifically, the bank's executive team is having the following responsibilities:

- Facilitate the review or development of the Bank Risk Management Framework and its related policies and recommend changes to the Board for approval.
- Provides an oversight to the operations covering risk management and strategy formulation and execution.
- Implementing strategies in a manner that limits risks associated with each strategy and that ensures compliance with laws and regulations on both long term and day-to-day basis.
- Ensure appropriate policies, controls and risk monitoring systems are in place and that accountability and lines of authority are clearly defined.
- Establishing and communicating strong awareness of and the need for effective internal risk management culture.

Uncertainties in operating environment

In the environment we operate there are unforeseen circumstances which the bank cannot predict in certain. Uncertainty implies the outlook for the economy is unpredictable and there is a high likelihood of negative economic events, however in case of uncertainties the bank has in place a robust risk management process where risk management tools have been deployed to ensure proactive measures are achieved at largest extent.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

16. OUR RISK MANAGEMENT (Continued)

Uncertainties in operating environment (Continued)

The Bank continues to monitor the economic environment and execute measures to protect the business by reinventing processes and systems to ensure that we adapt to the ongoing changes of economic environment and at the same time protect our customers by offering an enhanced value proposition and having in place contingencies in our business strategy.

We strongly believe that preventing risks enhances shareholder value because it allows us to manage risks proactively and intelligently, which maximizes the bank's potential for earnings, ensures stability and takes measures to protect the business against unexpected losses. Primarily, our risk management processes aim at protecting the bank's solvency through preservation of high asset quality, efficient operations and prudent capital management resulting in sustained earnings that augment core capital, enabling regulatory compliance, enhancing market reputation and stakeholder support.

17. CAPITAL STRUCTURE AND FUNDING MIX

The Bank's issued and fully paid-up ordinary shares is BIF 48 027 million (2024: BIF 48 027 million). There were no changes on capital structure as compared to the previous financial year. Details of share capital are disclosed under Note 49 in the notes to the financial statements.

The Bank continue to remain strong in term of financial position, well capitalized and closed the year with hard core capital ratio of 11.9%, core capital ratio of 16.0% and total capital ratio of 16.5% both above the regulatory requirement of 11%, 12.5% and 14.5% respectively.

Funding mix

The Bank's primary source of funding during the year was deposits from customers (Demand deposits, Savings deposits, and Time/ fixed deposits) which commands 55% of the total funding, borrowings 37% and equity 9%. There was no major change in the funding mix in 2025 compared to the year 2024. The Current/ Savings deposits (CASAs) represented 92% of total customer deposits in 2025 (2024:90%).

This interprets that the Bank managed to maintain a lower cost of funds. During the year, the bank increases the borrowing to align with bank's growing customer credit demands, liquidity, and maturity mismatch.

The balance between debt and equity was as follows:

Debt In BIF' Million	2025	2024
Customer deposits	1 289 028	842 381
Borrowings - Current	262 854	178 819
Borrowings - Non-current	615 973	387 924
	2 167 854	1 409 124
Equity		
Issued capital	48 027	25 671
Retained earnings	69 062	51 346
Other reserves	67 492	43 691
	184 581	143 064

The balance between equity and debt, the maturity profile of debt, type of capital instruments used, currency, regulatory capital and interest rate structure are under Treasury department and are being monitored by ALCO committee which meet monthly.

The maturity profile of bank's financial assets and the undiscounted cash flows of its financial liabilities is disclosed in note 9.5.1 of the financial statements.

Treasury department is also in charge of short and longer- term funding plans to support the strategies of those charged with governance to achieve the bank's objectives. As per funding mix there are short and long-term borrowing likewise for deposits, there are time deposit with longer term to match the maturity profile of bank's financial assets.



THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

18. TREASURY OBJECTIVES AND POLICIES

Treasury conducts its activities within a comprehensive framework provided by the Board's approved financial and treasury policies. These policies are reviewed and approved by the Board on an annual basis. Treasury is guided by the principles of professionalism, transparency, accountability, and profit maximization objective within conservative set of risk parameters.

The overall responsibility for the management of market risks (liquidity risk, Interest rate risk) rests on the Board of Directors, through its Board Risk Committee. At management level, Asset Liability Management Committee (ALCO) and Management Audit and Risk Committee are responsible for the management of Market Risks. Treasury being the main player in the market risk space; is performing her roles and functions under the oversight of the Assets Liabilities Committee (ALCO) which seats monthly.

Treasury policies and objectives are structured in a way to achieve strategic management of bank's statement of financial position with the focus of realizing optimal returns while minimizing risk exposure and related funding costs.

Within this framework, Treasury applies the best available market knowledge and techniques to achieve the bank's strategic objectives.

The key treasury policies are:

Market Risk Policy

The policy provides guidance/ framework for managing exchange rate and interest risks, also protect the value of the bank assets from adverse effects of market rate movements.

Liquidity Policy

The policy provides guidance on management of liquidity risk under normal and crisis situations. The policy sets out a liquidity management decision-making structure in the Bank, approaches to funding and liquidity operations, limits to liquidity risk exposures, procedures and systems for liquidity planning and management, regulatory compliance, reporting, control, and contingency funding planning.

The bank places a strong emphasis on managing liquidity risk and daily cash flows, which is handled by the Treasury Department through Asset Liability Committee (ALCO) to ensure the bank holds sufficient liquid assets to enable it to continue with its normal operations. Asset Liability Committee (ALCO) also manages the Bank's exposure to liquidity risk by ensuring that limits are in line with realistic assumptions and tracking compliance monthly.

The bank closed the year with regulatory short-term liquidity ratio of 339%, which is above requirement of 100%.

The bank maintains a portfolio of highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption in cash flow. The bank also has lines of credit with the parent that it can access to meet liquidity needs. Net liquid assets consist of cash, short-term bank deposits and liquid debt securities available for immediate sale, less deposit for banks and other issued securities and borrowings due to mature within the next month. The bank does not foresee problems on the liquidity in the next 12 months which can affect the business operations.

Contingency Funding Policy

The policy provides guidance for managing stressed liquidity situation created by a problem or market wider crisis and ensure that the Bank is able all the time to meet its matured obligations as they fall due and remain as good as going concern.

Limit Policy

The policy provides guidance/framework for managing market and liquidity risks for the counterparts at domestic and international level. It also provides guidance for investment and credit exposures limits.

Asset Liability Management (ALM) and Investment Policy

The policy highlights a set of actions and procedures designed to manage the Bank's financial risks to ensure competitive return on assets by putting in place specific predefined risk management policies. It covers strategic management of the Bank's statement of financial position and off-balance sheet items intending to achieve sustained growth, profitability, and solvency. It involves a multiplicity of management activities and responsibilities, including the formulation of short and long-term strategic goals, objectives, and the management of financial risks.

19. CASHFLOWS

The Bank's major sources of cash flow were from operating activities, which was attributable to increase in customer deposits by BIF 446.6 billion (2024: increase of BIF 231.2 billion) and from borrowing BIF 312.0 billion (2024: increase of BIF 282.2 billion). The funds generated in 2025 were mainly utilised to increase lending to customers by BIF 567.8 billion (2024: increase of BIF 227 billion) and government securities BIF 400.7 billion (2024: increase of BIF 113 billion). Such investment activities and customer deposits are the major factors explaining the Bank's movement in cash flow generated from operations. The Bank's cash projections indicate that future cash flows will mostly be generated from deposits. The Bank continues to implement different strategies to mobilise deposits and maintain sound liquidity position to meet its cash flow commitments.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

20. BORROWING

The Bank has been working closely with the parent to support the market on key sectors of the economy. As of 31 December 2025, the bank had an outstanding exposure of USD 295Mn which includes debts from the CRDB Bank Plc, CRDB Bank Congo, Burundi and ABC Banking Corporation for financing various business segments in the economy. The bank has contributed greatly to the economy through knowledge sharing, technical assistance, and job creation.

21. SHAREHOLDERS OF THE BANK

The total number of shareholders as of 31 December 2025 were three (31 December 2024: three shareholders). The shares of the Bank were held as follows:

Shareholders	Designation	2025	2024
		(Shares)	(Shares)
CRDB Bank Plc	N/A	96 052	96 052
Mr. Abdulmajid Mussa Nsekela	Group CEO & Managing Director (CRDB Bank PLC)	1	1
Mr. Frederick Bayona Nshekanabo	CFO (CRDB Bank PLC)	1	1
Total		96 054	96 054

Directors Shareholding

As of 31 December 2025, those charged with governance did not hold any share.

22. CORPORATE GOVERNANCE

The Bank is committed to healthy corporate governance practices, which strengthens and maintains confidence in the Bank, thereby contributing to optimal long-term value creation for shareholders and other stakeholders. The board recognizes its collective responsibility for the long-term success of the bank. Board has a commitment to ensure compliance with all applicable laws and regulations and considers adherence with non-binding rules, codes, and standards; and that compliance is an agenda in all its meeting through board risk committee.

Board Structure

The Board of directors is primarily responsible for monitoring managerial performance and providing strategic and leadership guidance to the management on strategic areas within an established framework of controls designed to assess and manage risk to ensure long-term-sustainability of the bank. The Board has an ultimate accountability for the performance and position of the bank and ensuring the bank adheres to high standards of ethical behaviour

Therefore, the board sets up specialised committees to carry out specific duties and responsibilities with a view to support and improves its work. Committees perform both monitoring and advisory functions for the board, knowing that the latter retains collective responsibility for decision-making. Each committee comprises aptly skilled directors with written terms of reference that are reviewed annually and mapped to applicable regulations and governance practices to ensure relevance and compliance.

The key functions of each Board committee are outlined on pages 43 to 46. The Board monitors these responsibilities to ensure effective coverage of, and control over, the operations of the Bank. Each committee Chair provides written and verbal feedback at quarterly Board meetings.

Roles of the board

The board is the ultimate decision-making body and its key role is to provide strategic leadership and guidance to the Bank and effective oversight of risk management. The board is accountable to the shareholders for the performance of the Bank's businesses.

The specific roles and responsibilities of the board include but not limited to the following:

- To prepare financial statements of the Bank which show a true and fair view in accordance with applicable standards, rules, regulations, and legal provisions which covers the period from the beginning of the financial year to the date those charged with governance approve the audited financial statements and it covers all those charged with governance who acted in this capacity during any part of the period covered by financial statements.
- Determine the Bank's vision, mission and values that promote sustainability of the Bank.
- Appointing the Managing Director, Deputy Managing Director and senior management team to whom the responsibility of managing the Bank is being delegated. The Board review and evaluate the performance of the bank's Executives regularly including reviewing and defining succession planning.



THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

22. CORPORATE GOVERNANCE (Continued)

Roles of the board (Continued)

- Approving corporate strategy and monitoring the implementation of strategic plans. The Board has meaningful input into the bank's long-term strategy from development through execution. The Board approve the bank's strategic plans and regularly evaluate implementation of the plans that are designed to create long-term value. The Board is required to understand the risks inherent in the bank's strategic plans and how those risks are being managed.
- Establishing adequate policies and procedures that ensure the integrity and effective internal controls and adequate risk management practices across the bank.
- Setting the bank's risk appetite, reviewing, and understanding the major risks, and overseeing the risk management processes and internal control systems. The Board oversees the process of identifying and managing the significant risks facing the bank and establish a structure for overseeing risk, delegating responsibility to committees, and overseeing the designation of the Director of risk and compliance responsible for risk management.
- Reviewing the bank's plans for business resiliency. As part of its risk oversight function, the Board periodically reviews management's plans to address business resiliency, including such items as business continuity, physical security, cybersecurity, and crisis management.
- Ensure the Bank is adequately capitalized.
- Approving significant capital expenditures and changes in capital structure of the Bank, acquisitions and dispositions or various strategic investments.

During the year, the Board performed their roles and responsibilities as evidenced by a remarkable performance of the Bank. All members of the Board were collectively responsible and complied with the good corporate governance in line with the Board Charter.

Value Creation Through Good Corporate Governance

The bank practices good corporate governance through well-defined governance structures which are vital to support our ability to create and preserve value. Our approach to good corporate governance enhances the achievement of our strategic objectives over time and bring together the interests of all our stakeholders in creating sustainable value. Furthermore, Our Board is committed to continue to improve corporate governance principles, policies, and practices by remaining up to date of the changes in regulations and best practices.

Our corporate governance approach ensures the bank;

- Adheres to applicable legal, regulatory and practice of good corporate governance.
- Deliver sustainable impact to our stakeholders while caring for our community, contribute to our economy and the environment through our business activities.
- Embeds an ethical and risk-awareness culture.
- Promotes transparency, accountability, and empathy in managing our stakeholder relationships.

Board Meetings

The Board has in place an annual work plan that sets out the board's activities in a year. The Board meets at least five times a year, and, when necessary, to consider all matters relating to the overall risk management, bank performance, implementation of the strategy and succession planning. The Board Chairman together with the Board Secretary (Managing Director) prepare the annual work plan and agenda for each meeting. The notice, agenda and detailed board papers are circulated prior to the meetings. Those charged with governance are allowed to request additional information to support their decision making when necessary.

During the year, the Board held six meetings as planned, and the meetings had several discussions regarding the operations of the Bank. Below are some of the matters discussed during the meetings.

The Board had a discussion on the quarterly performance of all KPIs of the bank as presented by the management and directed management accordingly on expected performance of the bank.

- The Board discussed and approved the bank's 2026 budget and strategy as presented by the management by adding inputs and enlightening management on its expectations on the implementation of the strategy and budget.
- During the meetings, the Board also discussed the reports received from all board committees and deliberated accordingly.

The Board elect a chairperson who is a non-executive director. The elected chairperson is not supposed to be a member of any committee. The chairperson may be invited to attend any of the committees' meetings when deemed fit excluding Audit Committee.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

22. CORPORATE GOVERNANCE (Continued)

Board Meetings (Continued)

The Bank has a Board Charter which sets out the key values and principles of the Board of Directors of the Bank. It provides the specific responsibilities of the Board and how it shall operate within applicable legal and regulatory framework; and clearly specifies the powers of the Board and its Committees, separation of roles between the Board and Management; and the practice of the Board in respect of corporate governance matters.

The Board Charter is subject to the requirements contained in the Bank's Articles Association, Central Bank Circulars, Company Laws and other applicable laws and regulatory provisions.

The Charter is being reviewed annually or on need basis to ensure it remains adequate and consistent with the Board's purpose. Changes are subject to approval by the Board of Directors.

Those Charged with Governance

The Board is confident that it consists of sufficient members with the right mix of skills, experiences and knowledge to challenge and help develop proposals on strategy and bring independent judgement on issues of performance and risk. It consists independent non-executive directors who provides independent opinion on various matters pertaining to the Board.

The roles of the Chairman, a non-executive role, and the Managing Director are separate. The Chairman is responsible for the leadership and management of the Board and for ensuring that the Board and its Committee's function effectively.

The Managing Director bears overall responsibility for the implementation of the strategy agreed by the Board, the operational management of the Company and the business enterprises with the support from Senior Management team.

The Senior Management team is encouraged and invited to attend Board meetings to facilitate effective communication and assist the Board with its deliberations and provide critical insights and analysis of various business units within the Bank.

Composition of Those Charged with Governance.

As at 31 December 2024, the Board was composed of seven Directors. Five Directors are independent non- executive members; one is a non- executive member and one an executive member and Secretary to the Board. During the year, those charged with governance "the Board" who served the bank were.

Name	Gender	Position	Age	Discipline	Nationality	Appointment
Mr. Hosea Kashimba	M	Chairman	55	Accountant	Tanzanian	2019
Dr. Oda Sindayizeruka	F	Vice Chairperson	63	Economist	Burundian	2018
Mrs. Kahumbya Bashige	F	Member	50	Banker	Tanzanian	2018
Mr. Salvator Minani	M	Member	43	Lawyer	Burundian	2022
Dr. Elizabeth Mkoba	F	Member	53	IT	Tanzanian	2022
Mr. Boma Raballa	M	Member	43	Banker	Tanzanian	2023
Mr. Didace Ngendakumana	M	Member	44	Economist	Burundian	2023
Mr. Fredrick Siwale	M	Secretary	49	Banker	Tanzanian	2021

Board Secretary

As per BRB's Circular No 21 of 2018, the Managing Director is being appointed by the Board as a Board Secretary to assist and advice the Board. The Board Secretary's specific roles and responsibilities include but not limited to the following.

- Playing a leading role in good governance by helping the Board and its Committees function effectively and in accordance with their terms of reference and best practice. Providing support goes beyond scheduling meetings to proactively manage the agenda and ensuring the presentation of high-quality up-to-date information in advance of meetings.
- Assist the Chairman of the Board in organizing the Boards activities.
- Maintain and update the register of conflict of interest.
- Facilitate Board and Shareholders meetings.
- Custodian of all Board's official records including board packs, minutes, and bank's Articles of Association.
- Facilitate effective communication between the bank and shareholders.

The Board Secretary during the year was Mr. Fredrick L. Siwale assisted by the Assistant Board Secretary, Ms. Neema C. Riwa.



THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

22. CORPORATE GOVERNANCE (Continued)

Conflict of Interest and Related Party Transactions

The Board has established a policy and a set of procedures relating to Directors' conflicts of interest and related party transactions. In all Board meetings, there is an agenda of declaration of conflict of interest, and there is a conflict of interest register which is being reviewed regularly.

Those charged with governance are expected to avoid any action, position or interest that conflicts with the interest of the Bank or gives the appearance of a potential conflict. In this regard, all directors are required to:

- Declare any interests that may give rise to potential or perceived conflict e.g., multiple directorships, business relationships or other circumstances that could interfere with exercise of objective judgment.
- Declare as soon as they become aware that a subject to be discussed at the board or committee meeting may give rise to a conflict of interest at the outset of the applicable meeting. The conflicted director is not allowed to participate further in the discussion of that subject, nor vote on it.
- Director(s) with a continuing material conflict of interest is required to consider resigning from board.

Board members are required to inform the Board Secretary of any changes with respect to directorships and conflict of interest within 30 days. The board is required to evaluate all potential or perceived conflict of interest as declared and approve such transactions with the bank as may be appropriate. A register of declared Conflicts of Interest is being maintained by the Board Secretary.

During the year, none of the Directors had a material interest, directly or indirectly, in any contract of significance with the Bank.

Separation of roles and responsibilities

While the Chairman and Managing Director are collectively responsible for the leadership of the bank and for promoting the highest standards of integrity and probity, there is a clear and effective division of accountability and responsibility between the two, and each plays a distinctive role but complementing each other to ensure that there is a balance of power and authority, and no individual has unfettered powers of decision and control.

Key roles and responsibilities of Chairman of the Board.

- Provides leadership and governance of the Board to create the conditions for overall Board and individual Director's effectiveness and ensures that all key and appropriate issues are discussed by the board in a timely manner.
- Promotes effective relationships and open communication and creates an environment that allows constructive debates and challenges, both inside and outside the boardroom, between Non-executive Directors and the management.
- Ensures that the Board plays a full and constructive part in the development and determination of the bank's strategies and policies, and that board decisions taken are in the bank's best interests and fairly reflect Board's consensus.
- Ensures that the strategies and policies agreed by the board are effectively implemented by the Managing Director and the management.

Establishes good corporate governance practices and procedures and promotes the highest standards of integrity, probity, and corporate governance throughout the bank and particularly at board level. It is the responsibility of chairman to adhere to the code of corporate governance/ board charter.

Key roles and responsibilities of Managing Director

- Leads the management in the day-to-day running of the bank's business in accordance with the business plans and within the budgets approved by the Board.
- Leads the management to ensure effective working relationships with the Chairman and the board by meeting or communicating with the Chairman on a regular basis to review key developments, issues, opportunities, and concerns.
- Proposes the bank's strategies and policies for the board consideration.
- Implements, with the support of the management, the strategies and policies as approved by the board and its committees in pursuit of the bank's objectives.
- Conducts the affairs of the bank in accordance with the practices and procedures adopted by the board and promotes the highest standards of integrity, probity, and corporate governance within the bank.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

22. CORPORATE GOVERNANCE (Continued)

Board Independence

Directors' independence is critical to effective corporate governance and providing objective independent judgment that represents the interests of all shareholders is at the core of the board's oversight function. Accordingly, a substantial majority of the board's directors should be independent, according to applicable rules and regulations and as determined by the board. An independent director should not have any relationships that may impair, or appear to impair, the director's ability to exercise independent judgment.

Assessing independence.

When evaluating a director's independence, the board consider all relevant facts and circumstances, focusing on whether the director has any relationships, either direct or indirect, with the company, senior management or other directors that could affect actual or perceived independence. This includes relationships with other companies that have significant business relationships with the company or with not-for-profit organizations that receive substantial support from the company.

Restrictions on insider trading

It is the bank's policy that directors and employees are considered to have privileged knowledge, from time to time, of material facts or changes in the affairs of the bank, which have not been disclosed to the public, including any information likely to affect the state of affairs of the bank that may affect the Group, except in accordance to the requirements of the Group policy.

CRDB Insiders are prohibited from trading Group securities either on their own behalf or on behalf of someone else when the trading window is closed. Insiders are required to keep any unpublished and non-public sensitive information received by them whether in the ordinary course of their employment or office or otherwise, confidential and with sufficient protection from unauthorized disclosure or access.

Appointments of the Members of the Board

Appointments to the Board are made on merit, and candidates are considered against objective criteria, having due regard to the benefits of the diversity of the Board. A rigorous selection process is followed in relation to the appointment of Directors and certain specified senior appointments.

Board Members are appointed by the shareholders for an initial five-year term, renewable once.

Appointments of the Members of the Board (Continued)

The Board consist of both Non-Executive Director (NED) and Independent Non-Executive Directors (INEDs). The Board recommends Directors for election and/or appointment to the shareholders at the Annual General Assembly (AGA). The number of Board members is determined by the Bank's Articles of association and regulatory requirements. A Board member elected/appointed by shareholders is not allowed to attend Board meetings or be assigned any responsibility until he/she obtains approval of the Central Bank.

Training and Development of the Members of the Board

Each new Board member is required to participate in an induction program that is tailored to effectively orient the member to the bank's business and organization structure including the whole Group, roles/responsibilities of the Board and its various committees, strategy, objectives, policies, procedures, operations, senior management, and the business environment. The induction package also includes all the necessary information that is required by a member for effective performance in the board (including all policies, charters, recent financial reports and governing laws and regulations). They receive comprehensive guidance from the Board Secretary on corporate governance framework.

Board members are also being introduced to their fiduciary duties and responsibilities as well as any other aspects that are unique to the business. Therefore, the main purpose of the training is to ensure board members have a clear understanding of their role in corporate governance and be able to exercise sound and objective judgment about the affairs of the Bank.

They are required to ensure adequate training and development of the members through continuous training to keep them well informed on critical information pertinent to the business and corporate governance environment. It is the responsibility of the Board to conduct an annual review to identify training needs for each member on a regular basis and facilitate up skilling as well as continuous development of each member.

Non-executive directors also develop and refresh their skills and knowledge through periodic interactions and briefings with senior management of the bank and group's businesses functions, where they get updates on changes in laws and regulations, policies, and practices. All Non-executive directors have access to independent professional advice/ external specialists to enable them to discharge their duties when the expertise needed is not possessed by existing directors or staff within the bank and the Group.



THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

22. CORPORATE GOVERNANCE (Continued)

Board relationships/ engagement with shareholders/ Stakeholders

During the year, Board Members were given exposure on Modern Corporate governance in Banking Industry, Environmental, Social and Governance (ESG) and Artificial Intelligence Governance and Ethics through a study tour in Bangkok Thailand.

Regular shareholder outreach and ongoing dialogue are critical to developing and maintaining effective investor relations, understanding the views of shareholders, and helping shareholders understand the plans and views of the Board and Management. The Board maintains regular dialogue with shareholders and considers it very important to inform them about the Bank's financial performance. The Bank strives to continuously publish all relevant information to the market in a timely, effective, and non-discriminatory manner.

Board Committees

An effective committee structure permits the board to address key areas in more depth than may be possible at the full board level. Decisions about committee membership and chairs are made by the full board. The responsibilities of each committee and the qualifications required for committee membership is clearly defined in a written charter that is approved by the board. Each committee is required to review its charter annually and recommend changes to the board. All committees are required to update the full board of their activities on a regular basis. The report to include findings, matters identified for specific recommendation to the Board, action points and any other issues as deemed appropriate.

The Bank is committed to maintaining a high standard of corporate governance. The directors also recognize the importance of integrity, transparency, and accountability. During the year 2025, the board constituted two sub-committees for improving corporate governance by delegating specific tasks from the main board to a smaller group and harnessing the contribution of the directors. Committee Chair and members are appointed annually from among the board members.

The board remains collectively responsible for the decisions of any committee and are required to review the effectiveness and performance of committees annually.

These sub-committees are;

- Audit Committee
- Risk Committee

Table below shows the number of board and Committee meetings held during the year and the attendance by those charged with governance.

No	Director	Position	Board Meetings	Audit Committee	Risk Committee
1	Mr. Hosea Kashimba	Chairman	6/6		
2	Mrs. Kahumbya Bashige	Member	6/6	5/5	
4	Dr. Oda Sindayizeruka	Member	6/6		4/4
5	Mr. Salvator Minani	Member	6/6	5/5	4/4
6	Dr. Elizabeth Mkoba	Member	6/6	5/5	4/4
7	Mr. Boma Raballa	Member	6/6		4/4
8	Mr. Didace Ngendakumana	Member	6/6	5/5	
9	Mr. Fredrick Siwale	Secretary	6/6	5/5	4/4

Audit Committee

The committee oversees the bank's internal audit function and ensures that the internal audit function has adequate resources and support to carry out its role. The committee reviews the scope of the internal/external audit plan, significant findings by the internal/external audit and management's response, and the appointment and replacement of the Director of Internal Audit and assesses the performance and effectiveness of the internal audit function annually.

The Audit Committee is also responsible for overseeing the financial reporting process, ensuring that internal control systems are adequate and effective, disclosures are complete and accurate and in accordance with International Financial Reporting Standards (IFRS) and applicable laws, rules, and regulations. The Board Audit Committee reviews significant accounting and financial reporting controls of the Bank. In line with the above responsibility, the committee acts as a bridge between the statutory auditors and the management.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

22. CORPORATE GOVERNANCE (Continued)

Audit Committee (Continued)

The committee planned and met five (5) times during the year. Audit Committee is comprised of the following members.

Name	Position	Qualifications/ Discipline	Nationality	Meetings Attended
Mrs. Kahumbya Bashige	Chairperson	Banker	Tanzanian	5
Dr. Elizabeth Mkoba	Member	IT	Tanzanian	5
Mr. Salvator Minani	Member	Lawyer	Burundian	5
Mr. Didace Ngendakumana	Member	Economist	Burundian	5

To ensure effective independence in discharging its duties, chairperson of the committee do not serve in any other committee, the committee has a charter that describes its oversight function and all members served in this committee during the year are non-executives and independent directors with no financial interest in the entity or significant relationships with major shareholders, management, suppliers, or customers.

The committee members are finance, governance and business professionals. Mrs. Kahumbya Bashige is a holder of Bachelor of Commerce in Accounting and a Master of Science in Finance. She is also a Fellow of the UK Institute of Directors (IoD) and holds the prestigious Chartered Director Qualification from IoD-UK as well as the Corporate Director Certificate from Havard Business School. Dr. Elizabeth Mkoba is a Doctor of Philosophy (PhD) in Information Technology Management, she also holds a Bachelor of Science in Computer Science, Master in Business Administration and Master in Computer Science, Mr. Salvator Minani holds a Master in Human Rights and Conflict Resolution and Bachelor in Law, Mr. Didace Ngendakumana holds a Bachelor in Economics and Master in Business Administration.

In the five meetings conducted during the year, the committee apart from other things, discussed the following.

- The semi-annual financial reports for publication which were presented by the management and requested the board audit committee to deliberate and approve the reports which are audited by the statutory auditor.
- Discussed quarterly internal audit reports for various departments and branch operations on selected branches which was presented by the Department of Internal audit. The reports were discussed by the members of the board audit committee and adopted by the Board.
- Emphasis was pressed on the internal controls, to make sure that strong internal controls are in place and are being reviewed regularly.
- Discussed Statutory auditors Audit report and audited financial statements for the year ended 31 December 2024 presented by the statutory auditors and directed the statutory auditors and the management accordingly.
- Discussed quarterly financial performance of the bank and guided the Management on areas of improvements.

Risk Committee

The committee oversees and advises on current and potential risk exposures of the Bank; the Bank's Risk Management Framework; the future risk strategy of the Bank, including strategy for capital and liquidity management and promoting a risk awareness culture in the Bank, alongside established policies, and procedures.

The committee planned and met four (4) times during the year. Risk Committee is comprised of the following members:

Name	Position	Qualifications/ Discipline	Nationality	Meetings Attended
Mr. Boma Raballa	Chairman	Banker	Tanzanian	4
Dr. Oda Sindayizeruka	Member	Economist	Burundian	4
Mr. Salvator Minani	Member	Lawyer	Burundian	4
Dr. Elizabeth Mkoba	Member	IT	Tanzanian	4

Mr. Boma Raballa holds a Master in Business Administration, Corporate Management and Bachelor in Business Administration, Dr. Oda Sindayizeruka is a Doctor of Philosophy (PhD) in Economics, Dr. Elizabeth Mkoba is a Doctor of Philosophy (PhD) in Information Technology Management, she also holds a Bachelor of Science in Computer Science, Master in Business Administration and Master in Computer Science, Mr. Salvator Minani holds a Master in Human Rights and Conflict Resolution and Bachelor in Law,



THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

22. CORPORATE GOVERNANCE (Continued)

Risk Committee (Continued)

The board risk committee met four (4) times during the year, and in the four meetings apart from other issues of the bank, the main discussion centered on the risk assessment and management and compliance issues to avoid fines and penalties which can result from non-compliance with the internal controls and regulations.

The main responsibility of the board risk committee is bank's risk oversight and is required to provide the full board regularly with the information it needs to understand all the bank's major risks, their relationship to the bank's strategy and how these risks are being addressed.

The same was discussed in each of the four meetings together with bank's compliance issues including the bank's code of conduct, reporting compliance and compliance of all internal limits set by the board.

The Committee also reviews adequacy and effectiveness of balance sheet management and its related risks through Asset Liability Management Committee (ALCO) reports presented by Management to the Committee every quarter.

The bank has been tasked by the board risk committee to conduct risk assessment every year and present to board, maintain a risk profile of each department and consolidated risk profile for the bank which is being reviewed by the board regularly. During the year, the bank conducted the risk assessment, risk register updated and presented to the board risk committee and thereafter to the main board and deliberated accordingly.

Board and committees' evaluation

The board have effective mechanism for evaluating its performance on a continuing basis. The evaluation is based on the assessment of the effectiveness of the full board, the operations of board committees, contributions of individual directors on an annual basis.

The results of these evaluations are being reported to the full board, and thereafter a follow-up on issues and concerns that emerge from the evaluations.

The board periodically consider a combination of methods to result in a meaningful assessment of the board and its committees. Common methods include the use of written questionnaires. After evaluation, the Board discuss the results of the evaluation exercise which inform the board on the training needs for its members.

After every three years, board evaluation and assessment will be done by an external party/consultant to ensure the Bank and the board continues operate consistently within good governance and best practice principles. During the year, evaluation of the board, its committees and the individual directors was performed externally using questionnaires and interviews, results discussed, and training needs of the members was identified which will be implemented in year 2026.

Code of conduct and Ethical behaviour

The board has adopted a code of conduct for all directors and employees including Managing Director that addresses, among other things, conflict of interest which is being reviewed and updated regularly. The code of conduct is shared to all employees and directors and are required to confirm in writings that they have complied with the code of conduct.

Board members are expected to observe the highest standard of ethical behaviour which supports and encourages policies that require Directors and all employees to observe high standard of integrity and display honesty in their dealings.

We are committed to high standards of ethical behaviour and operate a zero-tolerance approach to bribery and corruption, which we consider unethical and contrary to good corporate governance. It is the utmost responsibility of all staff within the Bank to comply with the Bank's Code of Conduct.

Whistle blowing policy

The Bank has strong whistle blowing policies and procedures with the main objective to promote a framework within the Bank where staff are encouraged and feel confident to reveal and report any fraudulent, immoral, unethical, or malicious activity or conduct of fellow employees, management, those charged with governance, clients, consultants, vendors, contractors, and/or any other parties with business relationship with the bank which in their opinion may cause financial or reputational loss to the bank.

The policy is essential for maintaining a positive compliance culture in which employees adhere to all internal bank policies and respect all applicable laws and regulations in the country. The Bank is committed to maintaining the highest possible standards of ethical and legal conduct within all its projects, programs, and businesses. In line with this commitment and to enhance good governance and transparency, this policy provides an avenue for raising concerns related to fraud, corruption, or any other misconduct and to assure that persons who disclose information relating to these misconducts will be protected from any retaliation.

The policy sets out the mechanism for employees and/or non-employees to report any concerns or suspicions regarding possible violations of laws, rules or regulations or possible violations or suspected wrongdoing of internal Bank policies, standards, or procedures.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

22. CORPORATE GOVERNANCE (Continued)

Whistle blowing policy (Continued)

Staff are periodically trained as part of induction and ongoing development which encourage staff and other stakeholders to bring out information helpful in enforcing good corporate governance practices. The whistle blower section also found in the website of the bank where customers and other stakeholder are advised to whistle blow on the misconducts through these channels. The whistle blower has options of whether to reveal the identity or remain anonymous.

Risk Management and Internal Control

The board ensures that the Bank has sound risk management and an internal control system that is appropriate to its activities. The risk management and internal control systems are based on the Bank's corporate values, ethics guidelines and principles for sustainability and corporate social responsibility ("CSR"). It is the responsibility of the Management to ensure that adequate internal control systems are developed and maintained on an ongoing basis to provide reasonable assurance regarding:

- Operational effectiveness and efficiency.
- Safeguarding of the bank's assets and business continuity.
- Reliability of accounting records and Compliance with applicable laws and regulations
- Responsible behaviours towards all stakeholders

To ensure the internal controls, remain adequate, the Bank has a fully-fledged Risk and Compliance function that coordinates and oversees the implementation of enterprise-wide risk management framework within the bank. During the year, internal control systems were assessed by the board and was found to be at an acceptable level.

IT governance

IT governance is part of the overall corporate governance of the bank which aimed at improving the overall management and implementation of IT structure to derive value from investment in information technology. As a subsidiary of CRDB Bank PLC, the bank has adopted IT governance policies from the group since most of systems and IT infrastructure used in the bank are coherently used across the group. The policies enable the bank to manage IT risks effectively and ensure that the activities associated with information and technology are aligned with the overall bank's business objectives.

Directors' Remuneration

Remuneration policy

The Group has in place remuneration policy to determine the remuneration of directors, which considers the demands, complexities, and performance of the Group. The bank abides to this policy. Management periodically prepares a proposal for fees and other emoluments to be paid to directors. Proposals include benchmark against similar companies or the industry, market realities, the need to attract and retain skilled, experienced directors to drive the business. The same is forwarded to the Annual General Meeting (AGM) for final approval. The policy is being reviewed annually.

Remuneration of all directors is subject to annual review to ensure that levels of emoluments and compensation are appropriate and adequate in comparison with the industry benchmark. The non-executive directors are not eligible for pension scheme membership and are not part of bank's remuneration scheme.

Information on aggregate amounts of the emoluments and fees paid during the year to directors in comparison to the previous year is BIF 716 million (2024: BIF 616 million).



THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

22. CORPORATE GOVERNANCE (Continued)

Managing Director & Management

The Bank’s executive office consists of the Managing Director who is the Chief Executive Officer Mr. Fredrick Siwale and is assisted by the Deputy Managing Director, Mr. Mediateur Muhire and Directors of departments.

The key management personnel who served during the year, and to date of this report, were as follows:

No	NAME	POSITION
1	Mr. Paul Mlay	Director of Finance and Administration
2	Mr. Deusdedit Mchomba	Director of Credit
3	Mr. Arnaud Rugema	Director of Corporate Banking
4	Mr. Prosper Nyenimpundu	Director of Risk and Compliance
5	Mrs. Bella Niyuhire	Director of Internal Audit
6	Mr. Icare Gafurero	Director of Banking Operations and Digital Banking
7	Mr. Ernest Ngendakumana	Director of Treasury and Capital Markets
8	Mrs. Ines Mucowintore	Director of Human Resources
9	Mr. Rene-Espoir Ndayikeje	Director of Retail Banking
10	Mr. Gadi Pori	Director of Information and Communication Technology
11	Mrs. Neema Riwa	Assistant Board Secretary

The MD and Management, under the MD’s direction, are responsible for the development of the bank’s long-term strategic plans and the effective execution of the bank’s business in accordance with those strategic plans. As part of this responsibility, management is charged with the following duties:

- Business operations -The MD and management run the bank’s business under the board’s oversight, with a view toward building long-term value.
- Strategic planning -The MD and senior management generally take the lead in articulating a vision for the bank’s future and in developing strategic plans designed to create long-term value for the bank, with meaningful input from the board Management implements the plans following board approval, regularly reviews progress against strategic plans with the board, and recommends and carries out changes to the plans as necessary.
- Identifying, evaluating, and managing risks - Management identifies, evaluates, and manages the risks that the bank undertakes in implementing its strategic plans and conducting its business. Management also evaluates whether these risks, and related risk management efforts, are consistent with the bank’s risk appetite. Senior management keeps the board and relevant committees informed about the bank’s significant risks and its risk management processes.
- Accurate and transparent financial reporting and disclosures - Management is responsible for the integrity of the bank’s financial reporting system and the accurate and timely preparation of the bank’s financial statements and related disclosures. It is management’s responsibility under the direction of the MD and bank’s Head of Finance and Administration to establish, maintain and periodically evaluate the bank’s internal controls over financial reporting and bank’s disclosure controls and procedures, including the ability of such controls and procedures to detect and deter fraudulent activity.
- Annual operating plans and budgets - Senior management develops annual operating plans and budgets for the bank and presents them to the board. The management team implements and monitors the operating plans and budgets, adjusting considering changing conditions, assumptions, and expectations, and keeps the board apprised of significant developments and changes.
- Business resiliency - Management develops, implements, and periodically reviews plans for business resiliency that provide the most critical protection considering the bank’s operations. It is the responsibility of Management to identify the bank’s major business and operational risks, including those relating to natural disasters, leadership gaps, physical security, cybersecurity, regulatory changes, and other matters. Management develops and implements crisis preparedness and response plans and works with the board to identify situations (such as a crisis involving senior management) in which the board may need to assume a more active response role.

The bank’s performance and reward approach ensure remuneration structures are balanced and is designed to drive sustainable performance, by ensuring that reward programmes support our business strategy and are both supportive of, and aligned to, sound remuneration practices. Individual reward and incentives are linked directly to the performance and behaviour of the employee, the performance of their respective business units and the interests of shareholders.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

23. RESULTS AND DIVIDENDS

The Board recommend dividend of BIF 186 650 from year 2025 profit after tax (2024: BIF 162 206 per share). Total amount of dividend recommended is BIF 17 928 million (2024: BIF 15 580 million which is 35% of the net profit. The dividend is recommended in line with the dividend policy of the Bank.

24. CRITICAL ACCOUNTING POLICIES AND JUDGEMENTS

Results of the bank are sensitive to the accounting policies, assumptions and estimates that underlie the preparation of the financial statements.

When preparing the financial statements, it is the Directors' responsibility to select suitable accounting policies and to make judgments and estimates that are reasonable and prudent. The accounting policies that are deemed critical to our results and financial position, in terms of the materiality of the items to which the policies are applied and the high degree of judgment involved, including the use of assumptions and estimation, are described in notes 6 and 7 to the Financial Statements.

25. SOLVENCY

The Directors consider the bank to be solvent within the meaning ascribed by the Company Act.

26. EMPLOYEES' WELFARE

Employees with appropriate skills and experience in running the business are a key resource available in the Bank assisting in pursuing the Bank's business objectives. The Bank continues to encourage open and honest communication in decision-making. Employment issues, financial and economic factors affecting the Bank's performance are regularly shared with the employees. The total number of employees at the year-end was 251 (2024: 186).

Management and Employees Relationship

There were continued good relations between employees and Management and there were no unresolved complaints received by Management from the employees during the year.

The bank's management focuses on building the right culture as a strategic human resource priority by ensuring that bank's culture is embedded across all levels and the same is driven across the entire workforce. Having the right culture is an essential element for the bank's future development as we transform towards creating the digital era banking. Amongst the key components in this development is ensuring that our leaders are charged by the major roles of fostering strong leadership capabilities, talent management, enhancing employee relationship and development.

Our leaders believe and always strive in creating an enabling environment where all employees will be able to utilize their fullest potentials while allowing them to connect to each other with dignity and respect.

Resultant to these initiatives the bank has been able to retain its key staff and maintained the turnover rate below 5%. Additionally, CRDB Bank continued to maintain a strong organization health index as compared to the global benchmarks as rated by McKenzie at the group level and which indicates strong capacity to continuously improve its performance in future.

Employees Performance Management

The Bank uses Performance Management System to evaluate employee's performance against set and agreed objectives. The system forms the basis for providing employees with performance feedback, recognition, development, and corrective action plan to promote effective performance.

The Performance Management System is an integrated process with full participation of managers and staff in both setting and reviewing of performance objectives.

The Bank uses the Balanced Scorecard and Competencies Based Framework as a tool for assessing performance of its employees. The Balanced Score Card Performance review is conducted semi-annually where the Line Manager and the subordinate meet to review the performance of that ending period and as a session for giving feedback. The Performance assessment results form a valuable component on one's reward.

Staff Training and Development

During the year the Bank spent BIF 1.1bn on staff training to improve employee's skills. Training programs were implemented with assistance from the Parent Company to ensure employees are adequately trained at all levels with some form of annual training to upgrade skills and enhance development and succession plan. During the year, eleven staff were attached at different departments at parent company to improve their skills and have more exposure.

The bank used different learning methodologies to offer these trainings which included: blended learning through different facilities like Video Conferencing which allowed facilitators from one point to interact with different business units; web-based learning (eLearning) whereby one could learn at their own pace; and face to face training sessions which were conducted within and outside the bank. All employees of the bank, have access to more than one learning option and are encouraged to use the opportunity to re-tool and up-skill themselves in their specialised area of working and personal development to enable them to discharge their duties effectively.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

26. EMPLOYEES' WELFARE (Continued)

Staff Training and Development (Continued)

The role of training is to improve performance in the job, to develop skills and to prepare individuals for other roles and responsibilities. As with promotion and career development, decisions in respect of who is trained and how that training will be facilitated will be based on individual development needs and not on age, disability, gender, socio-economic status, ethnicity, religion.

Youth Programs

The bank launched Graduate Program since 2021 which focuses on preparing college graduates to become experts in banking and building them into future leaders. The program is a rich career and professional development opportunity for committed graduates that aim to make a positive impact in the Banking Sector.

The program came at the right time when the government and development partners in the country are investing heavily in ensuring that university graduates in the country find employment and create a self-employed environment. The program provides more than a job it creates a fast-paced journey to grow the skills of young graduates, develop their carrier, and unlock their potential. In the course the trainees receive field training through branches, departments, and units within the bank to build their resilience. As a Bank We are proud to be part of the youth employment solution.

Employee Wellbeing Initiatives

The Bank have an employee wellness program which is a professional service that offers confidential counselling, sensitization training, capacity building and support with regards to health-related issues. The program aims at sensitizing staff to change and live healthier lifestyles.

It emphasizes on the balancing of work/life within dimensions like emotional control, behaviour change, mind and body health, physical fitness etc. Employees have access to a range of health and wellbeing resources, including medical cover, occupational health services, nutrition and an employee assistance program.

Medical Assistance

All members of staff and their immediate families were availed medical services by appointed hospitals including Burundi Medical and Research Centre (BUMEREC), Centre Medico-Chirurgical de Kinindo (CMCK), Hopital Militaire de Kamenge, Polyclinique Centrale de Bujumbura (Polyceb), Kira Hospital, Clinique de l'Oeil, Maisha Optical Center, Pharmacie Salama and Ngozi Polyclinique Monseigneur St Joseph Martin Germain.

Health and Safety

The Bank took all reasonable and practicable steps to safeguard the health safety and welfare of its employees and customers. A safe working environment is ensured for all employees by providing adequate and proper personal protective equipment, training and supervision as necessary and as per health authorities advice and recommendations.

Annual leave

Every employee is entitled to 30 calendar days annual paid leave once in each calendar year and Relaxation Leave of six (6 days) consecutive days each. For every full month worked an employee earns 2.5 leave days. Out of the 30 leave calendar days, an employee is required to take at least 14 days consecutive leave in a calendar year.

Financial Assistance to Staff/Staff loan scheme

The Bank offers staff loans to enable its employees acquire capital goods, property, to effect improvements to their properties, to meet educational expenses for themselves or dependents and to meet unforeseen financial commitments. Staff loans are guided by the Bank's Credit Policy and Credit Manual. Loans are available to all confirmed employees depending on the assessment of the need and circumstances if it is in line with the Human Resources and Credit Policies. As at end of the year staff outstanding loans was BIF 11.7 Bn accounting for 0.81% of the total loans and advances and they were within regulatory requirements.

Persons with Disabilities

It is the Bank's policy to provide employment to disabled persons wherever practicable. The Bank has always considered this policy whenever it recruits. The basis of development and promotion is based on the ability of an employee to perform at a higher position to which he or she is promoted. The performance management system results of an employee form a very important part in assessing the candidate's potentiality for promotion. Training development and promotions are free from discrimination of any kind. If an employee has a disability, the bank makes reasonable adjustments, to accommodate individual requirements.

Employees' Benefit Plan

The Company pays mandatory contributions to the publicly administered pension scheme INSS for all employees under a defined contribution pension scheme. A defined contribution plan is a pension plan under which the bank pays a fixed contribution into a separate entity. The bank has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

26. EMPLOYEES' WELFARE (Continued)

Succession planning

The Bank endeavours to minimize the risk of key man dependence by creating a succession pool. Successor's development plans are established in preparation for their readiness. The succession pool creates a provision for talent sourcing in the event of an attrition in a critical position. The Succession planning process in the Bank is mainly built to address the following main objectives: Identify high-potential employees capable of rapid advancement to positions of higher responsibility than those they presently occupy, ensure the systematic and long-term development of individuals to replace critical job incumbents as the need arises, provide a continuous flow of talented people to meet the bank's management needs. Succession planning reduces the risk or time it takes to fill a critical role if someone leaves.

Talent Management

The Bank undertakes to identify, develop, and retain talented employees. The Bank has its talent management framework which provides a guideline on how talent will be identified in the bank linking performance to potential. To enable the Bank, remain competitive and successfully carry out its activities, ensure long-term supply of required skills and expertise for its business development and sustainability, it is in the bank's best interests to develop staff to be prepared to assume different leadership levels rather than position. Talent Management and development is a model developed to ensure a knowledgeable labour supply exists within the Bank to replace personnel leaving the organization regardless of the reason.

27. GENDER PARITY AND DIVERSITY

The Board is committed to having an appropriate blend of diversity on the Board and the Bank's senior management. The Bank is an equal opportunity employer. It gives equal access to employment opportunities and ensures that the best available person is appointed to any given position free from discrimination of any kind and without regard to factors like gender, marital status, tribe, religion, and disability which does not impair ability to discharge duties.

Group/Category	2025 Male	2025 Female	2024 Male	2024 Female
Board	4 (57%)	3 (43%)	4 (57%)	3 (43%)
Key Management Personnel	48(65%)	26 (35%)	30 (67%)	15 (33%)
Other employees	88 (49.8%)	89 (50.2%)	80 (57 %)	61 (43%)

28. SERIOUS PREJUDICIAL ISSUES/MATTERS

In the opinion of the Directors, during the year 2025 there were no serious unfavourable legal matters that could affect the Bank (2024: None).

29. POLITICAL AND CHARITABLE DONATIONS

The Bank demonstrated its continued commitment to national development initiatives by supporting the Government of Burundi through two key contributions: BIF 50,000,000 to Radio Télévision Nationale du Burundi (RTNB) for the acquisition of a vehicle intended to enhance media coverage across the country, and BIF 100,000,000 in support of the 6th edition of the Forum des Femmes Leaders.

30. CORPORATE SOCIAL INVESTMENT

In 2025, the Bank contributed to several matters to support various institutions and activities. A total amount of BIF 96 000 000 was used by the Bank for CSI activities as follows:

- BIF 50,000,000 in view of supporting Foundation Bonne Action Umugiraneza for school fees and medical cover of students of Ecole Socle du Savoir de Matongo
- BIF 3,000,000 in view of supporting SHEBA BURUNDI ASSOCIATION in the handover of school kits to vulnerable children
- BIF 2,000,000 in view of supporting Hopital Militaire de Kamenge (HMK) on the inauguration of the first state-of-the-art cardiac surgery and interventional cardiology center.
- BIF 21 000 000 to support Foundation Buntu in charge of more than 100 orphans to allow them to buy school kit for the kids.
- BIF 20,000,000 in view of supporting refugees from Democratic Republic of the Congo (DRC) through the Tanzania Embassy.



THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

31. MAIN EVENTS HOSTED BY THE BANK

Different events were hosted by the bank, but the most colourful were:

- The Malkia Women market and SME's activation through women's cooperatives to celebrate International Women's Day (Q1)
- The Iftar dinner celebration with our Muslim customers in March 2025 (Q1),
- The official launch of the Simbanking App, Bancassurance and new branches (Q2)
- CRDB Bank Burundi Marathon in August (Q3).

We took advantage of the events to advertise our products and run marketing sessions to strengthen our brand position as well as our relationship with customers and the Burundian community in general.

32. RELATIONSHIP WITH STAKEHOLDERS

The Bank continued to maintain a good relationship with all stakeholders.

33. EVENTS AFTER REPORTING PERIOD

There were no material events adjusting or non-adjusting which have occurred between the reporting date and the date when financial statements are authorised for issue.

34. AUDITORS

The Statutory Auditors TAA PARTNERS, were appointed by the Shareholders on 28th March 2025. In line with BRB circular No 16/08 they are eligible for reappointment. A resolution proposing appointment of the Bank's statutory auditors for the year ending 31 December 2026 will be tabled to the Annual General Assembly in March 2026.

35. STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE

It is the responsibility of those charged with governance to prepare financial statements of the bank which show a true and fair view in accordance with applicable standards, rules, regulations, and legal provisions. This responsibility covers the period from the beginning of the financial year to the date those charged with governance approve the audited financial statements and it covers all those charged with governance who acted in this capacity during any part of the period covered by financial statements.

BY ORDER OF THE BOARD



MR. HOSEA KASHIMBA (FCPA) 26th February 2026

CHAIRMAN

THE REPORT BY THOSE CHARGED WITH GOVERNANCE(Continued)

35. STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The Companies Act requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the Company's profit or loss.

It also requires the Directors to ensure that the Company keeps proper accounting records that disclose with reasonable accuracy the financial position of the Company. They are also responsible for safeguarding the assets of the Company. The Directors accept responsibility for the financial statements which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates in conformity with International Financial Reporting Standards and the requirements of the Companies Act. The Directors are of the opinion that these financial statements give a true and fair view of the state of the financial affairs of the Company's profit.

The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements as well as designing, implementing and maintaining adequate systems of internal financial control relevant to the preparation and fair presentation of financial statements that are free from material misstatement.

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

BY ORDER OF THE BOARD

A handwritten signature in blue ink, appearing to read 'HOSEA KASHIMBA'.

MR. HOSEA KASHIMBA (FCPA) 26th February 2026

CHAIRMAN

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CRDB BANK BURUNDI S. A.

TAA PARTNERS

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Report on the Audit of the Financial Statements

We have audited the financial statements of CRDB Bank Burundi S. A which comprise the statement of financial position as at 31 December 2025 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements including a summary of significant accounting policies.

In our opinion the accompanying financial statements present fairly in all material respects the financial position of the CRDB Bank Burundi S. A as at 31 December 2025 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and the Burundi Companies Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Burundi and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that in our professional judgment were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon; we do not provide a separate opinion on these matters.

Other Information

The Management is responsible for the other information. The other information comprises the other information included in this report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Responsibilities of the Directors and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and the Burundi Companies Act and for such internal control as management determines if necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements management is responsible for assessing the Company's ability to continue as a going concern disclosing as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CRDB BANK BURUNDI S. A. (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement whether due to fraud or error and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if individually or in the aggregate they could reasonably be expected to influence the economic decisions of users, taken based on these financial statements.

For: TAA Burundi SA



MUGISHA PATRICK, ACCA
Managing Partner



27th February 2026



CRDB BANK BURUNDI S.A. FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

		31 December 2025	31 December 2024
	Notes	BIF 000	BIF 000
Interest income	12	198,678,211	122 765 253
Interest expense	13	(94 940 500)	(51 526 080)
Net interest income		103 737 711	71 239 173
Fee and commission income	14	13 329 563	7 724 745
Fee and commission expense	16	(806 202)	(1 283 002)
Net fee and commission income		12 523 361	6 441 743
Net trading income	15	12 595 721	17 152 420
Net operating income		128 856 793	94 833 336
Operating expenses:			
Staff expenses	17	(19 037 428)	(13 229 510)
Depreciation and Amortization	25-27	(2 594 297)	(1 499 835)
Other operating expenses	18	(41 946 091)	(29 324 907)
General provisions	19	(12 581 330)	(3 885 408)
Total operating expenses		(76 159 146)	(47 939 660)
Profit before tax		52 697 647	46 893 676
Corporate Tax	20	(1 473 340)	(2 377 647)
Net Profit for the Year		51 224 307	44 516 029
Other comprehensive income		-	-
Total comprehensive income for the year		51 224 307	44 516 029

STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	31 December 2025 BIF 000	31 December 2024 BIF 000
ASSETS			
Cash and balances with central bank	21	205 199 145	241 064 270
Balances due from other banking institutions	22	37 737 764	182 273 910
Treasury bills and bonds	23	825 421 259	413 491 041
Loans and Overdrafts	24	1 479 816 111	911 982 257
Property and equipment	25	39 044 707	28 881 650
Intangible assets	26	7 870 078	544 651
Leased premises refurbishment	27	3 699 103	693 855
Other assets	28	138 905 243	18 117 241
Right of use of Asset	29	5 023 944	5 940 804
Tax Asset	30	373 248	705 865
TOTAL ASSETS		2 743 090 602	1 803 695 544
LIABILITIES			
Customer Deposits	31	1 289 027 624	842 381 447
Other liabilities	32	45 427 006	17 632 511
Lease Liability	33	5 364 928	6 085 465
Borrowing	34	878 826 749	566 742 992
Balances due to other banking institutions	35	339 863 295	227 788 161
Total liabilities		2 558 509 602	1 660 630 576
EQUITY			
Share capital	36	48 027 000	48 027 000
Statutory Reserves	37	6 021 262	148 926
Legal Reserve	38	61 471 172	43 542 664
Retained Earnings	39	69 061 567	51 346 378
Total shareholder's equity		184 581 001	143 064 968
TOTAL LIABILITIES AND EQUITY		2 743 090 602	1 803 695 544



Mr. Hosea Kashimba (FCPA)

Chairman


Mr. Fredrick Siwale

Managing Director


Mrs. Kahumbya Bashige

Director

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

	Share Capital		Retained Earnings		Legal Reserve		Statutory Reserves		Total
	BIF 000	BIF 000	BIF 000	BIF 000	BIF 000	BIF 000	BIF 000	BIF 000	
At 1 January 2024	25 670 500	33 433 887	27 962 052	4 244 964	91 311 403				
Profit Adjustments for 2023	-	-	2	-	2				
Profit for the year after tax	-	-	-	-	-				
Other comprehensive income for the year	-	-	-	-	-				
Total comprehensive income for the year	-	44 516 029	-	-	-				44 516 029
Transfer of excess depreciation	-	-	-	-	-				
Transfer to Legal Reserve	-	(15 580 610)	15 580 610	-	-				
Differed tax on excess depreciation	-	-	-	-	-				
Transfer to/from statutory reserve	-	-	-	(4 096 038)	(4 096 038)				(4 096 038)
Payments of dividends	11 022 928	(11 022 928)	-	-	-				
Proceeds from issue of shares	11 333 572	-	-	-	-				11 333 572
Transfer to/from share premium	-	-	-	-	-				
At 31 December 2024	48 027 000	51 346 378	43 542 664	148 926	143 064 969				
At 1 January 2025	48 027 000	51 346 378	43 542 664	148 926	143 064 969				
Profit Adjustments for 2024									
Profit for the year after tax	-	-	-	-	-				
Other comprehensive income for the year	-	-	-	-	-				
Total comprehensive income for the year	-	51 224 307	-	-	-				51 224 307
Transfer of excess depreciation	-	-	-	-	-				
Transfer to Legal Reserve	-	(17 928 507)	17 928 507	-	-				
Differed tax on excess depreciation	-	-	-	-	-				
Transfer to/from statutory reserve	-	-	-	-	-				
Payments of dividends	-	(15 580 611)	-	-	-				(15 580 611)
Proceeds from issue of shares	-	-	-	-	-				
Transfer to/from share premium	-	-	-	-	-				
At 31 December 2025	48 027 000	69 061 567	61 471 171	6 021 262	184 581 001				

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2025

	31 December 2025	31 December 2024
	BIF 000	BIF 000
Cash flows from operating activities		
Profit/loss before taxation	52 697 647	46 893 676
Depreciation of property and equipment	2 108 258	1 296 737
Amortization of intangible assets	282 007	124 379
Amortization of leased premises refurbishment	204 033	78 720
Regulatory reserves	12 581 330	3 885 408
Gratuity	470 155	1 511 344
	68 343 429	53 790 264
(Increase)/Decrease in loans and advances to customers	(567 833 854)	(227 048 336)
(Increase)/Decrease in treasury bills	(400 704 590)	(113 075 434)
(Increase)/Decrease in other assets	(120 788 002)	3 289 252
(Increase)/Decrease in customer deposits	446 646 177	231 230 474
(Increase)/Decrease in other liabilities	14 561 371	33 133 689
Net cash used in operating activities	(628 118 899)	(72 470 356)
Cash flows from investing activities		
Purchase of property and equipment	(22 750 285)	(14 066 373)
Purchase of intangible assets	(7 607 434)	-
Refurbishment cost	(3 201 347)	(667 730)
Net cash used in investing activities	(33 559 066)	(14 734 103)
Cash flows from financing activities		
Loan from Parent Company	312 083 757	282 243 808
Net cash used in financing activities	312 083 757	282 243 808
Net change in cash and bank balances	(281 250 778)	248 829 613
Cash and bank balances at the beginning of the year	258 693 264	9 863 651
Cash and bank balances at the end of the year	(22 557 514)	258 693 264



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

1. CORPORATE INFORMATION

CRDB Bank Burundi (the “Company”) was incorporated in Burundi in the year 2012 under the Company’s Act and is domiciled in Burundi. It offers a comprehensive range of Corporate Retail Business Treasury and other various banking services to the general public. CRDB Bank Burundi is a wholly owned subsidiary of CRDB Bank PLC. CRDB Bank PLC is a commercial bank incorporated in Tanzania and is listed in the Dar Es Salaam Stock Exchange.

2. BASIS OF PREPARATION

The financial statements are prepared in compliance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standards Board. The measurement basis applied is the historical cost basis except for the following;

- Debt instrument at fair value through OCI
- Other financial assets and liabilities measured at amortised cost as explained in the accounting policies.
- Financial assets measured at FVPL
- Equity instrument measured at FVOCI
- Equity instrument measured at FVPL

In the preparation of financial statements, the Bank has considered the impact of macro-economic and geopolitical uncertainty especially on areas which needs significant estimates and judgements and considered materiality assessments.

The financial statements are presented in Burundi francs (BIF) rounded to the nearest thousands, except where otherwise indicated.

The Bank has prepared its financial statement on the basis that it will continue to operate as a going concern-refer to note 8.

3. STATEMENTS OF COMPLIANCE

The Bank financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).

The Bank’s financial statements, except for cashflow statement, have been prepared using the accrual basis of accounting.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires the directors to exercise judgement in the process of applying the Bank’s accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. The directors believe that the underlying assumptions are appropriate and that the Bank’s financial statements therefore present the financial position and results fairly. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 8

4. PRESENTATIONS OF FINANCIAL STATEMENTS

These financial statements comprise the statements of financial position (also referred to as the balance sheet) as at 31 December 2025, the income statement; and statement of other comprehensive income, statements of changes in equity and statements of cash flows for the year ended; as well as the notes, which comprise a summary of significant accounting policies and other explanatory notes.

The Bank presents its statement of financial position in order of liquidity based on the Bank’s intention and perceived ability to recover/settle most assets/liabilities of the corresponding financial statement line item. Financial assets and financial liabilities are generally reported gross in the statement of financial position except when IFRS netting criteria are met.

5. APPLICATIONS of the going concern principle

The Bank’s management has assessed its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. In making this assessment, the Bank has considered the impact of climate-related matters on going concern assessment. Furthermore, management is not aware of any material uncertainties that may cast significant doubt on the Bank’s ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

Macroeconomic and geopolitical uncertainty

The impact of the macroeconomic and geopolitical environment has worsened inflationary pressure in almost all economies around the world. High and rising energy prices are having a negative impact on the cost of other goods and services, resulting in significant consumer price increases in many countries. Global supply chain disruption caused by war in Ukraine and Gaza, BIF devaluation, fuel shortages, continued to exert pressure on commodity prices, particularly food and energy.

The macroeconomic and geopolitical uncertainty, including the impacts of the War in Ukraine, and the residual impacts of the Covid-19 pandemic were insignificantly affecting the assumptions and estimation uncertainty associated with the measurement of assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

6. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Bank has not early adopted any new standards, interpretations or amendments that have been issued but are not yet effective in these financial statements. Other amendments and interpretations apply for the first time in 2024, but do not have an impact on the Bank's financial statements.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

(i) IFRS Accounting Standards and amendments effective for the first time for December 2025 year-end

Number	Effective date	Executive summary
Amendments to IAS 21, 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability (Amendments to IAS 21)	Annual periods beginning on or after 1 January 2025 (Published August 2023)	An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations. The amendments are not expected to have a material impact on the Bank's financial statements

(ii) IFRS Accounting Standards and amendments issued but not effective

Number	Effective date	Executive summary
Amendment to IFRS 9, "Financial Instruments" and IFRS 7, "Financial Instruments: Disclosures" - Classification and Measurement of Financial Instruments	Annual periods beginning on or after 1 January 2026 (Published May 2024)	These amendments: <ul style="list-style-type: none"> * clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; * clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; * add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and * make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI). <p>The Bank's is currently working to identify all impacts the amendments will have on its financial statements.</p>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

6. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES(Continued)

(ii)IFRS Accounting Standards and amendments issued but not effective (continued)

Number	Effective date	Executive summary
IFRS 18, 'Presentation and Disclosure in Financial Statements'	Annual periods beginning on or after 1 January 2027 (Published April 2024))	<p>The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements (financial statements) to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.</p> <p>IFRS 18 replaces IAS 1 'Presentation of Financial Statements' and focuses on updates to the statement of profit or loss with a focus on the structure of the statement of profit or loss; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.</p> <p>Many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'.</p> <p>The Bank's is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.</p>
IFRS 19, 'Subsidiaries without Public Accountability'	Annual periods beginning on or after 1 January 2027 (Published May 2024)	<p>The objective of IFRS 19 is to provide reduced disclosure requirements for subsidiaries, with a parent that applies the Accounting Standards in its consolidated financial statements.</p> <p>IFRS 19 is a voluntary Accounting Standard that eligible subsidiaries can apply when preparing their own consolidated, separate or individual financial statements.</p> <p>As the Bank's equity instruments are publicly traded, it is not eligible to elect to apply IFRS 19.</p>

There are no other standards that are not yet effective and that would be expected to have a material impact on the Bank in the current or future reporting periods and on foreseeable future transactions. For all new standards and interpretations not yet adopted by the Bank, will be adopted on the respective effective dates.

7. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

7.1. Foreign currency translation

(i) Functional and presentation currency

The financial statements are presented in Burundi Francs, which is the bank's functional and reporting currency.

(ii) Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency at the spot rate of exchange ruling at the date of the transaction. Transactions in foreign currencies during the year are converted into Burundi Francs using the exchange rates prevailing at the dates of the transactions.

(ii) Transactions and balances (Continued)

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value is determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

7. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(Continued)

7.1. Foreign currency translation (Continued)

All foreign exchange differences arising on non-trading activities are taken to other operating income/expense in the income statement, except for the effective portion of the differences on foreign currency borrowings that are accounted for as an effective hedge against a net investment in a foreign entity.

These differences are recognised in OCI until the disposal of the net investment, at which time, they are recognised in the income statement. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI. Non-monetary items that are measured at historical cost in a foreign currency are translated using the prevailing exchange rates as at the date of recognition.

7.2 Interest and similar income/expense

Net interest income comprises interest income and interest expense calculated using both the effective interest method and other methods. These are disclosed separately on the face of the income statement for both interest income and interest expense to provide symmetrical and comparable information. The bank calculates interest income on financial assets, other than those considered credit-impaired, by applying the EIR to the gross carrying amount of the financial asset. In its Interest income/expense calculated using the effective interest method.

7.3 Fees and commission income

The Bank earns fee and commission income from a diverse range of financial services it provides to its customers. Fee and commission income is recognised at an amount that reflects the consideration to which the Bank expects to be entitled in exchange for providing the services.

When the Bank provides a service to its customers, consideration is determined as per the Banks' rates and charges and generally due immediately upon satisfaction of a service provided at a point in time or at the end of the contract period for a service provided over time. The Bank has generally concluded that it is the principal in its revenue arrangements because it typically controls the services before transferring them to the customer.

7.4 Financial instruments - initial recognition

7.4.1 Date of recognition

Financial assets and liabilities, except for loans and advances to customers and balances due to customers, are initially recognized on the date on which the Bank becomes a party to the contractual provisions of the instrument.

Loans and advances to customers are recognized when funds are transferred to the customers' accounts. The Bank recognizes balances due to customers when funds are transferred to the Bank.

7.4.2 Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value except in the case of financial assets and financial

liabilities recorded at FVPL, transaction costs are added to, or subtracted from, this amount. Receivables are measured at the transaction price.

Immediately after initial recognition, an expected credit loss allowance is recognised for newly originated financial assets measured at amortised cost or fair value through other comprehensive income debt instruments.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

7.4.3 Day 1 profit or Loss

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Bank recognises the difference between the transaction price and fair value in net trading income. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognise

Category (as defined by IFRS 9)	Class (as determined by the Bank)		Subclass	
Financial Assets	Amortized cost	Due from banks		
		Loans and advances to customers	Loans to individuals (personal lending)	Personal Loans
				Mortgage Loans
			Loans to corporate entities	Corporate Customers
			Loans to SMEs	SME Loans
			Loans to Microfinance	Microfinance Loans
		Credit cards		
		Other assets (excluding non-financial assets)		
		Investment in Debt securities	Debt instruments	Treasury Bill and Bonds (SPPI)
			Private Bonds	Private Bonds
	Settlement and clearing accounts			
	Cash balances with central bank			
	Fair value through other comprehensive income (FVOCI)	Equity investments designated at FVOCI		
Other treasury bonds held to collect contractual cash flows and sale				
Fair value through Profit or Loss (FVPL)	Equity investments designated at FVPL			
	Financial asset designated at FVPL			
Financial assets Held for trading	Fair value through Profit or Loss (FVPL)	Debt Instruments		
Financial liabilities	Financial liabilities at amortised cost	Deposits from Banks		
		Borrowings, subordinated debts, and other liabilities		
		Deposits from customers	Retail customers	
			Corporate customers	
Off-balance sheet financial instruments	Loan commitments			
	Guarantees, acceptances and other financial liabilities			

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

7. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(Continued)

7.5 Financial assets and liabilities

The Bank measures Loan and advances to banks, Loans and advances to customers, Debt instruments measured at amortized cost, financial assets measured at FVPL, Equity instrument measure at FVPL, Equity instrument measured at FVOCI only if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The details of these conditions are outlined below.

7.5.1 Business Model Assessment

The business model reflects how the Bank manages the assets to generate cash flows. That is, whether the Bank's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g., financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVPL.

Factors considered by the Bank in determining the business model of assets include experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

In considering whether the business objective of holding a group of financial assets is achieved primarily through collecting contractual cash flows, among other considerations, management monitors the frequency and significance of sales of financial assets out of these portfolios for purposes other than managing credit risk.

For the purposes of performing the business model assessment, the Bank only considers a transaction a sale if the asset is derecognised for accounting purposes.

For example, a repurchase transaction where a financial asset is sold with the commitment to buy back the asset at a fixed price at a future date is not considered a sale transaction because substantially all the risks and rewards relating to the ownership of the asset have not been transferred and the asset is not derecognised from an accounting perspective.

If sales of financial assets are infrequent, the significance of these sales is considered by comparing the carrying amount of assets sold during the period and cumulatively to the total carrying amount of assets held in the business model. If sales are either infrequent or insignificant, these sales will not impact the conclusion that the business model for holding financial assets is to collect contractual cash flows. Determining whether sales are significant or frequent requires management to use its judgement. The significance and frequency of sales are assessed on a case-by-case basis at the business model level.

7.5.2. The SPPI test

The Bank assesses the contractual terms of the financial asset to identify whether they meet the SPPI test. Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Bank assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Bank considers whether the contractual cash flows are consistent with a basic lending arrangement. The 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Bank applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss. The SPPI test is applied on a portfolio basis for all loans and advances as the cash flow characteristics of these assets are standardized. Where the cash flow characteristics of an instrument is not standardized then the SPPI test will be performed at an individual instrument at initial recognition.

7.5.3 Modifications of financial assets and financial liabilities

7.5.3.1 Modification of financial assets

The Bank sometimes makes concessions or modifications to the original terms of loans as a response to the borrower's financial difficulties, rather than taking possession or to otherwise enforce collection of collateral. A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset.

A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. If the terms of a financial asset are modified, then the Bank evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

7. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(Continued)

7.5 Financial assets and liabilities (Continued)

7.5.3.1 Modification of financial assets

In this case, the original financial asset is derecognised, and a new financial asset is recognised at fair value plus any eligible transaction costs. To renegotiate or modify the contractual cash flows of loans to customers, the Bank assesses whether the new terms are substantially different to the original terms. The Bank does this by considering, among others, the following factors:

- If the borrower is in financial difficulty, whether the modification merely reduces the contractual cash flows to amounts the borrower is expected to be able to pay.
- Whether any substantial new terms are introduced, such as a profit share/equity-based return that substantially affects the risk profile of the loan.
- Significant extension of the loan term when the borrower is not in financial difficulty.
- Significant change in the interest rate.
- Change in the currency the loan is denominated in.

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual terms rather than to originate a new asset with substantially different terms.

If the bank plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place. This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

If the modification of a financial asset measured at amortised cost or FVOCI does not result in derecognition of the financial asset, then the bank first recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in profit or loss.

Any costs or fees incurred, and modification fees received adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

7.5.3.2 Modification of Financial liabilities

The Bank derecognises a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss.

Consideration paid includes non-financial assets transferred, if any, and the assumption of liabilities, including the new modified financial liability.

A substantial modification of the terms occurs where the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability.

If the modification of a financial liability is not accounted for as derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognised in profit or loss. Any costs and fees incurred are recognised as an adjustment to the carrying amount of the liability and amortised over the remaining term of the modified financial liability by re-computing the effective interest rate on the instrument.

7.5.4. Derecognition due to substantial modification of terms and conditions

The Bank derecognizes a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it become a new loan, with the difference recognize as a derecognition gains or losses to the extent that an impairment loss has not already been recorded. The newly recognized loans are classified as stage 1 for ECL measurement purposes unless the new loan is deemed to be POCI.

7.5.5.1. Financial assets

A financial asset is derecognized when the rights to receive cash flows from the financial asset have expired. The Bank also derecognizes the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Bank has transferred the financial asset if, and only if, either:

- The Bank has transferred its contractual rights to receive cash flows from the financial asset,
- It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

7. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(Continued)

7.5.5.1. Financial assets (Continued)

Pass-through arrangements are transactions whereby the Bank retains the contractual rights to receive the cash flows of a financial asset (the original asset), but assumes a contractual obligation to pay those cash flows to one or more entities (the eventual recipients), when all the following three conditions are met:

- The Bank has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
- The Bank cannot sell or pledge the original asset other than as security to the eventual recipients.
- The Bank must remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Bank is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents, including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- The Bank has transferred substantially all the risks and rewards of the asset, or
- The Bank has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Bank considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and can exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Bank has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognized only to the extent of the Bank's continuing involvement, in which case, the Bank also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Bank has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Bank could be required to pay. If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Bank would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value,

the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

7.5.5.2. Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled, or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

7.6. Forborne modified Loans.

The Bank sometimes makes concessions or modifications to the original terms of loans as a response to the borrower's financial difficulties, rather than taking possession or to otherwise enforce collection of collateral. The Bank considers a loan forborne when such concessions or modifications are provided because of the borrower's present or expected financial difficulties and the Bank would not have agreed to them if the borrower had been financially healthy.

Indicators of financial difficulties include defaults on covenants, or significant concerns raised by Credit analysts. Forbearance may involve extending the payment arrangements and the agreement of new loan conditions. It is the Bank's policy to monitor forborne loans to help ensure that future payments continue to be likely to occur. If modifications are substantial, the loan is derecognised, Once the terms have been renegotiated without this resulting in the derecognition of the loan, any impairment is measured using the original EIR as calculated before the modification of terms.

The Bank also reassesses whether there has been a significant increase in credit risk, and whether the assets should be classified as Stage 3. Derecognition decisions and classification between Stage 2 and Stage 3 are determined on a case-by case basis. If these procedures identify a loss in relation to a loan, it is disclosed and managed as an impaired Stage 3 forborne asset until it is collected or written off.

Once an asset has been classified as forborne, it will remain forborne for a minimum of 6-month for credit revolving facilities and 4 consecutive instalments for term loans as a probation period.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

7. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(Continued)

7.6. Forborne modified Loans.(Continued)

For the loan to be reclassified out of the forborne category, the customer must meet all the following criteria:

- All of its facilities have to be considered performing.
- The probation period of two years has passed from the date the forborne contract was considered performing.
- Regular payments of more than an insignificant amount of principal or interest have been made during at least half of the probation period

The customer does not have any contracts that are more than 30 days past due

7.7. Offsetting financial instruments.

Financial assets and financial liabilities are offset, and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Financial assets and financial liabilities are generally reported gross in the consolidated statement of financial position except when IFRS netting criteria are met.

Income and expenses are presented on a net basis only when permitted under IFRS Standards, or for gains and losses arising from a group of similar transactions such as in the bank's trading activity.

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been affected.

The Bank recognises loss allowances for ECLs on the following financial instruments that are not measured at FVPL:

- Due from banks;
- Loans and advances to customers;
- Debt instrument at FVOCI;
- Loan commitments issued;
- Financial guarantee and letter of credit; and
- Other assets (excluding non-financial assets).

Equity instruments are not subject to impairment under IFRS 9.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit losses), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit losses (12-month ECL)

Except for POCI financial assets (which are considered separately below), ECLs are required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e., ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or
- Lifetime ECL, i.e., ECL that result from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).

7.8. Impairment of financial assets

7.8.1. Overview of the ECL principles

A loss allowance for lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL. The Bank apply low credit risk exemption for financial instruments with no significant increase in credit risk.

The Bank has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. For the purposes of determining ECL, all facilities whose contractual payments are more than 30 days due but less than or equal to 90 days due are grouped in stage 2 as they are taken to have experienced a significant increase in credit risk.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

7. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(Continued)

7.8. Impairment of financial assets (Continued)

7.8.1. Overview of the ECL principles (Continued)

As part of a qualitative assessment of whether a customer is in default, the Bank also considers a variety of instances that may indicate unlikeliness to pay. When such events occur, the Bank carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as stage 3 for ECL calculations or whether stage 2 is appropriate.

Based on the above process, the Bank groups its loans into Stage 1, Stage 2, and Stage 3 as described below:

- Stage 1: When loans are first recognized, the Bank recognizes an allowance based on 12-month ECL. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.
- Stage 2: When a loan has shown a significant increase in credit risk since origination, the Bank records an allowance for the Lifetime ECL. Stage 2 loans also include facilities, where the credit risk has improved, and the loan has been reclassified from Stage 3.
- Stage 3: Loans considered credit-impaired (as outlined in Note 10.3.8) The Bank records an allowance for the Lifetime ECL.
- POCI: Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest income is subsequently recognised based on a credit adjusted EIR. The ECL allowance is only recognised or released to the extent that there is a subsequent change in the expected credit losses.

For financial assets for which the Bank has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Bank under the contract and the cash flows that the Bank expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset's EIR.

The Bank calculates ECL by projecting the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD) for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e., the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

PD – The Probability of Default is an estimate of the likelihood of default over a given time horizon. It calibrated over up to 12 months from the reporting date (stage 1) or over the lifetime of the product (stage 2) and incorporating the impact of forward-looking economic assumptions that influence credit risk, such as interest rates, unemployment rates and GDP forecasts.

The lifetime PD is developed by applying a maturity profile to the current 12-month PD. The maturity profile looks at how defaults develop on a portfolio from the point of initial recognition throughout the lifetime of the loans. The maturity profile is based on historical observed data and is assumed to be the same across all assets within a portfolio and credit grade band. This is supported by historical analysis.

EAD – The Exposure at Default is an estimate of the exposure at a future default date, considering the expected change in exposure over the lifetime of the exposure. This incorporates the impact of drawdowns of committed facilities, repayments of principal and interest, amortisation, and prepayments, together with the impact of forward-looking economic assumptions where relevant. The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by product type.

For amortized products and bullet repayment loans, this is based on the contractual repayments owed by the borrower over 12 month or lifetime basis. This will also be adjusted for any expected overpayments made by the borrower. Early repayment/refinance assumptions are also incorporated into the calculation.

For revolving products, the exposure at default is predicted by taking current drawn balance and adding a “credit conversion factor” which allows for the expected drawdown of remaining limit by the time of default. These assumptions vary by product type and current limit utilization band, based on an analysis of the bank's recent default data.

LGD – The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Bank expects to receive. The 12-month and lifetime LGDs are determined based on the factors which impact the recoveries made post default. These vary by product type.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

7. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(Continued)

7.8. Impairment of financial assets (Continued)

7.8.2. Calculation of ECL

- For secured products, this is primarily based on collateral type and projected collateral values, historical discounts to market/book values due to forced sales, time to repossession and recovery costs observed.
- For unsecured products, LGD's are typically set at product level due to the limited differentiation in recoveries achieved across different borrowers. These LGD's are influenced by collection strategies, including contracted debt sales and price.

When estimating the ECL, the Bank considers three scenarios (a base case, an upside, and a downside). Each of these is associated with different PDs, EADs and LGDs. When relevant, the assessment of multiple scenarios also incorporates how defaulted loans are expected to be recovered, including the probability that the loans will cure and the value of collateral or the amount that might be received for selling the asset. Except for credit cards and other revolving facilities, for which the treatment is separately, the maximum period for which the credit losses are determined is the contractual life of a financial instrument. Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

The Bank measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original effective interest rate, regardless of whether it is measured on an individual basis or a collective basis. The assumptions underlying the ECL calculation – such as how the maturity profile of the PDs and how collateral values change etc. – are monitored and reviewed on an annual basis.

The mechanics of the ECL method are summarised below:

Stage 1: The 12-month ECL is calculated as the portion of Lifetime ECL that represent the ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The bank calculates the 12-month ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date.

These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the bank records an allowance for the Lifetime ECL. The mechanics are like those explained above, including the use of multiple scenarios, but PDs and LGDs are estimated over the Lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Stage 3: For loans considered credit-impaired, the bank recognizes the Lifetime expected credit losses for these loans. The method is like that for Stage 2 assets, with the PD set at 100%.

POCI: POCI assets are financial assets that are credit impaired on initial recognition. The Bank only recognises the cumulative changes in lifetime ECL since initial recognition, based on a probability-weighting of the three scenarios, discounted by the credit-adjusted EIR.

Loan commitments and letters of credit: When estimating Lifetime ECL for undrawn loan commitments, the Bank estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is the difference between the present value of the difference between the contractual cash flows that are due to the Bank if the holder of the commitment draws down the loan and the cash flows that the bank expects to receive if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan.

For credit cards and revolving facilities that include both a loan and an undrawn commitment, ECL is calculated and presented together with the loan. For loan commitments and letters of credit, the ECL is recognised within other Liabilities i.e acceptances guarantees and letters of credit are accounted for as off-balance sheet transactions. Translation gain or losses on foreign denominated items are recognized immediately in the income statement.

Provision for Loans and advances

The provision policy follows both the BRB regulations and IFRS requirements. Provisions determined as per BRB have been adopted because they are higher than the provisions determined as per IFRS provisions.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

7. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(Continued)

7.8. Impairment of financial assets (Continued)

7.8.2. Calculation of ECL (Continued)

The applicable rates as per BRB regulations are shown in the table below.

Classification	Days past due	Provision rates
Current	0	1%
Debt to Monitor	1 - 89 days	3%
Pre-Doubtful	90 - 179 days	20%
Doubtful	180 - 359 days	50%
Disputed Debts (loss)	> 360 days	100%

7.8.3. Purchased or originated credit impaired financial assets (POCI)

For POCI financial assets, the Bank only recognises the cumulative changes in Lifetime ECL since initial recognition in the loss allowance.

7.8.4. Forward-looking economic information

In its ECL models, the Bank relies on a broad range of forward-looking information as economic inputs, such as, GDP growth, unemployment rates, inflation rates, lending rate, and money supply.

The inputs and models used for calculating ECL may not always capture all characteristics of the market at the date of the financial statements. Forward-looking economic information is also included in determining the 12-month and lifetime PD, EAD and LGD. These assumptions vary by product type.

There were no changes in estimation techniques/ assumptions made during the reporting period.

7.8.5. Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as financial assets measured at amortized cost as a deduction from the gross carrying amount of the assets.

7.9. Credit enhancements: collateral valuation and financial guarantees

To mitigate its credit risks on financial assets, the Bank seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories, and other non-financial assets. On this basis, the fair value of collateral affects the calculation of ECL. Collateral is generally assessed, at a minimum, at inception and re-assessed upon issuing an additional loan or restructuring a loan. However, some collateral, for example, cash or securities relating to margining requirements, is valued daily.

7.10. Write-offs

Financial assets are written off either partially or in their entirety only when the Bank has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to profit or loss. The Bank may write-off financial assets in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include (i) ceasing enforcement activity and (ii) where the Bank's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full. The assessment is done to specific borrower.

7.11. Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, including: cash and non-restricted balances with Central bank, Investment securities and amounts Due from banks that are subject to an insignificant risk of changes in their fair value, and are used by the Bank in the management of its short-term commitments.

Cash and cash equivalents are carried at amortised cost in the statement of financial position.

7.12. Property and equipment

All property and equipment are stated at historical cost less depreciation and accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset as appropriate only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

7. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(Continued)

7.12. Property and equipment(Continued)

Repairs and maintenance expenses are charged to the income statement in the year in which they are incurred.

Depreciation is calculated on a straight-line basis by reference to the expected useful lives of the assets concerned. During the year, the bank reviewed the accounting estimates for the useful lives of the property and equipment there was no changes from prior year assessment.

Leased premises refurbishment	10%
Computer Equipment	20%
Motor vehicles	10%
Furniture fittings and office equipment	10%
Land and Buildings	1.7%

Leased premises refurbishment represent costs incurred by the bank in refurbishment of leased bank premises. The cost shall be amortized over the shorter of the lease term and useful lives from the year the costs are incurred. Property and equipment are periodically reviewed for impairment. Where the carrying amount of an asset is greater than its estimated recoverable amount it is written down immediately to its recoverable amount.

Gains and losses on disposal of property and equipment are determined by reference to their carrying amount and are considered in determining operating profit. On disposal of revalued assets amounts in the revaluation surplus reserve relating to that asset are transferred to retained earnings.

Intangible assets - software costs

Costs associated with maintaining computer software programs are recognized as an expense as incurred. Costs that are directly associated with the production or procurement of identifiable and unique software products controlled by the Company and that will probably generate economic benefits exceeding costs beyond one year are recognized as intangible assets. Direct costs include the software implementation consultancy costs and an appropriate portion of relevant overheads. The costs are amortized on a straight-line basis over the expected useful life of eight years at the rate of 12.5%.

8. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

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

increase in credit risk. These estimates are driven by several factors, changes in which can result in different levels of allowances. The Bank's ECL calculations are outputs of complex models with several underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- a) The Bank's internal credit grading model, which assigns PDs to the individual grades.
- b) The Bank's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment. Significant increase in credit risk is assessed by comparing the risk of default of an exposure at the reporting date to the risk of default at origination (after considering the passage of time). Whether a change in the risk of default is significant or not is assessed using several quantitative and qualitative factors (as per note 4), the weight of which depends on the type of product and counterparty. Financial assets that are 30 or more days past due and not credit-impaired will always be considered to have experienced a significant increase in credit risk. Financial assets that are 30 or less days past due are considered to have low credit risk.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

8. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (Continued)

- c) Cure rate:- Cure rate is a percentage of credit exposure accounts which were in default category, but as at assessment date have moved to a better category. Cure rate shall be factored in at the LGD level when assessing recovery rate.

The rate reduces the percentage of loss given default and is computed at the overall credit portfolio level. Consideration of movement of accounts is done annually.

- d) Qualitative criteria applied when checking whether the account has cured or not are those in line with Bank of Tanzania guideline on IFRS 9 Implementation. Defaulted accounts which are assessed whether they have cured shall exclude accounts which have restructured or which have been charged off during the period.
- e) Development of ECL models, including the various formulas and the choice of inputs.
- f) Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs.
- g) Development of ECL models, including the various formulas and the choice of inputs.
- h) Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs.
- i) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models:-

The evolving economic environment is a key determinant of the ability of a Bank's clients to meet their obligations as they fall due. It is a fundamental principle of IFRS 9 that the provisions banks hold against potential future credit risk losses should depend not just on the health of the economy today but should also take account of changes to the economic environment in the future. To capture the effect of changes to the economic environment in the future, the computation of probability of default (PD), loss given default (LGD) and so expected credit loss incorporates forward-looking information; assumptions on the path of economic variables and asset prices that are likely to have an effect on the repayment ability of the bank's clients. Such variables include Inflation, GDP Growth, oil prices fluctuation, average electricity generation, natural gas, population, total household spending, total food sales, total public debt, Government spending in priority sector, unemployment rate, exchange rate movement. It has been the Bank's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

8.2. Going Concern

The Bank's management has assessed its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. In making this assessment, the Bank has considered the impact of climate-related matters on their going concern assessment. Furthermore, management is not aware of any material uncertainties that may cast significant doubt on the Bank's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on a going concern basis.

8.3. Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

8.3. Fair value of financial instruments

The fair value of financial instruments where no active market exists or where quoted prices are not otherwise available are determined by using valuation techniques. In these cases, the fair values are estimated from observable data in respect of similar financial instruments or using models. Where market observable inputs are not available, they are estimated based on appropriate assumptions. Where valuation techniques (for example, models) are used to determine fair values, they are validated and periodically reviewed by qualified personnel independent of those that sourced them. Changes in valuation assumptions could affect the reported fair value of the financial instruments.

8.4. Effective Interest Rate (EIR) method

The Bank's EIR method, recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans and deposits and recognises the effect of potentially different interest rates charged at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

In making this assessment, the Bank considers the extent of any changes to the contractual cash flows because of the transition and the factors that have given rise to the changes, with consideration of both quantitative and qualitative factors. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life cycle of the instruments, as well expected changes to Bank's base rate and other fee income/expense that are integral parts of the instrument.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

8. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (Continued)

8.5. Provisions and other contingent liabilities

The bank operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings arising in the ordinary course of the Bank's business. When the Bank can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Bank records a provision against the case. Where the probability of outflow is remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed. However, when the Bank is of the opinion that disclosing these estimates on a case-by-case basis would prejudice their outcome, then the Bank does not include detailed, case-specific disclosures in its financial statements. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Bank considers several factors including legal advice, the stage of the matter and historical evidence from similar incidents.

8.6. Determination of the lease term for lease contracts with renewal and termination options (Bank as a lessee)

The Bank determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Bank has several lease contracts that include extension and termination options. The Bank applies judgement in evaluating whether it is reasonably certain to exercise the

option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

After the commencement date, the Bank reassesses the lease term if there is a significant event or change in circumstances that is within its control that affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation of the leased asset).

Estimating the incremental borrowing rate

The Bank cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Bank would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

8.7. Property, equipment, and intangible assets

Critical estimates are made by those charged with governance in determining the useful lives of property, equipment, and intangible assets as well as their residual values.

The Bank reviews the estimated useful lives of property, equipment, and intangible assets at the end of each reporting period.

9. FINANCIAL RISK MANAGEMENT

The Bank's activities expose it to a variety of financial risks and those activities involve the analysis evaluation acceptance and management of some degree of risk or combination of risks. Taking risk is core to the business and the operational risks are an inevitable consequence of being in business. The Bank's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on the Bank's financial performance.

The Bank's risk management policies are designed to identify and analyse these risks to set appropriate risk limits and controls and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Bank regularly reviews its risk management policies and systems to reflect changes in markets products and emerging best practice.

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. As part of its governance structure the Board of Directors has embedded a comprehensive risk management framework for identifying measuring controlling (setting risk mitigations) and monitoring of the Bank's risks. The policies are integrated in the overall management information systems of the bank and supplemented by a management reporting structure.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions products and services offered and emerging best practice. The Bank through its training and management standards and procedures aims to develop a disciplined and constructive control environment in which all employees / stakeholders understand their roles and obligations. The Board's Risk Management Committee is responsible for monitoring compliance with the Bank's risk management policies and procedures and review of the adequacy of risk management framework in relation to the risks faced by the bank.

The committee is assisted in these functions by various management committees which undertake both regular and ad-hoc reviews of risk management controls and procedures the results of which are reported to the Board.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

9. FINANCIAL RISK MANAGEMENT (Continued)

The most important types of risks are:

- Credit risk
- Liquidity risk
- Market risk

9.1. Credit risk

The Bank takes on exposure to credit risk which is the risk that a counterparty will cause a financial loss to the Bank by failing to discharge an obligation. Credit risk is one of the most important risks for the Bank's business; management therefore carefully manages its exposure to credit risk. Credit exposures arise principally from lending activities that lead to loans and advances investment activities that bring debt securities and other bills in the Bank's asset portfolio. There is also credit risk in the off-balance sheet financial instruments such as loan commitments letters of credit and guarantees.

The credit risk management and control are centralised and reported to the Board of Directors and management regularly.

Credit risk measurement

In measuring credit risk of loans and advances to customers and to banks at a counterparty level the Bank reflect two components (i) the 'probability of default' by the client or counterparty on its contractual obligations and (ii) current exposures to the counterparty and its likely future development from which the Bank derives the 'exposure at default'. These credit risk measurements which reflect expected loss (the 'expected loss model') are embedded in the daily operational management and are in line with IFRS 9.

The Bank uses forward-looking information that is available without undue cost or effort in its assessment of significant increase of credit risk as well as in its measurement of ECL. External and internal information is used to generate a 'base case' scenario of future forecast of relevant economic variables along with a representative range of other possible forecast scenarios. The external information used includes economic data and forecasts published by governmental bodies and monetary authorities.

The Bank applies probabilities to the forecast scenarios identified. The base case scenario is the single most-likely outcome and consists of information used by the Bank for strategic planning and budgeting. The key drivers of credit risks and credit losses for each portfolio of financial instruments were identified and documented and using a statistical analysis of historical data to estimate relationships between macro-economic variables and credit risk and credit losses.

Significant increase in credit risk

The Bank monitors all financial assets that are subject to impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. When there is a significant increase in credit risk a financial asset is moved from one stage to the other along the three IFRS 9 Stages described below (Stage 1 Stage 2 and Stage 3).

	Stage 1 Performing loans	Stage 2 Under performing loans	Stage 3 non-performing loans
Credit risk	Financial instruments with low credit risk at the reporting date	Financial instruments which have had a significant increase in credit risk since initial recognition BUT do not have objective evidence of a credit loss event.	Financial assets that have objective evidence of impairment at the reporting date (essentially same as incurred loss of IAS 39).
Recognition of expected credit losses	12 Month expected credit losses are recognized.	Lifetime expected credit losses are recognized	Lifetime expected credit losses are recognized.
Recognition of interest	Interest revenue is calculated on the gross carrying amount of the asset	Interest revenue is calculated on the gross carrying amount of the asset	Interest revenue is calculated based on the amortized cost net of the loss provision.

The Bank considers a debt instrument assets loan commitments and financial guarantee contracts to have experienced a significant increase in credit risk when one or more of the following quantitative or qualitative criteria have been met:



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

9. FINANCIAL RISK MANAGEMENT (Continued)

9.1. Credit risk (Continued)

Quantitative criteria

Based on quantitative review for the purpose of the expected credit losses calculations loans and advances loan commitments and financial guarantees shall be classified as follows; except for those which are assessed differently basing on qualitative criteria.

0 - 30 days to be classified as Stage 1; Loans and advances loan commitments and financial guarantees which are performing according to contracted terms and conditions with low risk at the reporting date with 12-month expected losses recognition.

31 - 90 days to be classified as Stage 2; Loans and advances loan commitments and financial guarantees which have a significant increase in credit risk since initial recognition but do not have objective evidence of credit loss event with lifetime expected credit losses recognition.

91 days or more to be classified as Stage 3; Loans and advances loan commitments and financial guarantees which have objective evidence of impairment at the reporting date with lifetime expected credit losses recognition (credit-impaired assets).

For Personal Loans if the borrower meets one or more of the following criteria:

- In short-term forbearance or restructuring
- Adverse changes of external data from credit references agencies

For Corporate and SME portfolios if the borrower is on the Watch list and/or the instrument meets one or more of the following criteria:

- Significant adverse changes in business financial and/or economic conditions in which the borrower operates.
- Actual or expected forbearance or restructuring.
- Actual or expected significant adverse change in operating results of the borrower.
- Significant change in collateral value (secured facilities only) which is expected to increase risk of default.
- Early signs of cash flow/liquidity problems such as delay in servicing of trade creditors/loans.
- Adverse changes of External data from credit references agencies
- Adverse information obtained during period customer review.
- Significant adversely changes in political regulatory and technological environment of the borrowers or in its business activities.

9.1.1. Risk limit control and mitigation policies

The Bank manages limits and controls concentrations of credit risk wherever they are identified to individual counterparties and groups and to industries. The Bank structure the levels of credit risk they undertake by placing limits on the amount of risk accepted in

relation to one borrower or groups of borrowers and to industry segments. Such risks are monitored on a revolving basis and subject to an annual or more frequent review when considered necessary.

The exposure to any one borrower including banks is further restricted by sub-limits covering on- and off-balance sheet exposures. Actual exposures against limits are monitored daily. Exposure to credit risk is also managed through weekly analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these lending limits where appropriate. Some other specific control and mitigation measures are outlined below.

(a) Collateral

The Bank employs a range of policies and practices to mitigate credit risk. The most traditional of these is the taking of security for funds advanced which is common practice. The Bank implement guidelines on the acceptability of specific classes of collateral or credit risk mitigation.

The principal collateral types for loans and advances are:

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

To minimize the credit loss, the Bank will seek additional collateral from the counterparty as soon as impairment indicators are noticed for the relevant individual loans and advances.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

9. FINANCIAL RISK MANAGEMENT(Continued)

9.1. Credit risk (Continued)

9.1.1. Risk limit control and mitigation policies (Continued)

(b) Credit-related commitments

The primary purpose of these instruments is to ensure that funds are available to a customer as required. Guarantees and standby letters of credit carry the same credit risk as loans. Documentary and commercial letters of credit - which are written undertakings on behalf of a customer authorizing a third party to draw drafts on a bank up to a stipulated amount under specific terms and conditions - are collateralized by the underlying shipments of goods to which they relate and therefore carry less risk than a direct loan. Commitments to extend credit represent unused portions of authorizations to extend credit in the form of loans guarantees or letters of credit. With respect to credit risk on commitments to extend credit the Bank is potentially exposed to loss in amounts equal to the total unused commitments.

However, the likely amount of loss is less than the total unused commitments as most commitments to extend credit are contingent upon customers maintaining specific credit standards. The Bank monitors the term to maturity of credit commitments because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments.

(c) Lending limits (for derivatives and settlement risk)

The Bank maintains strict control limits on net derivative positions (i.e., difference between purchases and sales contracts) by both amount and term. At any one time the amount

subject to credit risk is limited to the current fair value of instruments that are favorable to the Bank (i.e., assets where their fair value is positive) which in relation to derivatives is only a small fraction of the contract or notional values used to express the volume of instruments outstanding. This credit risk exposure is managed as part of the overall lending limits with customers together with potential exposures from market movements. Collateral or other security is not usually obtained for credit risk exposures on these instruments except where the Bank requires margin deposits from counterparties. Settlement risk arises in any situation where a payment in cash securities or equities is made in the expectation of a corresponding receipt in cash securities or equities. Daily settlement limits have been established for each counterparty to cover the aggregate of all settlement risk arising from the Bank's market transactions on any single day. CRDB BANK BURUNDI S.A.

9.1.2. Impairment and provisioning policies

The Bank establishes an allowance for impairment losses that represents its estimate of incurred losses in its loan portfolio. These allowances are a specific loss component that relates to individual exposures and a collective loan loss allowance established for groups of homogeneous assets in respect of losses that have been incurred but have not been identified on loans subject to individual assessment for impairment.

The Bank writes off loans and advances net of any related allowances for impairment losses when the Board's Audit Committee determines that the loans and advances are uncollectible and securities unrealizable.

This determination is reached after considering information such as the occurrence of significant changes in the borrower or issuer's financial position such that the borrower or issuer can no longer pay the obligation or that proceeds from sale of collateral will not be sufficient to pay back the entire exposure and after exhausting all other means including litigation. For smaller balance standardized loans charge off decisions are generally based on a product specific past due status.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

9. FINANCIAL RISK MANAGEMENT (Continued)

9.1. Credit risk (Continued)

9.1.3. Maximum exposure to credit risk before collateral held or other credit enhancements.

Financial instruments whose carrying amounts represent the maximum exposure to credit risk without taking account of any collateral held or other credit enhancements are shown below:

	31 December 2025	%	31 December 2024	%
	BIF 000		BIF 000	
Bank Credit exposures				
On Balance sheet item:				
Cash and balances with Central Bank	205 199 145	7	241 064 270	13
Loans and advances to banks	37 737 764	1	182 273 910	10
Government securities	825 421 259	28	413 491 041	22
Loans and advances to customers (gross)	1 489 889 294	51	921 659 487	50
Other assets	125 784 838	4	10 250 933	1
Sub-Total	2 684 032 300	93	1 768 739 641	95
Off balance sheet items:				
Guarantees and indemnities	33 307 636	1	2 249 124	0
Letters of credit	-	0	-	0
Commitments to extend credit	179 088 423	6	88 741 625	5
Sub-Total	212 396 059	7	90 990 749	5
Total	2 896 428 358	100	1 859 730 390	100

The Bank loans and advances to customers and off-balance sheet items comprise of 59% (2024: 54%) of the total credit exposure. The directors are confident in the ability to continue to control and sustain minimal exposure of credit risk to the Bank.

While collateral is an important mitigation to credit risk the Bank's underwriting policy ensures that loans are strictly granted on a going concern basis with adequate demonstration of repayment capacity. All facilities are secured by collateral in the form of charges over cash land and buildings marketable securities plant and machinery amongst other.

9.1.4. Collateral repossessed.

It is the Bank's policy to dispose repossessed properties on the open market at fair market value. The proceeds are used to reduce or repay the outstanding claim. In general, the Bank does not occupy or foreclose repossessed properties for its own business use. As at the year end the Bank had not repossessed any collateral.

9.1.5. Loans and advances

The total impairment provision for loans and advances represents both individually impaired loans and loans assessed on a portfolio basis. When entering new markets or new industries to minimize the potential increase of credit risk exposure the Bank focused more on the business with large corporate enterprises or banks with good credit rating or retail customers providing sufficient collateral. Collateral held against impaired loans is maintained at fair value. The valuation of collateral is monitored regularly and is tested after every three years.

Restructured Loans

During the year total of BIF 23.1 billion (2024: BIF 1.7 billion) loans and advances were renegotiated and restructured.

9.1.6. Investment securities

The investment securities held by the Bank comprise treasury bills and bonds issued by the Government of Burundi. All these investments were neither past due nor impaired. These investment securities are held with the Governments with good financial standing and no history of default. They are not rated.

9.1.7. Concentration of risks of financial assets with credit risk exposure

The following tables break down the Bank's main credit exposure at their carrying amounts as categorized by industry sector and geographical sectors as of 31 December 2025.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

9. FINANCIAL RISK MANAGEMENT (Continued)

9.1. Credit risk (Continued)

9.1.8 Concentration of risks of financial assets with credit risk exposure

(a) Industry sectors

31 December 2025	Financial institutions BIF 000	Manufacturing BIF 000	Local and Central Government BIF 000	Trading BIF 000	Transport and communication BIF 000	Hotel and Restaurant BIF 000	Agriculture BIF 000	Individuals BIF 000	Others BIF 000	Total BIF 000
On Balance sheet items										
Cash and balances with Central Banks Loans and advances	-	-	205 199 145	-	-	-	-	-	-	205 199 145
Loans and advances to banks	37 737 764	-	-	-	-	-	-	-	-	37 737 764
Government securities	-	-	825 421 259	-	-	-	-	-	-	825 421 259
Loans and advances to customers (Gross)	45 779 766	179 913 798	318 410 406	80 962 725	84 215 511	22 379 231	543 484 167	141 089 878	73 653 812	1 489 889 294
Other assets*	-	-	-	-	-	-	-	-	125 784 838	125 784 838
Total	83 517 530	179 913 798	1 349 030 810	80 962 725	84 215 511	22 379 231	543 484 167	141 089 878	199 438 650	2 684 032 300
Off-Balance sheet items										
Guarantees and indemnities	-	-	-	24 946 412	8 255 742	-	-	105 482	-	33 307 636
Letters of credit	-	-	-	-	-	-	-	-	-	-
Commitment to extend credit	-	49 268 256	50 000 000	23 846 123	15 051 450	5 471 240	1 206 817	21 269 000	12 975 537	179 088 423
Capital Commitments	-	-	-	-	-	-	-	-	-	-
Total	-	49 268 256	50 000 000	48 792 535	23 307 192	5 471 240	1 206 817	21 374 482	12 975 537	212 396 059

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

9. FINANCIAL RISK MANAGEMENT(Continued)

9.1.8 Concentration of risks of financial assets with credit risk exposure (Continued)

(a) Industry sectors (Continued)

31 December 2024	Financial institutions BIF 000	Manufacturing BIF 000	Local and Central Government BIF 000	Trading BIF 000	Transport and communication BIF 000	Hotel and Restaurant BIF 000	Agriculture BIF 000	Individuals BIF 000	Others BIF 000	Total BIF 000
On Balance sheet items										
Cash and balances with Central Banks Loans and advances	-	-	241 064 270	-	-	-	-	-	-	241 064 270
Loans and advances to banks	182 273 910	-	-	-	-	-	-	-	-	182 273 910
Government securities	-	-	413 491 041	-	-	-	-	-	-	413 491 041
Loans and advances to customers (Gross)	26 190 308	107 006 296	26 971 086	70 394 430	54 969 373	788 501	466 419 586	121 824 442	47 095 465	921 659 487
Other assets*	-	-	-	-	-	-	-	-	10 250 933	10 250 933
Total	208 464 218	107 006 296	681 526 397	70 394 430	54 969 373	788 501	466 419 586	121 824 442	57 346 398	1 768 739 641
Off-Balance sheet items										
Guarantees and indemnities	-	-	-	769 102	-	-	-	-	1 480 022	2 249 124
Letters of credit	-	-	-	-	-	-	-	-	-	-
Commitment to extend credit	21 800 000	19 872 176	-	9 228 778	30 648 468	66 111	412 684	2 070 047	4 643 361	88 741 625
Capital Commitments	-	-	-	-	-	-	-	-	-	-
Total	21 800 000	19 872 176	-	9 997 880	30 648 468	66 111	412 684	2 070 047	6 123 382	90 990 749

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

9. FINANCIAL RISK MANAGEMENT(Continued)

9.1.8 Concentration of risks of financial assets with credit risk exposure (Continued)

(b) Geographical sectors

31 December 2025	Tanzania BIF 000	Europe BIF 000	America BIF 000	Burundi BIF 000	Others BIF 000	Total BIF 000
On Balance sheet items						
Balances with Central Bank	-	-	-	205 199 145	-	205 199 145
Loans and advances to banks	7 795 120	4 300 565	-	25 566 836	75 243	37 737 764
Government securities	-	-	-	825 421 259	-	825 421 259
Loans and advances to customers (Gross)	-	-	-	1 489 889 294	-	1 489 889 294
Other assets*	-	-	-	125 784 838	-	125 784 838
Total	7 795 120	4 300 565	-	2 671 861 372	75 243	2 684 032 299
Off-Balance sheet items						
Guarantees and indemnities	-	-	-	33 307 636	-	33 307 636
Letters of credit	-	-	-	-	-	-
Commitment to extend credit	-	-	-	179 088 423	-	179 088 423
Capital Commitments	-	-	-	-	-	-
Total	-	-	-	212 396 059	-	212 396 059

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

9. FINANCIAL RISK MANAGEMENT(Continued)

9.1.8 Concentration of risks of financial assets with credit risk exposure (Continued)

(b). Geographical sectors (Continued)

31 December 2024	Tanzania BIF 000	Europe BIF 000	America BIF 000	Burundi BIF 000	Others BIF 000	Total BIF 000
On Balance sheet items						
Balances with Central Bank	-	-	-	241 064 270	-	241 064 270
Loans and advances to banks	133 049 274	1 251 606	-	47 922 295	50 735	182 273 910
Government securities	-	-	-	413 491 041	-	413 491 041
Loans and advances to customers (Gross)	-	-	-	921 659 487	-	921 659 487
Other assets*	-	-	-	10 250 933	-	10 250 933
Total	133 049 274	1 251 606	-	1 634 388 026	50 735	1 768 739 641
Off-Balance sheet items						
Guarantees and indemnities	-	-	-	2 249 124	-	2 249 124
Letters of credit	-	-	-	-	-	-
Commitment to extend credit	-	-	-	88 741 625	-	88 741 625
Capital Commitments	-	-	-	-	-	-
Total	-	-	-	90 990 749	-	90 990 749

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

9. FINANCIAL RISK MANAGEMENT(Continued)

9.2 Market risk

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

The market risks are concentrated in Bank Treasury and monitored by the Risk and Compliance department separately. Regular reports are submitted to the Board of Directors and Management. Trading portfolios include those positions arising from market-making transactions where the Bank acts as principal with clients or with the market.

9.2.1 Market risk measurement techniques

The objective of market risk measurement is to manage and control market risk exposures within acceptable limits while optimizing the return on risk. The Bank Risk and Compliance department is responsible for the development of detailed risk management policies while Treasury is responsible for day-to-day implementation of those policies.

The Bank applies interest rate gap coupled with Earning at Risk and stress testing analysis in measuring exposure to market risk for the purpose of managing and controlling market risk exposures within acceptable limits while optimizing the return on investment.

9.2.2 Foreign exchange risk

The Bank takes on exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. The Board sets limits on the level of exposure by currency and in aggregate for both overnight and intra-day positions which are monitored on daily basis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

9. FINANCIAL RISK MANAGEMENT(Continued)

Concentrations of currency risk - on- and off-balance sheet financial instruments

31 December 2025	BIF BIF 000	USD BIF 000	EURO BIF 000	GBP BIF 000	TZS BIF 000	Total BIF 000
Assets						
Cash and balances with Central Banks	153 605 557	47 540 452	4 052 736	400	-	205 199 145
Loans and advances to banks	25 529 707	201 454	10 006 019	57 631	1 942 953	37 737 764
Loans and advances to customers (Gross)	519 405 702	970 483 592	-	-	-	1 489 889 294
Government securities	825 421 259	-	-	-	-	825 421 259
Other assets	13 737 597	112 032 093	-	-	-	125 784 838
Total financial assets	1 537 699 822	1 130 257 591	14 073 903	58 031	1 942 953	2 684 032 299
Liabilities						
Deposits from customers	1 139 969 138	133 238 674	15 817 802	2 010	-	1 289 027 624
Deposits from banks	27 234 566	312 628 729	-	-	-	339 863 295
Other liabilities	37 317 506	155 100	11 473	48	1 830 354	39 314 481
Short term borrowings	-	262 853 662	-	-	-	262 853 662
Long term borrowings	-	615 973 087	-	-	-	615 973 087
Subordinated debt	-	-	-	-	-	-
Total financial liabilities	1 204 521 210	1 324 849 252	15 829 275	2 058	1 830 354	2 547 032 149
Net on-balance sheet financial position	333 178 612	(194 591 660)	(1 755 372)	55 973	112 599	137 000 151
Off balance sheet commitments	1 579 512	31 728 124	-	-	-	33 307 636

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

9. FINANCIAL RISK MANAGEMENT(Continued)

Concentrations of currency risk – on- and off-balance sheet financial instruments (Continued)

31 December 2024	BIF 000	USD 000	EURO 000	BP 000	TZS 000	Total 000
Cash and balances with Central Banks	93 909 507	143 617 910	3 535 206	1 647	-	241 064 270
Loans and advances to banks	47 885 857	129 486 725	3 584 585	1 535	1 315 208	182 273 910
Loans and advances to customers (Gross)	351 169 349	570 490 138	-	-	-	921 659 487
Government securities	413 491 041	-	-	-	-	413 491 041
Other assets	8 997 914	1 253 018	-	-	-	10 250 932
Total financial assets	915 453 668	844 847 791	6 119 791	3 182	1 315 208	1768 739 640
Liabilities	-	-	-	-	-	-
Deposits from customers	746 492 453	87 101 134	8 783 976	3 884	-	842 381 447
Deposits from banks	4 952 217	222 835 944	-	-	-	227 788 161
Other liabilities	9 207 874	158 858	4 497	43	2 318 951	11 958 223
Short term borrowings	-	178 819 107	-	-	-	178 819 107
Long term borrowings	-	387 923 885	-	-	-	387 923 885
Subordinated debt	-	-	-	-	-	-
Total financial liabilities	760 652 544	876 838 928	8 788 473	3 927	2 318 951	1 648 602 823
Net on-balance sheet financial position	154 801 125	(31 991 136)	(1 668 682)	(745)	(1 003 743)	120 136 818
Off balance sheet commitments	89 729 685	205 254	1 055 810			90 990 749



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

9. FINANCIAL RISK MANAGEMENT(Continued)

9.3. Price risk

The Bank is not exposed to equity securities price risk as it did not hold shares in other listed companies.

9.4. Interest rate risk

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

31 December 2025	Interest BIF 000	Non-interest bearing BIF 000	Total BIF 000
Assets			
Cash and balances with Central banks	-	205 199 145	205 199 145
Government securities	825 421 259	-	825 421 259
Loans and advances to banks	37 737 764	-	37 737 764
Loans and advances to customers (Gross)	1 489 889 294	-	1 489 889 294
Other assets	-	125 784 838	125 784 838
Total financial assets	2 353 048 316	330 983 982	2 684 032 299
Liabilities			
Due to other banks	-	339 863 295	339 863 295
Deposits from customers	1 289 027 624	-	1 289 027 624
Short term borrowings	262 853 662	-	262 853 662
Long term borrowings	615 973 087	-	615 973 087
Subordinated debt	-	-	-
Other liabilities	-	39 314 481	39 314 481
Total financial liabilities	2 167 854 373	379 177 776	2 547 046 679
Total interest gap	185 193 944		

9.5. Liquidity risk

Liquidity risk is the risk that the Bank is unable to meet its payment obligations associated with its financial liabilities when they fall due and to replace funds when they are withdrawn. The consequence may be the failure to meet obligations to repay depositors and fulfil commitments to lend.

Liquidity risk management process

The Bank's liquidity management process as carried out within the Bank and monitored by the Asset and Liability Committee (ALCO) of the individual banks include:

- Day-to-day funding managed by monitoring future cash flows to ensure that requirements can be met. These include replenishment of funds as they mature or are borrowed by customers. The Bank maintain an active presence in money markets to enable this to happen;
- Maintaining a portfolio of highly marketable assets that can easily be liquidated as protection against any unforeseen interruption to cash-flow;
- Monitoring balance sheet liquidity ratios against internal and regulatory requirements; and
- Managing the concentration and profile of debt maturities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

9. FINANCIAL RISK MANAGEMENT(Continued)

9.4. Interest rate risk (Continued)

31 December 2024	Interest BIF 000	Non-interest bearing BIF 000	Total BIF 000
Assets			
Cash and balances with Central banks	-	241 064 270	241 064 270
Government securities	413 491 041	-	413 491 041
Loans and advances to banks	182 273 910	-	182 273 910
Loans and advances to customers (Gross)	921 659 487	-	921 659 487
Other assets	-	10 250 933	10 250 933
Total financial assets	1 517 424 438	251 315 203	1 768 739 641
Liabilities			
Deposits from banks	-	227 788 161	227 788 161
Deposits from customers	842 381 447	-	842 381 447
Short term borrowings	178 819 108	-	178 819 108
Long term borrowings	387 923 885	-	387 923 885
Subordinated debt	-	-	-
Other liabilities	-	11 958 223	11 958 223
Total financial liabilities	1 409 124 440	239 746 384	1 648 870 824
Total interest gap	108 299 999		

Monitoring and reporting take the form of cash flow measurement and projections for the next day week and month respectively as these are key periods for liquidity management.

9.5.1. Funding approach

The Bank's major source of funding is customer deposits. To this end the Bank maintains a diversified and stable funding base comprising current/demand savings and time deposits. The Bank places considerable importance on the stability of these deposits which is achieved through the Bank's retail banking activities and by maintaining depositor confidence in the Bank's business strategies and financial strength.

The Bank borrows from the interbank market through transactions with other Banks for short term liquidity requirements. As part of the contingency funding plan the Bank has funding lines with both local and foreign banks for short term funding requirements.

Assets available to meet all of the liabilities and to cover outstanding loan commitments include cash central bank balances items in the course of collection treasury and other eligible bills; loans and advances to banks; and loans and advances to customers. In the normal course of business, a proportion of customer loans contractually repayable within one year will be extended. The Bank would also be able to meet unexpected net cash outflows by selling securities and accessing additional funding sources such as asset-backed markets.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

9. FINANCIAL RISK MANAGEMENT(Continued)

9.5. Liquidity risk (Continued)

Liquidity risk management process (Continued)

9.5.1.1. Analysis of financial assets and liabilities by remaining contractual maturities

31 December 2025	Up to 3 months BIF 000	3-12 months BIF 000	Over 1-year BIF 000	Total BIF 000
Liabilities				
Deposits from customers	1 007 110 779	279 453 662	2 463 183	1 289 027 624
Deposits from banks	339 863 295	-	-	339 863 295
Subordinated debt	-	-	-	-
Short term borrowings	262 853 662	-	-	262 853 662
Long term borrowings	-	8 910 870	607 062 217	615 973 087
Other liabilities**	6 796 058	32 048 268	470 155	39 314 481
Total financial liabilities (contractual maturity dates)	1 616 623 793	320 412 800	609 995 555	2 547 032 148
Total financial assets (Expected maturity dates)	325 489 183	349 782 764	2 008 760 352	2 684 032 299

31 December 2024	Up to 3 months BIF 000	3-12 months BIF 000	Over 1-year BIF 000	Total BIF 000
Liabilities				
Deposits from customers	615 016 734	225 348 713	2 016 000	842 381 447
Deposits from banks	227 788 161	-	-	227 788 161
Subordinated debt	-	-	-	-
Short term borrowings	175 175 370	3 643 737	-	178 819 107
Long term borrowings	-	-	387 923 885	387 923 885
Other liabilities**	1 225 916	10 461 506	2 801	11 690 223
Total financial liabilities (contractual maturity dates)	1 019 206 181	239 453 956	389 942 686	1 648 602 823
Total financial assets (expected maturity dates)	443 853 225	224 219 774	1 100 666 642	1 768 739 641

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

9. FINANCIAL RISK MANAGEMENT(Continued)

9.5. Liquidity risk (Continued)

9.5.1.1. Analysis of financial assets and liabilities by remaining contractual maturities (Continued)

Collateral

The Bank pledges part of its Treasury bills and bonds in order to fulfil the collateral requirements of various short-term borrowings from other banks. As at 31 December 2025 there were no treasury bills that were pledged by the Bank to the Central Bank.

9.5.2. Off-balance sheet items liquidity risk

Loan commitments

The dates of the contractual amounts of the Bank's off-balance sheet financial instruments that commit it to extend credit to customers and other facilities are summarised in the table below.

- Financial guarantees and other financial facilities: Financial guarantees are included below based on the earliest period required to pay.
- Capital commitments: These relate to the acquisition of property and equipment.

The table below shows a summary of off-balance sheet items:

31 December 2025	No later than 1 year BIF 000	1 – 5 years BIF 000	Over 5 years BIF 000	Total BIF 000
Outstanding letters of credit	-	-	-	-
Guarantees and indemnities	37 737 764	-	-	37 737 764
Commitments to extend credit	179 088 423	-	-	179 088 423
Capital Commitment	-	-	-	-
Total commitments	212 396 059	-	-	212 396 059

31 December 2024	No later than 1 year BIF 000	1 – 5 years BIF 000	Over 5 years BIF 000	Total BIF 000
Outstanding letters of credit	-	-	-	-
Guarantees and indemnities	2 249 124	-	-	2 249 124
Commitments to extend credit	-	-	-	-
Capital Commitment	-	-	-	-
Total commitments	90 990 749	-	-	90 990 749

10. Fair value Measurement

The bank measures financial instruments such as equity investments and debt instruments at FVTPL and FVOCI investment securities at fair value at each reporting date. Fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the bank.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, if market participants act in their economic best interest.

The bank uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

When one is available, the bank measures the fair value of an instrument using the quoted price in an active market for that instrument.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

10. Fair value Measurement (Continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 financial instruments: Those financial instruments traded in active markets, the determination of fair values of financial assets and financial liabilities is based on market prices or dealer price quotations. This includes listed equity securities and debt instruments.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. If the above criteria are not met, the market is regarded as being inactive. Indicators that a market is inactive are when there is a wide bid-offer spread or significant increase in the bid-offer spread or there are few recent transactions.

Level 2 financial instruments: Where the fair value of financial instruments is determined using valuation techniques. In these techniques, fair values are estimated from observable data in respect of similar financial instruments, using models to estimate the present value of expected future cash flows or other valuation techniques, using inputs (for example, FX rates, volatilities, and counterparty spreads) existing at the balance sheet date.

In cases when the fair value of unlisted equity instruments cannot be determined reliably, the instruments are carried at FVOCI. The fair value for loans and advances as well as liabilities to banks and customers are determined using a present value model based on contractually agreed cash flows, considering credit quality, liquidity, and costs. The fair values of contingent liabilities and irrevocable loan commitments correspond to their carrying amounts.

Level 3 financial instruments: Those that include one or more unobservable input that is significant to the measurement as whole.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the bank determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The determination of fair values of financial assets and financial liabilities is based on quoted market prices or dealer price quotations for financial instruments traded in active markets at the reporting date without any deduction for transaction costs.

The bank's fair value methodology and the governance over its models includes several controls and other procedures to ensure appropriate measures are in place to ensure its quality and adequacy. All new product initiatives including their valuation methodologies are subject to approvals by various functions of the bank including Risk Department and Finance. The responsibility of ongoing measurement resides with Finance which reports to the MD.

The fair value estimates are being validated by:

- Benchmarking prices against observable market prices or other independent sources
- Evaluating and validating input parameters

Gains or losses on valuation of FVOCI are recognised in other comprehensive income.

For all other financial instruments not traded in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include the discounted cash flow method, comparison to similar instruments for which market observable prices exist, options pricing models, credit models and other relevant valuation models.

For fair value disclosures, the bank has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

Transfers between levels of the fair value hierarchy are recognized by the bank at the end of the reporting period during which the change occurred.

The fair value of financial instrument is generally measured on individual basis however when the bank manages a group of financial assets and liabilities on the basis of its net market or credit risk exposure (as defined in IFRS 7), the bank can opt to measure the fair value of that group on the basis of the net position (that is, the net position is the unit of account that is being measured at fair value, not the individual financial assets and liabilities).The underlying financial assets and liabilities are presented separately in the financial statements, unless they satisfy the IFRS offsetting criteria.

The Bank periodically reviews its valuation techniques including the adopted methodologies and model calibrations. However, the base models may not fully capture all factors relevant to the valuation of the Bank's financial instruments such as credit risk, own credit and/or funding costs.

Therefore, the Bank applies various techniques to estimate the credit risk associated with its financial instruments measured at fair value, which include a portfolio-based approach that estimates the expected net exposure per counterparty over the full lifetime of the individual assets, to reflect the credit risk of the individual counterparties for non-collateralized financial instruments.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

10. Fair value Measurement (Continued)

The Bank estimates the value of its own credit from market observable data, such as secondary prices for its traded debt.

The Bank evaluates the levelling at each reporting period on an instrument-by-instrument basis and reclassifies instruments, when necessary, based on the facts at the end of the reporting period.

11. Capital management

The Bank's objectives for managing capital which is a broader concept than the 'equity' on the face of balance sheets are:

- To comply with the capital requirements set by the Central Bank i.e. Bank of the Republic of Burundi;
- To safeguard the Bank's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the development of its business.

Capital adequacy and the use of regulatory capital are monitored daily by the Bank's management employing techniques based on the guidelines developed by the Basel Committee as implemented by the Bank of Burundi for supervisory purposes. The required information is filed with the Central Bank on a monthly basis.

The Central Bank requires the Banking institution to:

- a) hold the minimum level of core capital of BIF 10 billion;
- b) maintain a ratio of core capital to the risk-weighted assets plus risk-weighted off-balance sheet assets (the 'Basel ratio') at or above the required minimum of 12.5%; and
- c) Maintain total capital of not less than 14.5% of risk-weighted assets plus risk-weighted off-balance sheet items.

The Bank's regulatory capital as managed by its Finance department is divided into two tiers:

- Tier 1 capital: share capital retained earnings and reserves created by appropriations of retained earnings. Intangible assets and Deferred tax asset are deducted in arriving at Tier 1 capital; and
- Tier 2 capital: qualifying subordinated loan capital revaluation reserve and loan portfolio general provision.

The risk-weighted assets are measured by means of a hierarchy of five risk weights classified according to the nature of – and reflecting an estimate of credit market and other risks associated with each asset and counterparty taking into account any eligible collateral or guarantees. A similar treatment is adopted for off-balance sheet exposure with some adjustments to reflect the more contingent nature of the potential losses.

The table below summarises the composition of regulatory capital and the ratios of the Bank for the year ended 31 December 2025 and year ended 31 December 2024. During those two periods the Bank complied with all the externally imposed capital requirements to which they are subject.

31 December 2025	31 December 2025 BIF 000	31 December 2024 BIF 000
Tier 1 capital	-	-
Share capital	48 027 000	48 027 000
Retained earnings	35 765 768	22 410 959
50% of Current Profit	25 612 153	22 258 015
Legal reserves	6 434 212	4 208 411
Deferred tax asset	(373 248)	(705 865)
Intangible assets	(7 870 079)	(544 651)
Investment Reserves	37 108 452	23 753 643
Total qualifying Tier 1 capital	144 704 259	119 407 512

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

11. Capital management (Continued)

31 December 2025	31 December 2025 BIF 000	31 December 2024 BIF 000
Tier 2 capital	-	-
General banking reserve	5 337 665	3 122 391
Subordinated debt	-	-
Revaluation reserve	-	-
Total qualifying Tier 2 capital	5 337 665	3 122 391
Total regulatory capital	150 041 924	122 529 902
Risk-weighted assets		
On-balance sheet	738 314 268	569 385 085
Off-balance sheet Items	24 620 758	303 650
Market risk	25 062 364	27 940 415
Operational risk	119 237 174	82 367 638
Total risk-weighted assets	907 234 564	675 996 788

Required ratio	Regulatory %	2025 %	2024 %
Tier 1 capital (Hard core capital)	11.0	11.90	14.20
Tier 2 capital (Core capital)	12.5	16.00	17.60
Total capital	14.5	16.50	18.00

12. INTEREST INCOME

31 December 2025	31 December 2025 BIF 000	31 December 2024 BIF 000
Placements in other banks	6 767 924	7 496 892
Loans and overdrafts	137 599 343	89 240 393
Treasury bills and bonds	54 310 944	26 027 968
Total	198 678 211	122 765 253

Interest income increased by BIF 75 912 958 thousand (62%) mainly due to assets growth during 2025.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

13. INTEREST EXPENSE

31 December 2025	31 December 2025 BIF 000	31 December 2024 BIF 000
Current account	9 178 386	4 347 458
Saving deposits	4 971 508	3 472 111
Term deposits	9 226 438	4 572 218
Other borrowings	71 564 168	39 134 293
	94 940 500	51 526 080

Interest expense increased by BIF 43 414 420 thousand (84%) mainly due to growth of borrowing 2025.

14. FEE AND COMMISSION INCOME

	31 December 2025 BIF 000	31 December 2024 BIF 000
Commissions and service charges	13 252 613	7 663 054
Recoveries	76 950	61 691
Total	13 329 563	7 724 745

Fees and Commissions have increased by BIF 5 604 818 thousand (73%) mainly due to service charges and commissions during 2025.

15. NET TRADING INCOME

	31 December 2025 BIF 000	31 December 2024 BIF 000
Exchange gains -Trading	9 369 646	4 568 091
Commissions on Nostro transactions	3 226 075	12 584 329
Total	12 595 721	17 152 419

Net trading income have decreased by BIF (4,556,699) thousand (27%) compared to 2024 mainly due to swap income not received in 2025.

16. FEES AND COMMISSION EXPENSES

	31 December 2025 BIF 000	31 December 2024 BIF 000
Commissions on nostro transactions	806 202	1 283 002
Total	806 202	1 283 002

The commission expenses decreased by BIF 476 800 thousand (37%) compared to 2024 mainly due to deposits insurance commission payable to central bank.

17. STAFF EXPENSES

	31 December 2025 BIF 000	31 December 2024 BIF 000
Wages and salaries	7 613 896	5 043 590
Social security costs	341 007	275 494
Medical Fees	900 384	586 583
Staff welfare	743 201	494 137
Other benefits	9 438 940	6 829 706
	19 037 428	13 229 510

Staff expenses have increased by BIF 5 807 918 thousand (44%) compared to 2024 mainly due to growth of number of staff.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

18. OTHER OPERATING EXPENSES

	31 December 2025 BIF 000	31 December 2024 BIF 000
Travelling Local & Abroad	5 808 824	4 825 600
Amortisation of Right of Use/Rent	1 518 092	919 854
Maintenance - Office-Equipment	409 106	222 877
Maintenance - Vehicles	237 025	210 691
Maintenance- Buildings	448 574	219 358
Fuel and Lubricants	679 529	443 428
Marketing	2 780 357	2 182 698
Telephone& Fax	291 990	159 181
Hired Services	1 793 940	1 068 157
Printing and Stationery	681 516	381 868
Communication Costs	476 044	357 010
Insurance	1 160 855	431 095
Software License	627 906	372 519
Entertainment	567 636	341 081
Subscriptions	82 966	91 519
Water and Electricity	318 518	273 685
Consultancy Fees	461 326	493 741
Taxes and Levies	10 681 205	7 600 491
Simbanking	134 782	78 713
Training fees	1 146 460	890 071
Directors' fees	716 270	616 497
Board Expenses	2 681 653	2 156 685
Visa cards expenses	584 929	825 597
Transfer pricing	3 674 743	2 234 077
Other fees and charges	3 981 845	1 928 410
Total	41 946 091	29 324 907

Administration expenses increased by BIF 12 621 184 thousand (43%) compared to 2024 mainly due to the Tax and levies, Insurance & deposits insurance charges and transfer pricing.

19. GENERAL PROVISIONS

	31 December 2025 BIF 000	31 December 2024 BIF 000
Provisions for bad loans	11 550 085	3 707 564
Provision for other assets	1 031 245	177 844
Total	12 581 330	3 885 408

General Provisions have increased by BIF 8 695 922 thousand (224%) compared to 2024 in line with assets portfolio growth and quality.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

20. INCOME TAX

	31 December 2025 BIF 000	31 December 2024 BIF 000
Corporate Tax	1 473 340	2 377 647
Total	1 473 340	2 377 647

Tax expense decreased by BIF 904 307 thousand (38%) compared to 2024.

21. CASH AND BALANCES WITH CENTRAL BANK

	31 December 2025 BIF 000	31 December 2024 BIF 000
Cash in hand	12 536 509	17 960 786
Due from central bank	192 662 636	223 103 485
Total	205 199 145	241 064 270

Cash and balances with the central bank decreased by BIF (35 865 125) thousand (15%) compared to 2024 mainly due to investment in government securities.

22. BALANCES DUE FROM OTHER BANKING INSTITUTIONS

	31 December 2025 BIF 000	31 December 2024 BIF 000
Due from Other Banks	37 737 764	182 273 910
Total	37 737 764	182 273 910

Balances with other banks decreased by BIF (144 536 146) thousands (79%) in 2025 compared to 2024 due to matured placements.

23. TREASURY BILLS AND BONDS

	31 December 2025 BIF 000	31 December 2024 BIF 000
Treasury bills	227 445 275	166 316 659
Treasury bonds	577 891 709	238 806 159
Interest Receivable Treasury Bonds	20 084 275	8 368 224
Total	825 421 259	413 491 041

The maturity profile of Government securities was as follows:

	31 December 2025 BIF 000	31 December 2024 BIF 000
Maturity within 30 days	37 152 344	15 443 854
Maturity after 30 days but within 90 days	37 216 529	47 699 391
Maturity after 90 days but within 180 days	42 438 127	34 639 043
Maturity after 180 days but within 364 days	89 340 178	66 953 813
Maturity above 364 days	619 274 081	248 754 940
Total	825 421 259	413 491 041



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

24. LOANS AND OVERDRAFTS

	31 December 2025 BIF 000	31 December 2024 BIF 000
Term loans	1 305 820 620	797 729 433
Overdrafts	139 396 855	95 908 592
Staff loan	11 746 509	8 719 392
Loan outstanding	1 456 963 983	902 357 417
Interest receivable	40 064 709	19 302 070
Gross loans and advances to customers	1 497 028 692	921 659 487
Less: Provision for impairment	(13 642 882)	(8 219 392)
Net loans and advances to customers	1 483 385 810	913 440 095
Less: Interest in suspense	(3 569 699)	(1 457 838)
Net loans and advances to customers	1 479 816 111	911 982 257

The credit portfolio increased significantly by BIF (567 833 854) thousand (62%) compared to 2024. The growth was driven mostly by corporate loans.

The maturity profile of loans and overdrafts

The maturity analysis is based on the remaining periods to contractual maturity from year end.

	31 December 2025 BIF 000	31 December 2024 BIF 000
Maturing within 1 months	40 788 481	3 346 053
Maturing after 1 month but within 3 months	56 829 070	65 785 030
Maturing after 3 months but within 12 months	76 387 077	13 011 253
Maturity after 1 year but within 5 years	720 656 144	611 140 077
Maturity over 5 years	585 155 339	218 699 844
Outstanding loans and advances to customers	1 479 816 111	911 982 257

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

25. PROPERTY AND EQUIPMENT

	Land	Buildings	Office Equipment	Furniture & Fittings	Computer Equipment	Motor Vehicles	Smart Cards Equipment	Security Equipment	Capital WIP	Total
Cost										
At 1st January 2024	3 632 060	5 642 009	2 352 907	733 961	960 568	1 611 368	1 950 562	185 090	8 249 732	25 318 257
Additions	934 538	-	756 106	181 292	531 517	1 753 138	903 545	45 369	8 960 868	14 066 373
Disposals/ transfers	-	-	-	-	-	(374 462)	-	-	(4 642 911)	(5 017 373)
At 31 Dec 2024	4 566 598	5 642 009	3 109 013	915 253	1 492 085	2 990 044	2 854 107	230 459	12 567 689	34 367 257
Additions	-	-	4 589 824	1 295 206	1 640 472	924 500	1 625 139	379 468	12 295 676	22 750 285
Adjustments	-	-	-	-	-	-	-	-	-	-
Disposals/ transfers	-	-	(64 132)	(88 369)	(67 554)	(635 365)	-	-	(9 948 375)	(10 803 795)
At 31 Dec 2025	4 566 598	5 642 009	7 634 705	2 122 090	3 065 003	3 279 179	4 479 246	609 927	14 914 990	46 313 747
Depreciation										
At 1 Jan 2024	-	(1 186 490)	(1 494 413)	(243 848)	(631 523)	(557 597)	(360 214)	(38 245)	-	(4 512 330)
Adjustments	-	-	(340)	1	(2)	323 804	1	(1)	-	323 463
Charge for the period	-	(140 822)	(317 863)	(70 125)	(159 774)	(290 151)	(278 208)	(39 797)	-	(1 296 740)
At 31 Dec 2024	-	(1 327 312)	(1 812 616)	(313 972)	(791 299)	(523 944)	(638 421)	(78 043)	-	(5 485 607)
Charge for the period	-	(140 822)	(653 424)	(159 053)	(382 355)	(304 251)	(365 773)	(102 580)	-	(2 108 258)
Adjustments	-	(1)	-	-	-	-	-	-	-	-
Eliminated on disposal	-	-	64 132	17 882	67 554	175 258	-	-	-	324 825
At 31 Dec 2025	-	(1 468 135)	(2 401 908)	(455 143)	(1 106 100)	(652 937)	(1 004 194)	(180 623)	-	(7 269 040)
At 31 Dec 2025	4 566 598	4 173 875	5 232 797	1 666 947	1 958 903	2 626 242	3 475 052	429 304	14 914 990	39 044 707
At 31 Dec 2024	4 566 598	4 314 697	1 296 397	601 281	700 786	2 466 100	2 215 686	152 416	12 567 689	28 881 650

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

26. INTANGIBLE ASSETS

	31 December 2025 BIF 000	31 December 2024 BIF 000
Cost		
Opening balance	3 434 332	3 434 332
Additions	7 607 434	-
Closing balance	11 041 766	3 434 332
Amortisation		
Opening balance	2 889 681	2 765 302
Charge for the period	282 007	124 379
Closing balance	3 171 688	2 889 681
Net Book Value	7 870 078	544 651

27. LEASED PREMISES REFURBISHMENT

	31 December 2025 BIF 000	31 December 2024 BIF 000
Cost		
Opening balance	2 392 311	1 724 581
Additions	3 201 347	667 730
Disposals	-	-
Closing balance	5 593 658	2 392 311
Amortisation		
Opening balance	1 698 456	1 619 736
Adjusted for prior year	(7 934)	-
Charge for the period	204 033	78 720
Closing balance	1 894 555	1 698 456
Net Book Value	3 699 103	693 855

28. OTHER ASSETS

	31 December 2025 BIF 000	31 December 2024 BIF 000
Items for clearing	1 356 103	573 572
Prepaid expenses	13 555 996	8 004 892
Other Assets	124 428 734	9 677 360
Total	139 340 833	18 255 824
Less Provisions	(435 590)	(138 583)
Net Other Assets	138 905 243	18 117 241

Compared to 2024 the other assets increased by BIF (120 788 002) thousand (667%) mainly on sundry debtors.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

29. RIGHT OF USE OF ASSET

	31 December 2025 BIF 000	31 December 2024 BIF 000
Leasehold right of use	5 940 804	53 721
Amortization right of use	(993 857)	(585 844)
Additions (deductions)	77 000	6 472 927
Outstanding rights of use	5 023 943	5 940 804

During the year 2025 the leased properties right of use decreased by BIF 916 859 thousand (15%) compared to 2024, there were no new leases in 2025.

30. TAX ASSET

	31 December 2025 BIF 000	31 December 2024 BIF 000
Opening Balance	705 865	2 937 202
Acquisition/(Disposal) during the year	(332 617)	(2 231 337)
Outstanding Balance	373 248	705 865

The tax credit was granted by the Revenue Authority (OBR) in accordance to the Country's Development Agency (ADB).

31. CUSTOMER DEPOSITS

	31 December 2025 BIF 000	31 December 2024 BIF 000
Current A/C (BIF)	956 989 344	578 968 318
Current A/C (Forex)	50 121 435	36 048 416
Savings A/C (BIF)	102 179 685	93 047 543
Savings A/C (Forex)	78 835 785	46 369 534
Term deposits (BIF)	80 800 109	74 476 592
Term deposits (Forex)	20 101 266	13 471 044
Total	1 289 027 624	842 381 447

The customers' deposits have increased by BIF 446 646 177 thousand (53%) compared to 2024. The growth was on current account deposits by BIF 392 094 045 thousand (64%) and Savings deposits by BIF 41 598 393 thousand (30%).

32. OTHER LIABILITIES

	31 December 2025 BIF 000	31 December 2024 BIF 000
Accrued Expenses	5 345 614	5 490 058
Bills payable	4 334 031	1 225 916
Amounts due to parent company	9 891 640	2 318 939
Gratuity payable	470 155	1 511 344
Other payables	25 385 566	7 086 254
Total	45 427 006	17 632 511

Other liabilities have increased by BIF 27 794 495 thousand (158%) mainly due to due to 2024 dividend payable to shareholders, and Intercompany Balances.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

33. LEASE LIABILITY

	31 December 2025 BIF 000	31 December 2024 BIF 000
Opening	6 085 465	62 578
Amortization	(1 244 770)	(896 900)
Interest on right of use	524 233	334 010
Additions (deductions)	-	6 585 777
Outstanding	5 364 928	6 085 465

During the year 2025 the leased properties liability decreased by BIF 720 537 thousand (12%) compared to 2024 no new leases in 2025.

34. BORROWINGS

	31 December 2025 BIF 000	31 December 2024 BIF 000
At 1 January	566 742 992	284 499 184
Additions	534 187 448	549 418 514
Interest Charge for the Year	72 983 180	22 368 893
Interest Paid in the Year	(60 794 445)	(22 278 502)
Principal repayment during the year	(234 292 426)	(267 265 096)
At 31 December	878 826 748	566 742 993
Current	262 853 662	178 819 107
Non-current	615 973 086	387 923 886

The Bank has not had any defaults of principal, interest, or other breaches regarding borrowings during 2025 or 2024.

A. CRDB BANK PLC BORROWING

	31 December 2025 BIF 000	31 December 2024 BIF 000
At 1 January	487 309 514	259 508 221
Additions	370 949 750	473 628 773
Interest Charge for the Year	60 435 501	20 624 235
Interest Paid in the Year	(50 335 527)	(20 850 324)
Principal repayment during the year	(171 756 165)	(245 601 391)
At 31 December	696 603 073	487 309 514

B. IFC BORROWING

At 1 January	3 643 737	10 710 412
Additions	-	-
Interest Charge for the Year	212,054	1 101 597
Interest Paid in the Year	(179,929)	(918 597)
Principal repayment during the year	(3,675,863)	(7 249 675)
At 31 December	-	3 643 737

In October 2022, the Bank received a disbursement of USD 5 Million from International Finance Corporations (IFC), a three years' facility per the agreement signed between the two institutions in June 2022. The facility aims at supporting Bank's lending program to Eligible Sub-borrowers through Eligible Sub-loans in response to the COVID-19 pandemic as well as SME and Women-Owned SME eligible sub-borrowers.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

34. BORROWINGS (Continued)

C. ABC BORROWING

	31 December 2025 BIF 000	31 December 2024 BIF 000
At 1 January	-	-
Additions	8,910,870	-
Interest Charge for the Year	277,354	-
Interest Paid in the Year	(277,354)	-
Principal repayment during the year	-	-
At 31 December	8,910,870	-

In August 2025, the Bank received a disbursement of USD 3 Million from ABC Banking Corporation, a one-year facility per the agreement signed between the two institutions in June 2025. The facility aims at supporting trade-related activities including trade working capital requirements, and other eligible trade finance operations, in accordance with the terms and conditions of the agreement.

D. DRC BORROWING

	31 December 2025 BIF 000	31 December 2024 BIF 000
At 1 January	17 489 940	14 280 550
Additions	-	17 489 940
Interest Charge for the Year	1 743 272	643 060
Interest Paid in the Year	(1 411 472)	(509 580)
Principal repayment during the year	-	(14 414 030)
At 31 December	17 821 740	17 489 940

E. BRB BORROWING

	31 December 2025 BIF 000	31 December 2024 BIF 000
At 1 January	58 299 800	-
Additions	154 326 828	58 299 800
Interest Charge for the Year	10 315 000	-
Interest Paid in the Year	(8 590 163)	-
Principal repayment during the year	(58 860 400)	-
At 31 December	155 491 065	58 299 800

During 2025 the Bank received a facility of USD 52 Million from the central bank.

35. BALANCE DUE TO OTHER BANKS

	31 December 2025 BIF 000	31 December 2024 BIF 000
Opening Balance	227 788 161	116 440 930
Additions (Reduction)	112 075 134	111 347 231
Closing Balance	339 863 295	227 788 161

Balances due to other banks increased by BIF 112 075 134 thousand (49%)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

36. SHARE CAPITAL

	31 December 2025 BIF 000	31 December 2024 BIF 000
Opening balance	48 027 000	48 027 000
Additional during the year	-	-
Closing balance	48 027 000	48 027 000

37. OTHER RESERVES

	31 December 2025 BIF 000	31 December 2024 BIF 000
Statutory Reserves	148 926	4 244 964
Additional/reduction during the year	5 872 336	(4 096 038)
Closing balance	6 021 262	148 926

38. LEGAL RESERVES

	31 December 2025 BIF 000	31 December 2024 BIF 000
Opening balance	43 542 664	27 962 052
Additional /reduction during the year	17 928 507	15 580 612
Closing balance	61 471 171	43 542 664

The additional reserves include 5% legal reserve and 30% development reserve both from the year 2025 profit.

39. RETAINED EARNINGS

	31 December 2025 BIF 000	31 December 2024 BIF 000
Opening balance	51 346 378	33 433 887
Dividends	(15 580 610)	(11 022 928)
Legal Reserves	(17 928 507)	(15 580 610)
Profit for the year	51 224 307	44 516 029
Closing balance	69 061 568	51 346 378

40. OFF BALANCE SHEET ITEMS

	31 December 2025 BIF 000	31 December 2024 BIF 000
Letters of Credit	-	-
Guarantees and indemnities	33 307 636	2 249 124
Commitments to extend credit	179 088 423	88 741 625
Total	212 396 059	90 990 749
ECL	(2 686 699)	(15 350)
Net Off Balance Sheet	209 709 360	90 975 399



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

41. CASH AND CASH EQUIVALENT

	31 December 2025 BIF 000	31 December 2024 BIF 000
Cash on hand	12 536 509	17 960 786
Balance with central bank	192 662 636	223 103 485
Balance with other banks	37 737 764	182 273 910
Government securities within 90 days	74 368 872	63 143 245
Balance due to other banks	(339 863 295)	(227 788 161)
Net Cash and cash equivalent	(22 557 514)	258 693 265

The bank recorded a decline of cash and cash equivalent essentially due to reduction in balances with the BRB and increase of dues to other banks.

42. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

In the normal course of business, a number of banking transactions are entered into with related parties' i.e. key management staff Directors their associates and companies associated with Directors. These include loans of BIF 2 065 925 million and deposits of BIF 1 280 849 million as at 31 December 2025.

	Loans BIF 000		Deposits BIF 000	
	Dec 2025	Dec 2024	Dec 2025	Dec 2024
Board	233 993	165 892	429 469	510 971
Management	1 831 932	2 603 679	851 380	688 637
Total	2 065 925	2 769 571	1 280 849	1 199 608

Borrowing from the Parent

As at end of December 2025 the bank had an outstanding balance of BIF 696 603 073 thousand borrowing from the Parent Company compared to BIF 487 309 514 thousand at the end of December 2024.

43. COMMENTS ON THE STANDARDS AND CHART OF ACCOUNTS APPLICABLE TO CREDIT INSTITUTIONS

CRDB Bank Burundi uses the banking chart accounting for the reporting of financial statements to the central bank (BRB Returns). Nonetheless, CRDB Bank Burundi presents the financial statements in accordance with ISA- IFRS.

44. STATEMENT OF DEBTS WRITTEN OFF AND THEIR RECOVERIES RELATING THERETO.

The sum of debts charged off as at 31 December 2025 was 372,315 thousand BIF and are monitored off balance sheet. The total amount of recoveries during the period under review was BIF 76,950 thousand.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025(Continued)

45. COMMENTS ON ASSETS QUALITY

By analysing the structure of assets of CRDB Bank Burundi at 31 December 2025, we noted that on a total balance sheet of 2 743 093 670 thousand BIF, loans and overdrafts represent 1 479 816 111 thousand BIF (53.95%).

Cash transactions (Cash and balances with central banks, Balances with other Banks, Treasury bills and bonds) represent an amount of 1 068 358 167 thousand BIF (39%), fixed assets represent an amount of 50 613 889 thousand BIF (1.85%), other assets represent 144 305 503 BIF (5.26%).

Provisions for unpaid debts at 31 December 2025 represent an amount of BIF 14 326 479 thousand. The NPL at 31 December 2025 represent an amount of 37 476 465 thousand BIF. The loans portfolio deterioration rate is 2.2%.

	31 December 2025 BIF 000	31 December 2024 BIF 000
Non-performing loans		
Pre-Doubtful	25 892 930	2 967 377
Doubtful	7 257 426	5 251 374
Disputed Debts	4 326 108	1 058 327
Subtotal	37 476 464	9 277 078
Provision for non-performing loans		
Pre-Doubtful	5 178 586	593 475
Doubtful	3 628 713	2 625 687
Disputed Debts	4 326 108	1 058 327
Subtotal	13 133 407	4 277 489
Net non-performing loans	24 343 057	4 999 589
Debt to Monitor	39 769 056	32 281 251
Provision for Debt to Monitor	1 193 072	968 438
Total Provisions for unpaid debts	14 326 479	5 245 927

46.COMMENTS ON THE OFF BALANCE SHEET.

By analysing the off-balance items at 31 December 2025, we noted that on a total off balance sheet of BIF 212 396 059 thousand. The commitments to extend credit BIF 179 088 423 thousand (84%) and the Guarantees and indemnities represents BIF 33 307 636 thousand (16%).

47. COMMENTS ON THE RISKS DIVISION

- Loans to related parties (directors and managers)

The total loans to related parties represent 0.5% of the core capital while the limit not to exceed is 25%.

- Staff loans

The total loan granted to staff represents 8.01% of the core capital while the limit not to exceed is 25%.

48. COMMENTS ON THE QUALITY OF LOAN SECURITIES

We reviewed the quality of loan securities of the Bank and found that the securities required by CRDB Bank Burundi when disbursing those credits are adequate as the bank policy require the minimum coverage ratio to be above 125% of the amount of the facility.

These securities mainly consist of salaries, mortgages but also a pledge of goodwill, joint guarantees of shareholders (for corporate) or spouses (for individuals) and collateral deposits. The mortgages are covered by insurance policies.

