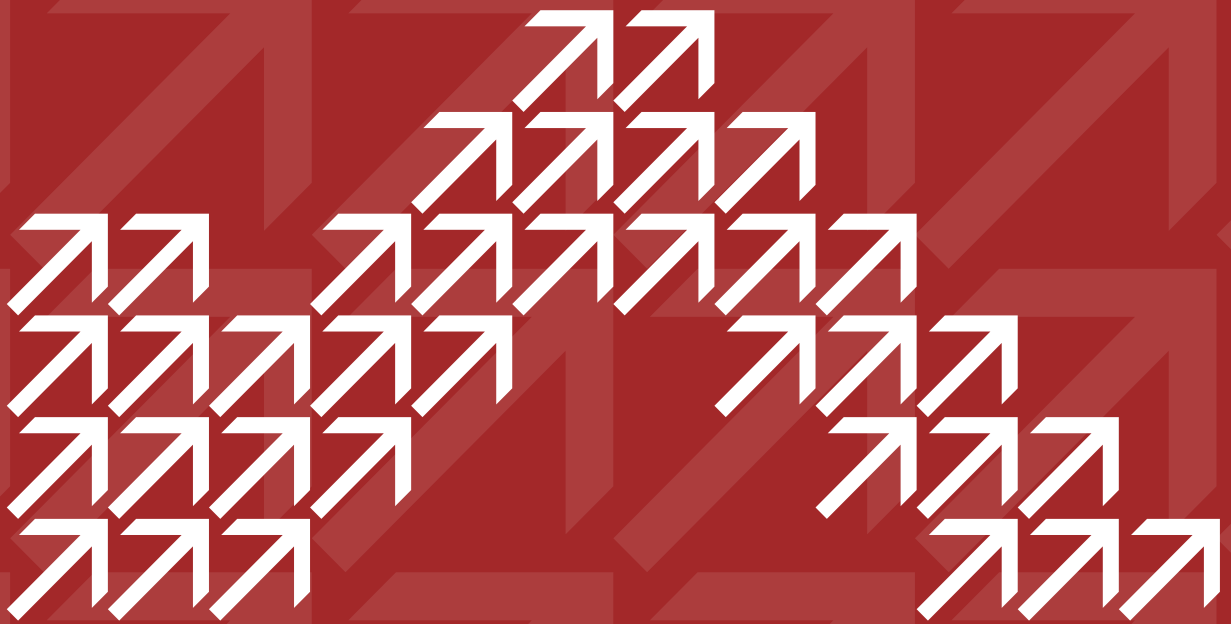


INTEGRATED REPORT **2025**
AND FINANCIAL STATEMENTS





POWERING AFRICA'S OPPORTUNITIES



We are at the heart of Africa's growth,
bridging businesses, moving Africa Forward.



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ABOUT THIS REPORT

INTEGRATED REPORT OVERVIEW

Equity Bank Rwanda Plc, (the "Bank") a subsidiary of the Kenya-domiciled Equity Group Holdings Plc, is pleased to present its 2025 Integrated Report, which explains how the Group creates, preserves, and sustains value over time through its Three-Engine business model, while delivering on its purpose of transforming lives, giving dignity, and expanding opportunities for wealth creation.

This Integrated Report provides a holistic view of the Bank's financial and non-financial performance and prospects, demonstrating the connectivity between strategy, governance, risk management, performance, and outlook from 1 January 2025 to 31 December 2025. Our aim in this report is to inform our stakeholders of both our financial and non-financial activities and performance during the year. The report reflects our commitment to our shareholders, customers, employees, and communities, and it describes our strategy and the way we implement it in order to create value for all our stakeholders.

Integrated Reporting Approach

In presenting the integrated thinking that we apply to our business activities, the report also demonstrates our commitment to the principles of integrated reporting as they align with long-term value creation and the role we play as a financial services organisation in society, in striving to live our purpose of moving Rwanda forward, with adherence to internationally accepted banking standards.

The content has been structured in line with the principles of the International Integrated Reporting Framework, with an emphasis on strategic focus, connectivity of information, stakeholder relationships, materiality, reliability, and consistency.

Value Creation and Reporting

CONCEPTUAL FRAMEWORK



VALUE CREATION THROUGH OUR THREE-ENGINE MODEL



We create value for our stakeholders through the Three-Engine model which guides our thinking and business operations. This model allows us to delicately balance social, economic and sustainability issues.



INTEGRATED THINKING



Equity applies integrated thinking to identify the matters that materially affect its ability to create, preserve, or erode value over the short, medium, and long term.

This includes engagement with key stakeholders, assessment of risks and opportunities, and consideration of impacts across the capitals employed. Robust internal controls and validation processes enhance information integrity.



INTEGRATED REPORTING PROCESS

The integrated report provides a balanced, transparent, and forward-looking view of the Group's performance and prospects, enabling stakeholders to understand how the Equity Group creates sustainable value over time.

The integrated reporting process is led by executive management and overseen by the Board and is supported by cross-functional collaboration to ensure that financial and non-financial information is aligned, reliable, and decision-useful.

Materiality Approach

We consider a material matter to be any issue that has the capacity to affect the Bank's ability to create value. Through both research and analysis, and our engagement with stakeholders, we strive to identify the environmental, social and governance (ESG) issues that present significant risks, and or provide opportunities, to our business, and our ability to create and deliver value for our stakeholders. Our process of determining the material matters that pertain to our activities is thus central in guiding our decision-making, as it provides the basis for a broader understanding of the risks and opportunities inherent in our business while underpinning our strategy.

Basis of Preparation

The intent of our integrated report is to demonstrate to all those impacted by, or with an interest in, who we are and what we do, that we engage in integrated thinking in devising our strategy. We do this in order to enable the realisation of our purpose, inform the quality, relevance and appropriateness of our business decisions, and the creation and delivery of value to our stakeholders.

To this end, regular discussion and prescribed internal reporting among functions, and departments are taken into account, together with the requirements, oversight and approval of the Board. All responsible members of our management team frame and guide the process with drafts, concepts and structures that are systematically reviewed and supported by the ultimate assurance of independent assurance providers.

Regulatory Context

Our integrated reporting is guided by the principles and requirements of the International Integrated Reporting Framework, International Financial Reporting Standards.

We are a licensee of the National Bank of Rwanda (BNR), and a subsidiary of a cross-listed Group (Equity Group Holdings Plc) on the Rwanda Stock Exchange (RSE). As such, in drawing up our integrated report, we are also guided by, and comply with Law No. 007/2021 of 05/02/2021 Governing Companies as amended by Law No. 019/2023 of 30/03/2023 (the Act) governing companies, while non-financial information is presented in accordance with regulation No. 28/2019 of 09/09/2019 (the Regulation), relating to publication of financial statements and other disclosures by banks.

Approval of the Report

The Board recognises its duty to ensure the accuracy and reliability of this Integrated Report. In the Board's opinion, the report covers all matters significant to the Bank's value creation and provides a true reflection of Equity Bank Rwanda's overall performance. The Board is satisfied that the report has been compiled in accordance with the Integrated Reporting Framework. The Board of Directors of Equity Bank Rwanda Plc approved this report on 31 March 2026.

Forward-looking statements

This report contains certain forward-looking statements in respect of our strategy, performance, and operations and most particularly with regard to the challenges of geopolitical or macro-economic conditions and others. These forward-looking statements involve risk and uncertainty as they relate to future events and circumstances which are difficult to predict. They are thus by definition beyond the Bank's control, and could cause our actual results, performance, or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Assurance

The Board ensures the integrity of the integrated report through our integrated reporting process, with various approvals and sign-offs by both the management team and the Board, with oversight by the audit committee. These assurances are provided by management and the Board through rigorous internal reporting governed by our enterprise risk management framework (ERMF) and internal audit, with our annual financial statements assured by our external auditors Ernst and Young Rwanda limited.

DIRECTORS' STATEMENT OF RESPONSIBILITY

Our directors have a statutory duty to promote the success of the Bank for the benefit of its stakeholders. In promoting the success of the Bank, directors must have due regard for the long-term consequences of their decisions, the legitimate interests of employees, the need to foster effective business relationships with suppliers, customers and others, the impact of our operations on the community and the environment, and our desire to maintain our reputation for high standards of business conduct.

The Board is committed to ensuring that the Bank complies with all laws, regulations and standards applicable to it.

The Board ensures high standards and practices in corporate governance, and more specifically, that the principles, practices and recommendations set out under the Act and the Regulation, are adhered to.

The Board has overall responsibility for ensuring that its governance policies and mechanisms are appropriate to its structure, business and risks, and has established internal procedures and monitoring systems to promote compliance with applicable laws, regulations and standards. The Board is also supported by duly qualified legal and compliance professionals to guide and focus the Bank's compliance efforts.

The Board further believes that this report fairly represents the Bank's material matters and that it offers a balanced view of the Bank's strategy, business model and their implementation.



Col. (Rtd) Eugene Haguma

Chairman, Board of Directors

Equity Bank Rwanda Plc



Rtd. Col. Eugene Haguma, Chairman of the Board, Equity Bank Rwanda Plc, addresses the guest at the Bank's Members Gala.



WHO
WE ARE

WHO WE ARE

About Equity Bank Rwanda Plc

Equity Bank Rwanda Plc began its operations in 2011 and is registered as a commercial bank by the National Bank of Rwanda. The Bank has its Head Office located in Kigali, with a foot-print of 36 branches and is supported by 6,097 agents' outlets, 16,037 merchants (includes POS, Pay with Equity and Billers), and a network of 54 ATMs serving a total of over 1.51 million customers.

Equity Bank Rwanda Plc is a subsidiary of Equity Group Holdings Plc, a financial services company listed at the Nairobi Securities Exchange, Uganda Securities Exchange, and Rwanda Stock Exchange. In addition to Equity Bank Rwanda Plc, the Group has banking subsidiaries in, Kenya, South Sudan, Uganda, Tanzania, DRC, and a Commercial Representative Office in Ethiopia; with additional non-

banking subsidiaries engaged in the provision of investment banking, custodial, insurance agency, philanthropy, consulting, and infrastructure services.

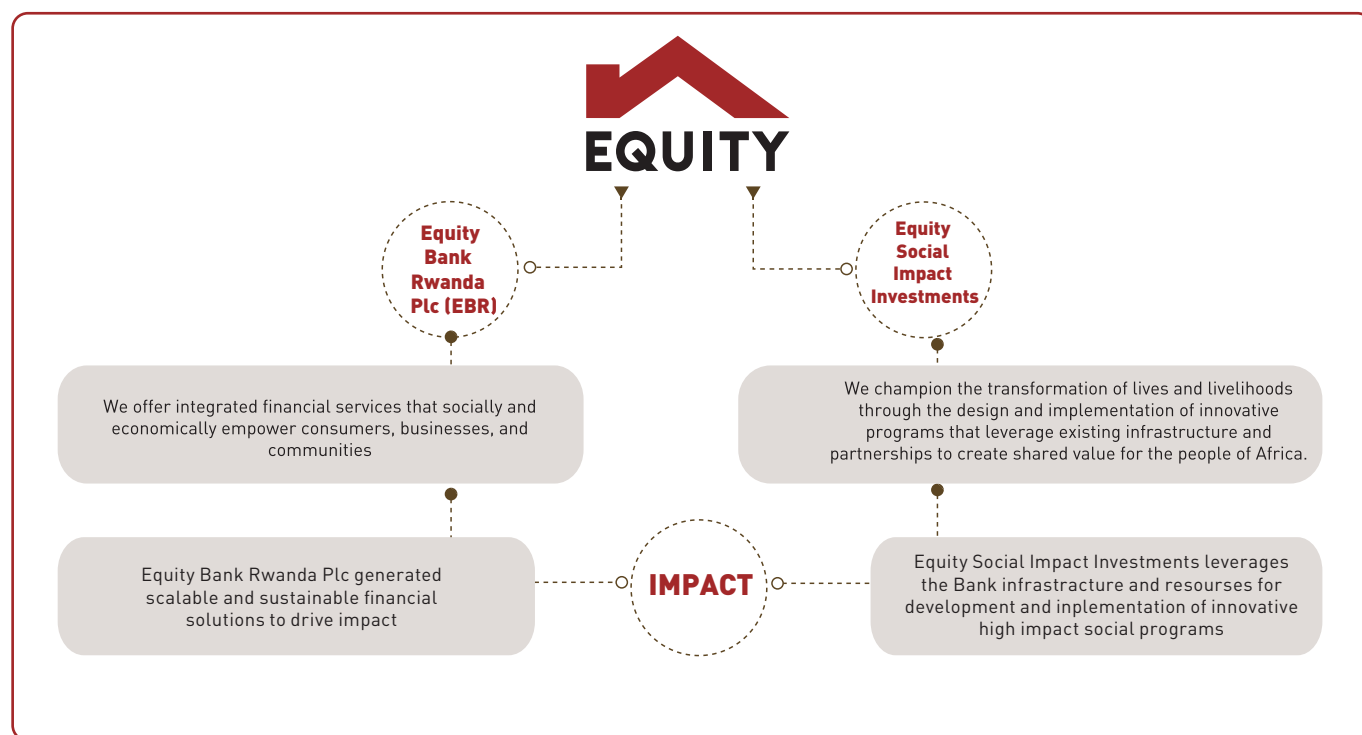
Our Philosophies

We exist to transform the lives and livelihoods of our people socially and economically by availing them modern, inclusive financial services that maximize their opportunities.

The Bank is guided by the Africa Recovery and Resilience Plan, Equity's purpose remains clear: to transform lives, give dignity, and expand opportunities for wealth creation - for every customer, in every market, across the continent.

AT A GLANCE

As an integrated financial services Bank, we provide inclusive financial services that transform livelihoods, give dignity and expand opportunities, for consumers, businesses and communities.



WHO WE ARE (CONTINUED)

OUR CORPORATE PHILOSOPHY

OUR PURPOSE

To transform lives, giving dignity and expanding opportunities for wealth creation.

OUR VISION

To be the champion of the socio-economic prosperity of the people of Africa.

OUR MISSION

To offer integrated financial services that socially and economically empower consumers, businesses, and communities.

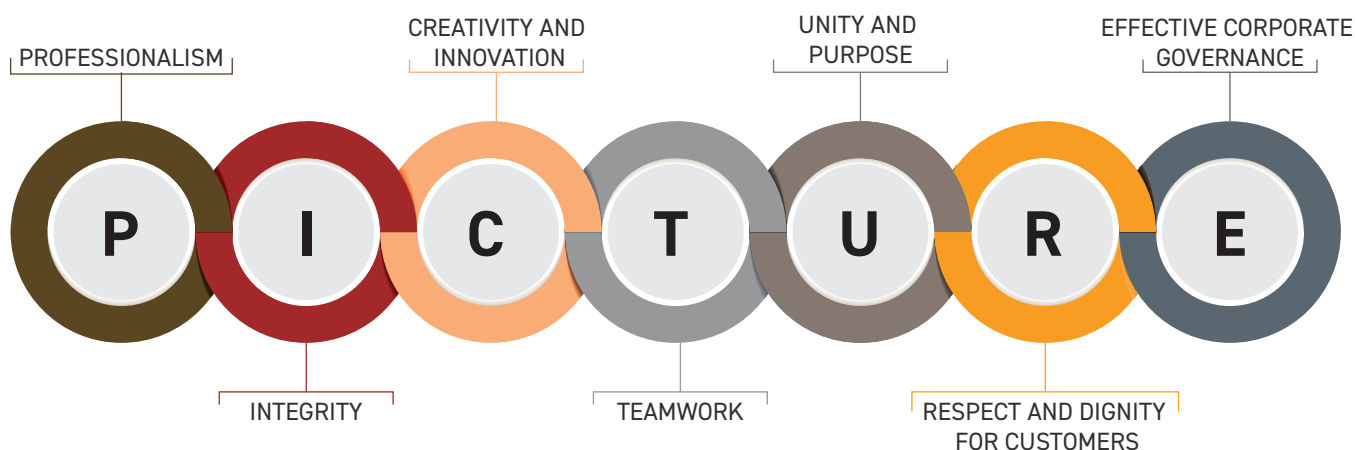
TAGLINE

"Your Listening, Caring Partner."

MOTTO

Growing Together in Trust.

Our Core Values

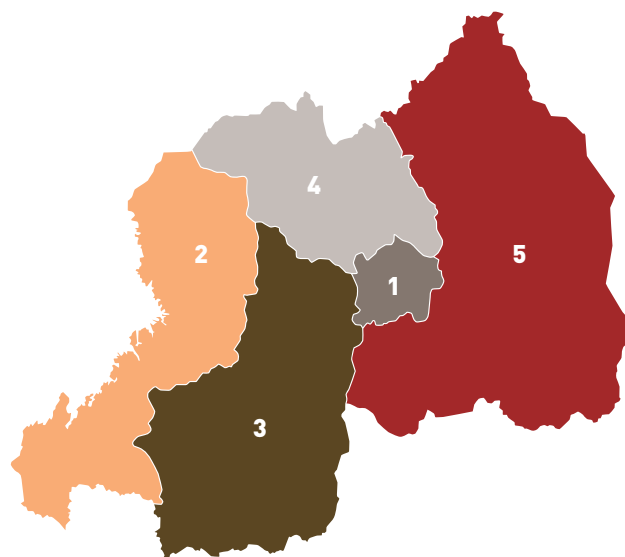


Our footprint

Rwanda		
	36	BRANCHES
	54	ATMs
	1.8 M	CUSTOMER ACCOUNTS
	6,097	AGENCY OUTLETS
	16,037	MERCHANTS*

* Includes POS, Pay with Equity and Billers

Rwanda Provinces	Agents Distribution	Distribution of Branches
1. Kigali	3,231	19
2. Western	894	5
3. Southern	813	5
4. Northern	580	2
5. Eastern	579	5



Digital Channels	 Equity Mobile App	 Pay With Equity	 *555# EQUITY USSD
	 EazzyBiz (Business online)	 Acquiring (PoS)	 Equity Online (Consumer Online)

Digital Products	 EazzyLoan	 Digital Equiloan	 eCommerce EazzyAPI	 EazzyFX	 EazzyChama	 SchoolGEAR
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Key propositions deployed in 2025 include the digital goal savings and fixed accounts (App & Web) that are now functional on our channels. These are the achievements of 2025;

- Fixed digital savings account: 180 accounts were opened and had a total value of 211,143,813 Rwf
- Goal digital savings account: 543 accounts were opened and had a total value of 56,521,706 Rwf

The NGOs & Faith based institutions offer was also approved in the last quarter of last year and it has helped to retain

accounts of the targeted institutions.

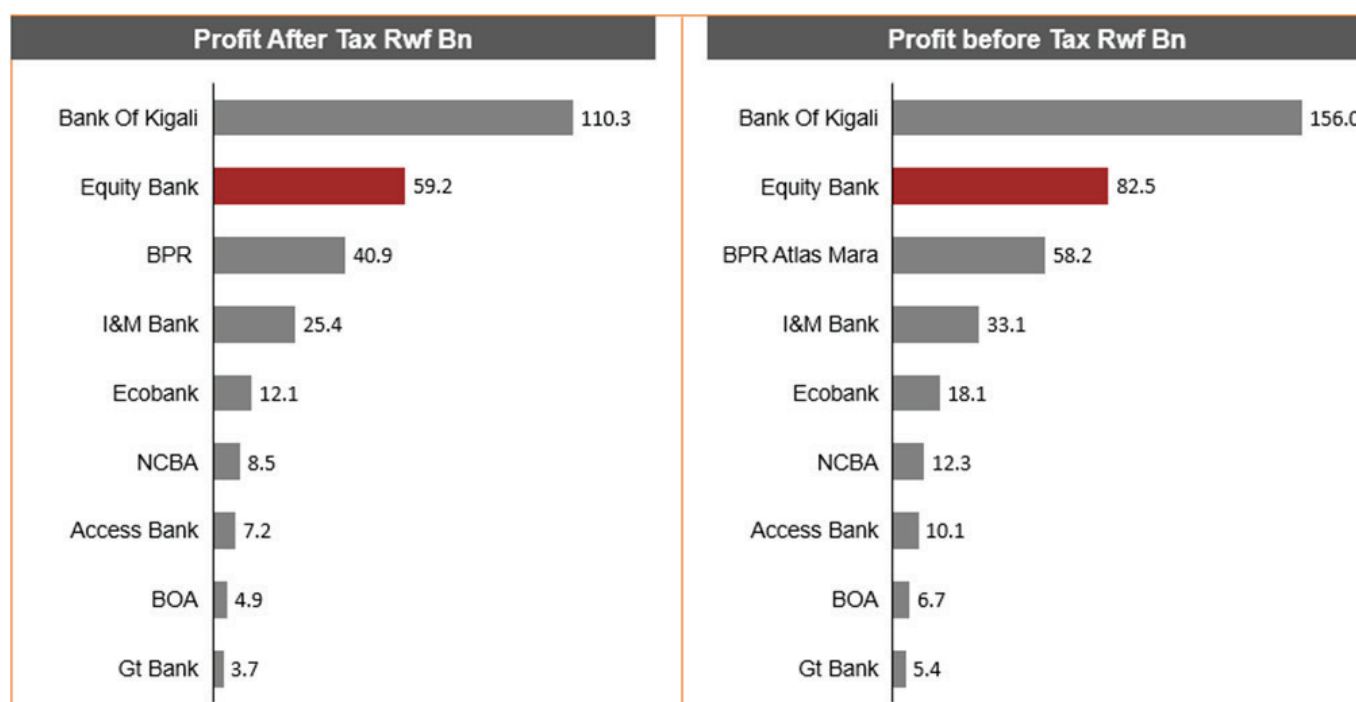
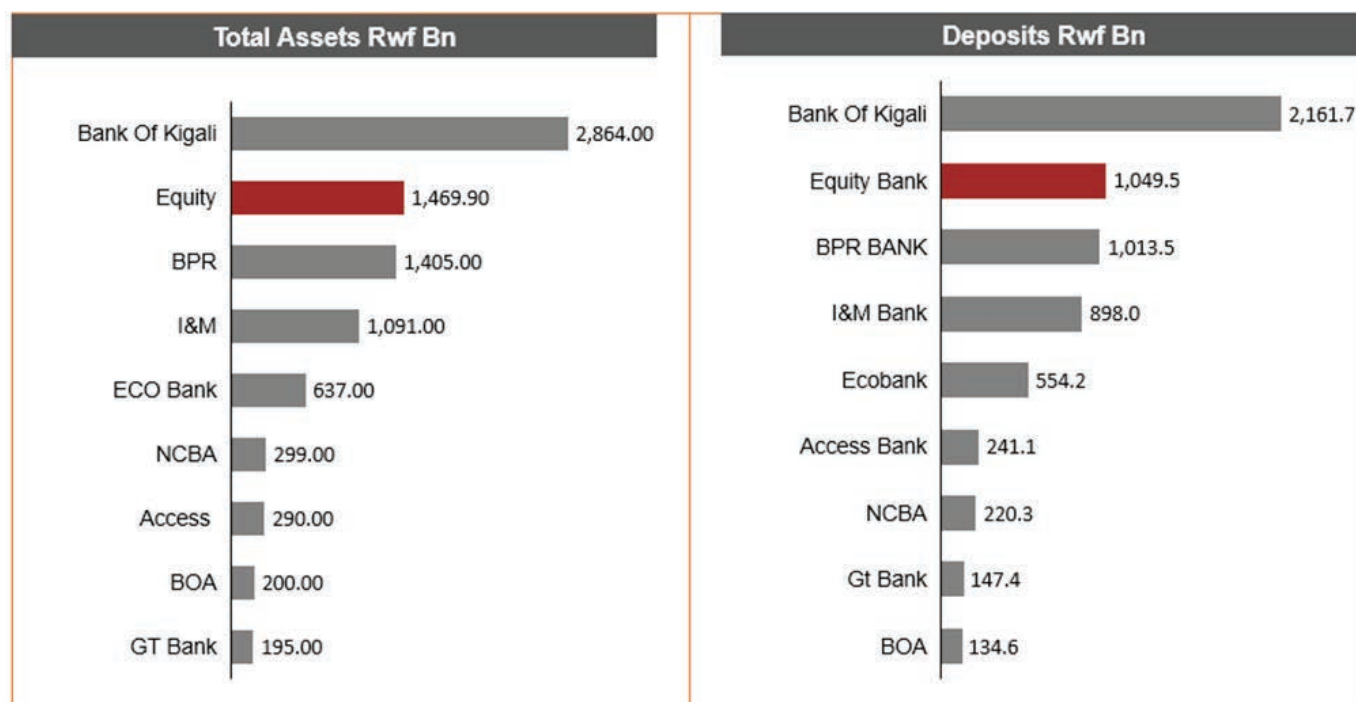
Another key new proposition is the digital Equiloan application on our channels (App & Web) - Customers can initiate their applications through our channels and this is contributing to TAT reduction for unsecured retail loans.

New Proposition in 2025

To share new roll out for 2025 new or enhanced products in 2025 with brief description of the products and achievements

Benchmarking against peers

We are a systemic bank in the Rwanda market in which we operate. We are the second leading Bank in-terms of total Assets and Profitability.



OUR 2025 HIGHLIGHTS

FY 2025 VS FY 2024 PERFORMANCE SNAPSHOT

DEPOSITS

RWF 1,049.47 BN



LOANS

RWF 715.88 BN



TOTAL REVENUE

RWF 172.53 BN



PROFIT BEFORE TAX

RWF 82.53 BN



PROFIT AFTER TAX

RWF 59,19 BN



EPS

2.32



TOTAL ASSETS

RWF 1,469.96 BN



POINT OF SALE (POS) outlets

2,950



NUMBER OF EMPLOYEES

1,009



NUMBER OF ATMS/ AGENTS

54/6,097



BRANCHES

36



NUMBER OF CUSTOMERS

RWF 1.51M



Event commissioning Equity leaders program scholars (ELP) cohort 5.

OUR STRATEGIC PARTNERSHIPS

Strategic partnerships are central to the Bank's transformation agenda, enabling us to amplify our impact and accelerate progress towards our sustainability goals. By collaborating with a diverse network of stakeholders - including development organisations, government agencies, private sector partners, and community groups - we unlock resources, expertise, and innovative solutions that drive our value creation. These partnerships not only enhance our capacity to deliver targeted initiatives but also foster shared value, ensuring sustainable growth and inclusive development across the regions we serve.

Equity Partners



1



Equity Bank Rwanda PLC staff interact with clients during the customer service week.

GLOBAL RATINGS AND ACCOLADES

BRAND FINANCE

Brand Finance®

**2nd** strongest banking brand in the world (2024)Position **1** in Africa (2024)**10th** most valuable banking brand in Africa (2024)

Most valuable brand in East and Central Africa (2024)



Most valuable brand in Kenya (2024 and 2025)

AFRICAN BANKER AWARDS



Best Regional Bank East Africa (2025)

BRAND AFRICA 100



Most Admired Financial Services Brand in Africa (2024)



Most Admired Financial Services Brand in Kenya (2024 and 2025)



Equity Bank Rwanda officials and clients posed for a group photo during the launch of the Ndi Umunyamuryango campaign, aimed at turning clients into members.



Equity Bank Rwanda MD, Mr. Hannington Namara, and a client unveiled the "Ndi Umunyamuryango" campaign, promoting a shared sense of belonging by turning clients into members.

REFLECTIONS FROM OUR CHAIRMAN



STRONG PERFORMANCE AMID A DYNAMIC ENVIRONMENT

The year 2025 was marked by steady economic growth in Rwanda, supported by improving inflation conditions, effective policy coordination by the National Bank of Rwanda, and continued government reforms aimed at economic diversification, financial inclusion, and infrastructure development. These factors created a conducive environment for business activity and credit growth, enabling Equity Bank Rwanda to continue supporting customers while maintaining resilience in an increasingly competitive market.

Against this backdrop, the Bank delivered a strong performance. By the end of the year, Equity Bank Rwanda ranked first in customer base with over 1.51 million customers, second in balance sheet size, second in profitability, and third in branch network size. Earnings per share increased to RWF 2.32, while return on average equity stood at 28.9 percent and return on average assets at 4.3 percent.

A key driver of this performance was the strategic realignment of our business to the Africa Recovery and Resilience Plan (ARRP), which reinforced our commitment to inclusive

growth and Rwanda's socio-economic transformation. Our ecosystem banking model also continued to gain momentum, enabling us to support entire value chains from farmers and SMEs to large corporates while creating impact at scale.

REMAINING COMPETITIVE IN A CHANGING BANKING LANDSCAPE

The banking industry continues to evolve rapidly as customer expectations change and technology reshapes service delivery. To remain competitive and relevant, the Bank has continued to strengthen its ecosystem banking model, deepen customer engagement, and align with emerging regulatory and digital governance requirements.

Throughout the year, we operated within an evolving regulatory environment that included enhanced requirements relating to consumer protection, capital adequacy, and anti-money laundering and counter-terrorism financing compliance. Through strong governance, agility, and disciplined execution, the Bank successfully adapted to these changes while continuing to deliver value to customers. The Bank also strengthened engagement with regulators and advanced initiatives in digital governance, ensuring that our business remains well positioned to respond to future technological and market developments.

DRIVING EFFICIENCY AND CUSTOMER VALUE

As part of our strategic transformation journey, we continued to optimize our operations and business model with a focus on efficiency, scalability, and customer experience. Our ecosystem approach enables us to serve customers more holistically while improving service delivery across multiple segments of the economy.

These efforts are aligned with our broader objective of delivering sustainable value through operational excellence, prudent resource allocation, and disciplined execution. By continuously improving how we serve customers and manage our operations, we are building a stronger and more efficient institution for the future.

BALANCING GROWTH, RISK MANAGEMENT AND SUSTAINABILITY

While the operating environment presented significant opportunities, it also required careful management of emerging risks. Global markets became more stable during 2025 as inflation eased, supply chains improved, and major economies gradually lowered interest rates. This supported stronger investor confidence, improved liquidity, and growing domestic demand across East and Central Africa.

Rwanda's strong integration within the East African Community continued to support trade, investment, and economic growth. Trade flows with key regional markets, including Kenya, Tanzania, Uganda, and the Democratic Republic of Congo, expanded during the year, reinforcing the importance of regional connectivity to Rwanda's economic prospects. The movement of goods, services, and investment across borders remains a key driver of economic activity and long-term growth.

Against this backdrop, the Bank maintained a disciplined approach to growth by combining prudent risk management with a long-term focus on value creation. We continued to strengthen our engagement with regulators while enhancing our risk management frameworks and governance practices

The Board remains confident in the Bank's ability to navigate potential external shocks, including climate-related risks, cyber threats, geopolitical uncertainties, and increasing market competition. The resilience demonstrated throughout 2025 reflects the strength of our governance structures and the effectiveness of our strategic planning.

ADVANCING SUSTAINABILITY AND GOVERNANCE EXCELLENCE

Sustainability remains an integral part of our long-term strategy and governance agenda. During the year, the Board further strengthened its governance structures to support the growing complexity of the business and the evolving expectations of stakeholders.

The Board was enhanced with additional expertise in sustainability, technology, risk management, health, communications, and regulation, while also improving gender diversity and overall effectiveness. A Board-led culture audit was undertaken to assess the extent to which values such as integrity, accountability, and ethical leadership are embedded throughout the organization.

We also made progress toward the adoption of new IFRS sustainability reporting standards, further reinforcing our commitment to transparency, accountability, and responsible business practices. These initiatives strengthen both the Bank's resilience and its ability to create lasting impact within the communities we serve.

THE ROAD AHEAD AND APPRECIATION

As we look to 2026 and beyond, the Board remains confident in the Bank's strategic direction and the opportunities that lie ahead. While the operating environment continues to present risks, including climate-related challenges,

cyber threats, geopolitical uncertainties, and increasing competition, Equity Bank Rwanda is well positioned to navigate these complexities through strong governance, prudent risk management, and disciplined execution.

Our focus over the coming years will be on accelerating customer growth, deepening strategic partnerships, strengthening our ecosystem banking model, and continuing to deliver innovative financial solutions that support inclusive economic development. We will continue to invest in our people, technology, governance, and partnerships to ensure that the Bank remains resilient, competitive, and relevant in an evolving marketplace.

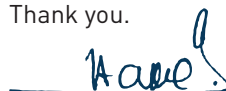
We have set an ambitious target of expanding our customer base to more than 5.3 million by 2030 while maintaining strong financial performance and sustainable value creation. Above all, we remain committed to creating long-term value for our shareholders while making a meaningful contribution to the communities and economies we serve.

On behalf of the Board, I would like to express my sincere gratitude to our customers for their continued trust and loyalty, which remain the foundation of our success. We also appreciate the guidance and support of our regulators, the confidence of our investors and development partners, and the commitment of our business partners.

I extend my heartfelt appreciation to my fellow Board members for their leadership and stewardship throughout the year. I also wish to recognize our 1,009 employees across the country whose dedication, professionalism, and unwavering commitment continue to drive the Bank's performance and impact.

Together, we have achieved significant milestones in 2025, and I am confident that we will continue building on this strong foundation as we pursue our long-term vision of transforming lives, expanding opportunities, and delivering sustainable growth for all our stakeholders.

Thank you.



Col. (Rtd) Eugene Haguma

Chairman, Board of Directors

Equity Bank Rwanda Plc

A MESSAGE FROM OUR MANAGING DIRECTOR



DELIVERING VALUE

The year ended 2025 was harsh but a defining period for the Bank as we continued to strengthen our position in a rapidly evolving financial services landscape. Despite persistent global uncertainties, tighter financial conditions, currency volatility, and changing customer expectations, our business remained resilient, adaptive, and forward looking. Our performance during the year reflects not only the strength of our strategy, but also the confidence our customers, partners, shareholders, and communities continue to place in us.

Across the region, economic recovery continued to gather pace, supported by easing inflation, improved trade activity, agriculture, infrastructure investment, and growing digital adoption. Rwanda's economy delivered robust performance in 2025, with GDP growth accelerating from 7.2% in 2024 to 9.4% in 2025, marking the strongest economic expansion since 2022 and significantly outperforming medium term growth expectations. Growth was largely supported by strong performance across the services sector, increased domestic consumption, tourism recovery, infrastructure investment, and sustained momentum in productive sectors of the economy.

During the year, Rwanda also rebased its Gross Domestic Product (GDP), increasing the estimated size of the economy from USD 12.6 billion (RWF 18.3 trillion) to USD 14.8 billion (RWF 21.5 trillion). This revision reflects improved data coverage and provides a more accurate representation of economic activity across the country. While inflationary pressures and exchange rate volatility continued to present challenges within the broader operating environment, the

economy remained resilient with strong growth momentum and improving business confidence.

Within this context, the Bank remained focused on disciplined growth, operational efficiency, customer experience, and long term sustainability.

OUR PERFORMANCE

Our performance in 2025 demonstrates the resilience of our diversified business model and the continued relevance of our strategic priorities. During the year, we strengthened our balance sheet, expanded our customer base, deepened digital adoption, and continued to invest in innovation, people, and sustainable growth.

The Bank delivered a strong and resilient financial performance during the year, reflecting the continued execution of our strategic priorities and disciplined balance sheet management. Profit Before Income Tax grew by 7%, supported by solid momentum across our core revenue streams, particularly interest income from loans, investments, and improved contribution from non funded income.

Our earning assets portfolio continued to expand, resulting in a 19% increase in interest income driven by growth in loans and advances, increased investment in government securities, and active deployment of short term placements. Despite a competitive market environment and tightening liquidity conditions, interest expense increased modestly by 6%, enabling the Bank to maintain an average cost of funds at 2.5%.

We also recorded exceptional growth in non funded income, with net fees and commissions rising by 64%, largely supported by increased customer activity across digital and branch channels, as well as strong performance in trade finance and transactional banking services.

The Bank continued to strengthen its balance sheet, liquidity position, and customer franchise during the year. Customer deposits grew by 6%, supported by sustained confidence across Retail, MSME, Corporate, and Public Sector segments, while the Bank's overall balance sheet expanded by 11%, increasing from Frw 1.330 trillion in December 2024 to Frw 1.470 trillion in December 2025.

On the asset side, net loans and advances grew by 29%, reflecting continued support toward individuals, SMEs, corporates, and strategic sectors of the economy including trade, agriculture, affordable housing, and manufacturing. The investment securities portfolio also increased by 4%, driven by additional placements in government Treasury Bills in line with the Bank's liquidity optimization and prudent treasury management strategy.

This growth was supported by increased customer confidence, expansion of transactional banking, enhanced agency banking capabilities, and continued uptake of digital financial services across both retail and enterprise segments.

We also recorded significant growth in digital channels as customer preferences increasingly shifted toward convenient, technology driven banking solutions. Mobile banking, agency banking, internet banking, merchant payments, and wallet services continued to transform the way customers interact with the Bank. Digital Financial Services (DFS) remain central to our long term growth strategy, not only as a channel for efficiency, but as an important driver of financial inclusion and customer empowerment.

The Bank continued to strengthen its lending portfolio with strategic focus placed on productive sectors including trade, agriculture, SMEs, affordable housing, manufacturing, and women and youth entrepreneurship. We remained committed to responsible lending while maintaining strong asset quality and prudent portfolio monitoring mechanisms amid evolving market conditions.

Operationally, we continued to improve efficiency across the institution through process automation, enhanced internal systems, and ongoing investments in technology infrastructure. During the year, we accelerated initiatives aimed at modernizing customer onboarding, credit processing, compliance monitoring, and service delivery capabilities across the Bank.

BUILDING THE DIGITAL BANK OF THE FUTURE

Leveraging technology, Artificial Intelligence, and innovation to redefine customer experience and expand financial access.

Technology is no longer optional in banking. It has become the foundation of how we operate, serve customers, and remain competitive in an increasingly digital economy. Yet technology continues to evolve rapidly, meaning systems that are effective today can quickly become outdated tomorrow. This reality continues to shape our investment priorities as we strengthen our focus on innovation, research, digital adaptation, and long term technological transformation across the Bank.

Artificial Intelligence (AI) is increasingly becoming one of the most transformative developments within the financial services industry. What was once viewed as a future concept is now actively reshaping productivity, operational efficiency, customer engagement, and decision making across institutions globally. Processes that previously required significant manual effort can now be completed with far greater speed, accuracy, and efficiency.

Recognizing this shift, the Bank continued investing in digital capability development and supporting employees to strengthen their AI and technology related skills. We believe the future of banking will increasingly require institutions to build strong digital capabilities, agile talent, and technology driven operating models.

At the center of these investments remains a clear objective: improving customer experience and expanding access to financial services. Every technology upgrade, digital platform, and operational enhancement we implement is designed

to make banking faster, smarter, more secure, and more accessible for our customers.

One of the Bank's most significant transformation initiatives is the development of our next generation Digital Financial Services (DFS) platform, expected to be launched around July 2026. This initiative goes beyond traditional mobile banking functionality and represents an important step toward building a fully integrated digital banking ecosystem accessible entirely through a smartphone.

Our long term vision is to eliminate the barriers of time and distance that have historically limited access to banking services. In the future, customers should be able to access virtually all banking services remotely without the need to physically visit a branch. Through integration with national identification systems, mobile money platforms, land registries, and other digital infrastructure, the Bank aims to enhance digital customer assessment capabilities and deliver more personalized, efficient, and inclusive financial solutions tailored to different customer segments including farmers, traders, salaried workers, SMEs, and enterprises.

This transformation is fundamentally about embedding banking into the daily lives of customers by making financial services more accessible, responsive, and convenient regardless of location.

IN SUPPORT OF THIS VISION

In support of this vision, the Bank continued strengthening its digital ecosystem throughout 2025 through investments in automation, interoperability, cybersecurity, data analytics, and intelligent banking systems. We continued enhancing customer platforms and expanding self service banking capabilities across mobile banking, agency banking, merchant payments, internet banking, wallet services, and other digital channels.

As part of our continued Digital Financial Services (DFS) transformation agenda, the Bank deployed new digital savings solutions in 2025, including Digital Goal Savings Accounts and Digital Fixed Savings Accounts accessible through both App and Web channels. During the year, 180 Digital Fixed Savings Accounts were opened with cumulative savings of Frw 211.1 million, while 543 Digital Goal Savings Accounts were opened with total savings reaching Frw 56.5 million. These innovations reflect our continued commitment to enhancing customer convenience, promoting savings culture, and expanding digitally enabled financial inclusion.

Artificial Intelligence, automation, and data driven systems also increasingly formed part of our operational and strategic focus during the year. Several transformation initiatives were undertaken to improve customer experience, strengthen fraud detection capabilities, enhance credit assessment processes, support compliance monitoring, personalize banking solutions, and improve internal decision making through better data utilization.

Cybersecurity and data protection remained a critical priority throughout the year as we continued strengthening internal controls, monitoring systems, governance frameworks, and operational resilience measures aimed at safeguarding customer information and maintaining trust across our digital platforms.

We believe the future of banking will be shaped by institutions capable of combining technology, trust, agility, innovation, and human centered service delivery. As such, we remain committed to building the infrastructure, capabilities, partnerships, and talent required to compete effectively within an increasingly digital financial ecosystem.

DELIVERING ON SUSTAINABILITY

Sustainability remains firmly embedded within our long term strategy and business philosophy. We recognize that sustainable banking is no longer optional, but essential to ensuring inclusive growth, environmental stewardship, and long term economic resilience.

During the year, we continued integrating Environmental, Social, and Governance (ESG) principles into our operations, lending practices, partnerships, and institutional decision making processes. We strengthened our focus on sustainable finance while supporting businesses and initiatives that contribute positively to communities and the environment.

Our sustainability agenda continued to prioritize financial inclusion, youth empowerment, women entrepreneurship, climate resilience, and support to underserved communities. Through targeted financing programs and strategic partnerships, the Bank continued to contribute toward inclusive economic participation and community development.

We also continued supporting green financing initiatives and environmentally responsible investments, particularly in sectors aligned with renewable energy, climate smart agriculture, sustainable manufacturing, and resource efficiency. Internally, the Bank sustained efforts aimed at reducing operational environmental impact through digitization, energy efficiency, paper reduction initiatives, and responsible resource utilization.

As climate related risks increasingly shape the global financial system, we remain committed to strengthening our sustainability governance frameworks and ensuring our institution is adequately positioned to respond to emerging environmental and social risks.

OUR PEOPLE AND CULTURE

The strength of our institution continues to lie in the quality, dedication, and resilience of our people. In 2025, we continued investing in talent development, leadership capacity, employee wellbeing, and organizational culture transformation.

We enhanced internal learning programs, leadership development initiatives, and digital skills training aimed at preparing our workforce for the future of banking. As

technology and customer expectations continue to evolve, building agile, innovative, and customer centric teams remains a strategic priority for the Bank.

We also remained focused on fostering a high performance culture grounded in integrity, accountability, collaboration, and service excellence. Our employees continue to demonstrate remarkable commitment in serving customers and supporting the Bank's broader strategic ambitions.

OUTLOOK

Looking ahead, we remain optimistic about the opportunities that lie ahead despite continued uncertainty within the global operating environment. The banking industry is entering a period defined by rapid technological advancement, evolving customer behavior, sustainability imperatives, and increasing demand for inclusive financial solutions.

Our strategic priorities moving forward will remain focused on accelerating digital transformation, expanding financial inclusion, strengthening customer experience, deepening sustainability integration, and driving operational excellence across the institution.

We will continue investing in Digital Financial Services, Artificial Intelligence, innovation capabilities, and strategic partnerships that position the Bank for long term growth and competitiveness. At the same time, we remain committed to maintaining strong governance standards, prudent risk management, and disciplined execution across all areas of the business.

ACKNOWLEDGEMENTS

The progress we achieved in 2025 would not have been possible without the trust and support of our customers, shareholders, regulators, partners, and employees. I extend my sincere appreciation to our Board of Directors for their strategic guidance and unwavering support throughout the year.

To our employees, I thank you for your professionalism, resilience, and dedication. Your commitment continues to define the strength and future of our institution.

To our customers and partners, thank you for the confidence you continue to place in us. We remain committed to delivering innovative financial solutions, sustainable value, and shared prosperity for the communities we serve.

Together, we will continue building a stronger, more inclusive, and future ready Bank.



Hannington Namara

Managing Director



PROTECTING AND
PRESERVING OUR VALUE

PROTECTING AND PRESERVING OUR VALUE

GOVERNANCE

Equity Bank Rwanda Plc ("the Bank") exists to make a difference by transforming lives, treating everyone with dignity, and opening opportunities for people to build wealth. To do this well, we know we need strong governance at every step.

We believe that good governance is not just about ticking boxes or following rules. It is about doing the right thing, acting with honesty, and taking responsibility for our actions. This commitment starts at the top but is expected from everyone at the Bank, no matter their role. We want our people, and those we work with, to always act with integrity and respect. Our Code of Conduct and Ethics sets out what we expect from ourselves and our partners.

Our governance model helps us ensure that decisions are made ethically, that there is proper oversight, and that all our businesses are working at the same high standards.

We follow all the laws and regulations that apply to us, including:

- Law N° 044/2024 of 30/05/2024 Governing Banks and all Prudential Guidelines and Directions issued by the National Bank of Rwanda.
- Law N° 007/2021 of 05/02/202117 Governing Companies as amended by Law n° 019/2023 of 30/03/2023 and its implementing orders and directives.
- BNR Regulation N° 01/ 2018 of 24/01/ 2018 on Corporate Governance for Banks.

Our Board takes care to make sure we stay on track with these requirements and with any other laws that affect our business.

Keeping these principles at the heart of what we do helps us protect the value we create for our shareholders, our customers, and our communities, now and into the future.

Our governance philosophy

Good governance is the foundation for everything we do and the value we create for our stakeholders. Our Board has put in place a Corporate Governance Framework, built on principles that reflect the best standards from around the world. These principles cover all the essentials: who sits on the Board and how independent they are, how we set and review our strategy, how we hold leaders to account, how we manage risk, and how we stay open and honest with our shareholders and communities.

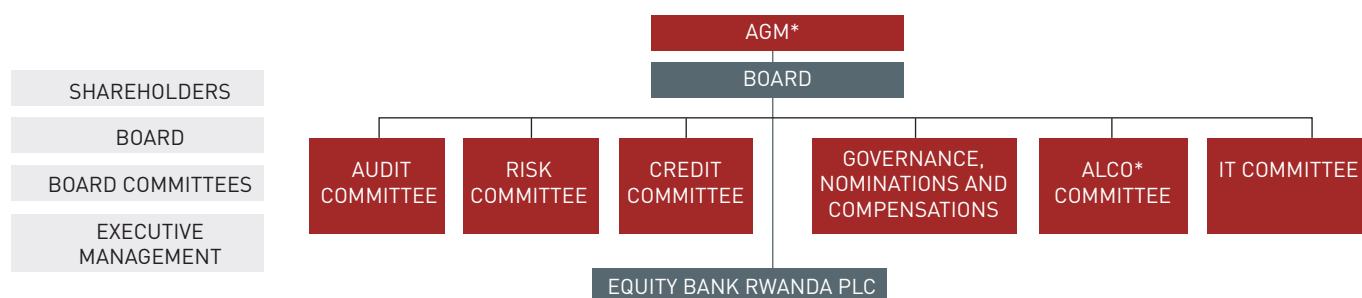
These principles shape our culture and help protect our brand and reputation. They give us the confidence to manage risks well, make sure everyone knows what is expected of them, and keep us on the right side of the law wherever we operate. Most importantly, they help us run our business in a way that is ethical, sustainable, and responsive to the people who rely on us.

The Board uses this framework to set the tone for the Bank. It helps us make decisions that are fair and consistent, clarify who is responsible for what, and keep everyone focused on our goals.

In 2025, the Board took a fresh look at our governance framework. We made some important updates, including reflecting our strategic direction under the Africa Recovery and Resilience Plan (ARRP) and making it even clearer who is responsible for what. This helps us stay in step with global best practice and makes sure our governance supports our long-term ambitions.

We are committed to meeting all the requirements of the BNR Regulation N° 01/ 2018 of 24/01/ 2018 on Corporate Governance for Banks and in 2025, we achieved full compliance.

GOVERNANCE FRAMEWORK



*AGM - Annual General meeting

*ALCO - Asset-Liability Committee

We also make sure our directors and senior leaders know what good governance looks like. In May 2025, all directors took part in a comprehensive training programme on the Group governance framework and in November 2025, the directors were trained on the Law N° 007/2021 of 05/02/2021¹⁷ Governing Companies as amended by Law n° 019/2023 of 30/03/2023 and on the Bank's governance framework.

Board skills, expertise and experience – a diversified board that adds value

The Board acknowledges the value of diversity in enriching board discussions and has put in place a Board Diversity Policy and Skills Matrix to guide it in ensuring that Board members' collective skills, knowledge, and experience enable it to effectively govern and direct the Group to achieve its mission and strategy.

During the year, the Board was reconstituted. One new director was appointed while one retired from the Board. The Board brings together a distinguished and diverse team of leaders with deep expertise across various fields. Collectively, they contribute decades of executive leadership gained in multinational corporations, global development institutions, academia, and public-sector bodies.

Their combined strengths span strategic leadership, financial oversight, enterprise risk management, innovation and digital transformation. Several directors have served as CEOs, senior government advisors, and academic leaders, providing the Bank with wide-ranging experience.

Overall, the Board reaffirms that its current constitution, with a rich blend of experience, skills, business knowledge, and independence, positions the Bank with strong, strategic, and ethically grounded leadership capable of guiding the organisation's growth, resilience, and long-term value creation.

Board independence – protecting stakeholder interests

The Board is structured to ensure robust and independent oversight, with a majority (nine) of its members serving as independent and non-executive directors (INEDs), which is above the minimum threshold set by the BNR Regulation N° 01/ 2018 of 24/01/ 2018 on Corporate Governance for Banks, thereby upholding the highest standards of governance and objectivity in the Bank's decision-making processes.

Board Composition and Diversity

The Board has put in place a Board Appointment Policy and Procedure that guides it in identifying, vetting, selecting, and recommending suitable candidates for appointment to the Board. Appointments to the Board consider academic qualifications, technical expertise, experience, nationality, age, gender, integrity, and ethical standards.

To ensure that the Board is effective and delivers maximum value, the Company's Articles of Association stipulate that the Group Board must consist of no fewer than seven and no more than twelve members. As of 31 December 2025, the Board comprised ten members. No alternate Directors were appointed during the year.

Board Demographics 7 Male | 3 Female

The age limit for Board members is set at seventy years. A director is required to retire at the Annual General Meeting (AGM) immediately after attaining the age of seventy. If the director wishes to continue in office, he/she must seek the approval of the Shareholders at every subsequent AGM.

BOARD OF DIRECTORS

NON-EXECUTIVE CHAIRMAN



**Col. (Rtd) Eugene
Haguma Murashi**
COMMITTEE

- None

AGE JOINED
59 2020

MANAGING DIRECTOR



Mr. Hannington Namara
COMMITTEE

- Assets and Liabilities Management Committee (ALCO)
- Governance, Nominations and Compensation Committee

AGE JOINED
49 2016

NON-EXECUTIVE DIRECTOR



Mr. Camille Karamaga
COMMITTEE

- Chair – Risk Committee
- Credit Committee
- Assets and Liabilities Management Committee (ALCO)

AGE JOINED
67 2023

NON-EXECUTIVE DIRECTOR



Amb. George William Kayonga
COMMITTEE

- Chair – Credit Committee
- Chair – Governance, Nominations and Compensation Committee
- IT Committee

AGE JOINED
58 2020

NON-EXECUTIVE DIRECTOR



Ms. Arlette Rwakazina
COMMITTEE

- Audit Committee
- IT Committee

AGE JOINED
48 2021

NON-EXECUTIVE DIRECTOR



Ms. Belinda Bwiza
COMMITTEE

- Chair – Audit Committee
- Credit Committee
- Risk Committee

AGE JOINED
43 2021

NON-EXECUTIVE DIRECTOR



Mr Emmanuel Muragijimana
COMMITTEE

- Risk Committee
- Chair – Assets and Liabilities Management Committee (ALCO)
- Governance, Nominations and Compensation Committee

AGE JOINED
52 2025

NON-EXECUTIVE DIRECTOR



Ms. Iza Irame*
COMMITTEE

- Assets and Liabilities Management Committee (ALCO)
- Credit Committee
- Audit Committee

AGE JOINED
45 2025

NON-EXECUTIVE DIRECTOR**Dr. Patrick Uwizeye ******COMMITTEE**

- Audit Committee
- Risk Committee
- IT Committee

AGE

71

JOINED

2016**NON-EXECUTIVE DIRECTOR****Mr. Andrew Rugege****COMMITTEE**

- Audit Committee
- Risk Committee
- Chair - IT Committee

AGE

69

JOINED

2022**NON-EXECUTIVE DIRECTOR****Mr. Jean Claude Nkulikiyimfura****COMMITTEE**

- Governance, Nominations and Compensation Committee
- IT Committee

AGE

52

JOINED

2025**COMPANY SECRETARY****Ms. Lydia N Ndirangu****COMMITTEES**

- None

AGE

41

JOINED

2021

*Ms. Iza Irame was appointed during the year 2025 and elected by the Shareholders at the 2025 Annual General Meeting.

**Dr. Patrick Uwizeye retired from the Board on 11th April 2025, having served the maximum tenure of nine (9) years provided under the BNR Regulation N° 01/ 2018 of 24/01/ 2018 on Corporate Governance for Banks.

Detailed profiles of our Board members can be found on on pages 39-42.



BOARD APPOINTMENTS

The Board Appointment Policy and Procedure sets out a structured, transparent, and merit-based process for nomination, selection, and appointment/election of Board members. In addition to Board composition and diversity considerations, the policy and procedure aims to ensure there is a balanced Board that fairly reflects the Group's shareholders and other stakeholders.

The Board Governance, Nominations and Compensation Committee (GNCC) leads this process on behalf of the Board, ensuring that the composition of the Board remains aligned to the Bank's strategic objectives, skills requirements, and diversity aspirations.

The GNCC annually reviews Board composition to identify gaps in skills, experience, and representation. The annual review also assesses the availability, independence and performance of continuing directors. When vacancies or competency gaps are found, candidate profiles are developed based on priority needs and candidates are sourced widely. All nominees undergo rigorous due diligence, including assessment of their integrity, competence, independence, communication skills, availability, and potential conflicts of interest. The Board reviews and selects candidates for shareholder election or, when necessary, makes interim appointments to be ratified later. Directors up for re-election are evaluated for their ongoing contribution and availability. Newly appointed or elected directors undergo regulatory vetting and thereafter, induction as required by Board policy.

Candidates' availability is a key consideration for the GNCC when considering Board appointments. In assessing this, individual directors are required to make declarations on their external commitments and directorships. The Conflict-of-Interest Policy also prohibits directors from holding office in more than one institutions licensed under the Law N° 044/2024 of 30/05/2024 Governing Banks (unless they are associates, subsidiaries, or holding companies within the Group). These limitations prevent conflicts of interest and ensure directors can devote sufficient time to their duties.

The Board has also established clear guidelines for the assessment of directors' independence, aligned with the best practices. These assessments are undertaken annually and inform the Board appointment process.

Board Induction and Development

The Bank ensures that newly appointed directors are effectively onboarded through a structured and comprehensive induction programme guided by the Board Induction and Development Policy. Upon appointment, directors receive a tailored induction pack coordinated by the GNCC and Company Secretary, including key governance documents, strategic plans, policies and committee charters, enabling them to quickly gain a full command of the Bank's operating environment and governance obligations.

The induction process is supplemented by briefings from the Bank's CEO, Company Secretary, and senior management on strategy, risk, financial performance, regulatory frameworks, and operational models, ensuring directors acquire both contextual and technical orientation.

After an appointment, continuous development is a core principle. Directors have access to ongoing training, business awareness sessions, and targeted development programs to maintain, deepen, and update their knowledge and skills throughout their tenure. The GNCC is mandated to periodically evaluate the effectiveness of the induction and learning programmes and ensure adequate resources for their delivery.

Training is delivered through a mix of internal briefings, specialist external programmes and executive level courses, ensuring directors remain current on strategy, risk, governance, technology, and emerging regulatory topics. Oversight of the training framework is exercised by the GNCC, which monitors its relevance, effectiveness and alignment to the Bank's strategic and governance priorities.

The Board strengthened its governance, strategic oversight, and emerging risk capabilities through a focused development programme comprising the following specialised trainings delivered across 2025:

- » Corporate Governance training, enhancing role clarity, ethical leadership and Board effectiveness.
- » Dedicated sessions on IT, Cybersecurity and Artificial Intelligence, including a specialised AI risk briefing to deepen technology and risk oversight.

- » Anti-money laundering/ combating the financing of terrorism (AML/CFT) training, strengthening its understanding of international standards and its supervisory role over financial crime risk management.
- » Targeted Sustainability and Climate Governance training, covering Sustainable Development Impact Disclosure (SDID), Climate Change and Strategic Business Resilience, and the emerging IFRS S1 and S2 sustainability reporting standards, supporting early adoption readiness across the Bank.
- » Related Party Transactions and Transfer Pricing training, enhancing directors' understanding of regional and global transfer pricing trends, in country regulatory expectations, and the Group's own transfer pricing framework. It equipped the Board to better discharge its responsibilities over related party transactions, ensuring strengthened compliance across the Bank.

Annual Board Evaluation

The Board undertakes an annual evaluation of its own performance, the performance of the Chairperson, that of its committees, individual members, the Managing Director, and the Company Secretary. Through this evaluation, the Board also assesses its effectiveness in overseeing risk governance, internal controls, compliance and IT and cybersecurity governance and tracks improvement actions through the resultant action plans.

Remuneration Policy

To ensure that the Bank can continue to attract and retain high-calibre board members, the Board has developed a formal, transparent Directors' Remuneration Policy that ensures fair and responsible compensation aligned to the Bank's strategy and regulatory requirements. Executive directors are remunerated strictly in accordance with their employment contracts, while non-executive directors receive fees and allowances (without pension, bonus, or long-term incentives) aligned with market requirements. Through the office of the Company Secretary, the Board regularly surveys market data to ensure that remuneration remains competitive.

Succession Planning

The Board's transition approach is policy driven and provides a structured, forward-looking framework for identifying skills gaps, anticipating rotation-driven and casual vacancies, and preparing a pipeline of qualified candidates. Practically, it ensures continuity through pipeline planning, transparent shareholder engagement, timely regulatory approvals and structured induction.

Following the annual review, a report on the Board composition, identified gaps, and the annual rotation schedule is developed and tabled before the GNCC for review at its quarterly meetings. The report forms the basis of GNCC recommendations to the Board whenever necessary.

The Board Charter

The Board has developed and approved a Board Charter. The Charter is made available to Board members on eBoard, a secure, online Board management portal that centralises and automates board processes. The Charter is reviewed at least annually and more frequently when necessary, to ensure it remains aligned with laws, regulations, and best practice.

In addition to responsibility for oversight of systems of governance, the Board Charter sets out the Board's responsibility for internal control, including establishing a framework of effective internal controls and overseeing risk management systems. The Charter also clearly sets out the Board's role in strategy formulation and monitoring.

The Charter clearly distinguishes the roles and responsibilities of the Board from those of Management, particularly setting out the governance and oversight role of the Board and the operational and executorial role of the Managing Director, including the day-to-day operations of the Bank.

The Board is also supported by a comprehensive suite of governance structures, as part of the corporate governance framework, including Board Committee Charters and Terms of Reference, the Board Induction and Development Policy, the Board Succession Policy and Plan, and an annual Board Work Plan that aligns oversight to strategic priorities.

The Role of the Board

The Board is collectively responsible for the long-term success of the Bank by providing strategic leadership in line with set goals and objectives. In achieving this, the Board is committed to high standards of corporate governance and ethical behaviour.

The Board formulates and oversees the implementation of the Bank's strategic objectives within a framework of effective risk management and internal controls, provides oversight over the overall management of the Bank's business, ensures effective management of the interests of shareholders and the wider stakeholder community, and sets expected values, standards, and culture.

The Board ensures that the Bank maintains effective and robust risk management frameworks and internal control systems that are appropriate for the nature, scale, and complexity of the Bank. The Board approved Enterprise Risk Management Framework provides a consistent approach to identifying, assessing, mitigating, and monitoring risks, supported by strong governance structures and the three lines of defence model.

Throughout the year, the Board and its Committees reviewed regular reports on leading risks, internal control performance, and assurance activities, as well as enhancements to liquidity, credit, reputation, and country risk frameworks. These reviews, alongside independent assurance and actions taken to address regulatory feedback, provide the Board with reasonable assurance that internal controls operated effectively and that risk management practices remained sound across the Bank.

Separation of Roles

1. The Board Chairperson

In line with best practice and the provisions of the Board Charter, the Bank maintains a clear separation of roles between the Board Chairperson and the Managing Director.

The Chairperson is a non-executive director responsible for:

- » Providing leadership to the Board, ensuring its effective functioning, fostering a culture of transparency and sound decision-making, and offering independent oversight without involvement in day-to-day operations.
- » Ensuring that effective corporate governance practices and processes are embedded in the Company, for chairing Board and Shareholder meetings and ensuring effective succession planning for the Board.
- » Guiding the Managing Director, and acts as the liaison between the Board and Senior Management.
- » Ensuring effective engagement between the Company and its stakeholders.

The Chairperson's annual Board evaluation outcome

The chairperson practices strong leadership, strategic vision, and effective governance. The chairperson is highly rated across all key competencies, demonstrating expertise in corporate governance, stakeholder engagement, and risk management. Board members have noted effective leadership in managing board dynamics, ensuring compliance and fostering a collaborative culture.

2. The Managing Director

Conversely, the Managing Director (who is an executive member of the Board) is responsible to the Board for:

- » Day-to-day management of the Bank.
- » The overall operations of the Bank, including implementing Board-approved strategies, leading Senior Management, and ensuring effective operational performance.

This separation ensures appropriate checks and balances, reinforces independent oversight, and promotes strong corporate governance.

The Managing Director Annual Board Evaluation Outcome

The Managing Director(MD) demonstrates strong leadership, financial oversight, and strategic planning capabilities. The MD is highly rated across all competencies, demonstrating effectiveness in financial management, stakeholder engagement, and governance oversight. Directors have acknowledged the MD's leadership and commitment to ethical standards.

3. The Company Secretary

The Board has appointed a qualified Company Secretary who supports the Board by ensuring strong governance structures, regulatory and statutory compliance, and effective Board and Committee processes. The Company Secretary's office maintains accurate corporate records, oversees statutory filings, coordinates Board and Committee meetings and Board evaluations, facilitates director induction and ongoing development, and ensures timely communication on governance obligations. It also supports the Bank in applying governance principles and provides a central point for oversight of governance policies, regulatory engagement.

The Company Secretary's annual Board evaluation outcome

The Company Secretary contributes strong governance expertise, efficient administrative processes, and effective communication with stakeholders. The Company Secretary is highly rated across all competencies, demonstrating proficiency in legal compliance, board coordination, and shareholder engagement. Directors have acknowledged the secretary's critical role in maintaining a well-governed and efficient board process.

Board meetings

To guide the activities of the Board and its Committees, the Board has developed an annual work plan. In line with the requirements of the Board Charter, the work plan is forward-looking and focuses the Board on the strategy of the Bank. The Board also approves an annual calendar for all scheduled quarterly Board and Committee meetings.

During the year, the Board maintained an interactive, in-person model of engagement while allowing for virtual attendance when necessary. The notice, agenda, and comprehensive board papers are prepared and circulated to all directors in accordance with the Board Charter, ensuring due notice before each meeting. This provides the directors with sufficient time to review the board papers adequately, enabling full and effective discussions at the meetings. In cases where there are urgent and critical matters for discussion, the submission and notification period may be waived.

Where directors are unable to attend a meeting, they are advised on the matters to be discussed and given the opportunity to make their views known to the Chairman or the MD before the meeting. The members of the senior leadership team may be invited to attend the Board and/or Committee meetings if deemed necessary and as appropriate to make presentations on their areas of responsibility. This serves as an opportunity to give the directors greater insight into their business areas.

In the financial year ended 2025, the Board held six Board meetings, out of which four were quarterly, while two were ad hoc meetings.

Director	Designation/Role	Number of meetings eligible to attend	Attendance
Col. (Rtd) Eugene Haguma Murashi	Non-Executive Chairman	6	6/6
Mr. Hannington Namara	Managing Director	6	6/6
Amb. George William Kayonga	Non-Executive Director	6	6/6
Mr. Camille Karamaga	Non-Executive Director	6	6/6
Ms. Belinda Bwiza	Non-Executive Director	6	6/6
Mr. Andrew Rugege	Non-Executive Director	6	6/6
Ms. Arlette Rwakazina	Non-Executive Director	6	6/6
Mr. Emmanuel Muragijimana	Non-Executive Director	6	6/6
Mr. Jean Claude Nkulikiyimfura	Non-Executive Director	6	6/6
Dr. Patrick Uwizeye*	Non-Executive Director	1	1/1
Ms. Iza Irame**	Non-Executive Director	3	3/3
Ms. Lydia Ndirangu	Company Secretary	6	6/6

* Retired during the year

** Appointed during the year

Focus Areas for FY 2025

Board oversight of strategy, financial performance, governance, risk, people, and the transformation initiatives in the Bank.

- » Review and approval of the audited financial statements for 2024 and unaudited quarterly financial statements for 2025, monitoring of key performance trends, and oversight of cost-optimisation and balance sheet optimisation measures.
- » Review of the execution of the Africa Recovery and Resilience Plan and the strategies.
- » Risk oversight remained a major focus, with the Board monitoring the Bank's risk profile, remediation of audit and regulatory issues, implementation of the Enterprise Risk Management Framework, and progress of internal controls strengthening in the Bank.
- » Approval of policies, frameworks and committee charters, reviewed the Corporate Governance Framework, received reports from regulatory inspections, considered the outcomes of the 2024 Board Evaluation, received reports on the progress of implementing the resulting recommendations, and approved extensive Board appointments, committee reconstitutions and succession actions.
- » Discussion on HR matters including culture strengthening, leadership development, and talent initiatives.

Overall, the Board provided active oversight of financial and operational performance, governance and compliance and strategic projects of the Bank.

Annual Board Evaluation Outcomes

The Board demonstrates strong cohesion, effectiveness, and alignment with the Bank's strategic direction, particularly in areas such as governance, communication and technological oversight. There will be continued focus on enhancing measurable performance indicators, organizational culture, information flow, stakeholder engagement, and succession planning to drive further improvements and ensure long-term success.

Access to Information

The Board confirms that its governance instruments (including the Board and Committee Charters, Board Manual, Board and Committee Meeting Procedures, Corporate Governance Framework, Transparency and Disclosure Policy, and associated policies) collectively ensure access to information and professional advice. These documents expressly entitle the Board and its Committees to receive timely, complete, and accurate information to support effective oversight.

They also empower the Board and its Committees to seek independent professional advice at the Company's expense whenever required. These instruments also provide for comprehensive disclosure controls, assurance mechanisms, and the use of independent audit, risk, compliance, and legal functions under the Corporate Governance Framework. Taken together, they ensure the Board has unfettered access to all relevant information and expert advice required to effectively discharge its responsibilities.

Board Committees

The Board's committees are constituted to leverage subject-matter expertise, ensuring the Board benefits from a wide range of skills and experience. Assigning specific oversight roles to specialised committees of directors with the right competencies enables more thorough analysis, informed decision-making and robust governance in areas like strategy, risk, audit, sustainability, technology, and human capital. This approach strengthens Board decisions and ensures compliance with governance standards.

Each committee is governed by a Charter which outlines its mandate, authority, duties, composition, leadership, and working processes and procedures. The Committee Charters are reviewed annually (or more frequently, if necessary) to ensure that they remain aligned with laws, regulations, and best practice.

During 2025, the Board Committees complied with regulatory and prudential guidelines on their composition specifically, they each had at least 3 members, none of the directors sat on more than three technical committees and the chairs were all independent. Further, the Chairs of the Audit and Risk Committees are not the Board chair or any other committees' chairs.

The Bank's Board has established six Board Committees:

- | | |
|---|---|
| 1. Audit Committee. | 4. Information Technology Committee. |
| 2. Governance, Nominations and Compensation Committee (GNCC). | 5. Credit Committee. |
| 3. Risk Committee. | 6. Assets and Liabilities Management Committee. |

► Audit Committee

Oversees financial integrity, regulatory compliance and internal controls.

COMMITTEE MEMBER COMPOSITION

The Committee is comprised of four members, all of whom are independent and non-executive directors. The Chairperson of the Committee is a Certified Public Accountant (CPA) and a member in good standing of the Institute of Certified Public Accountants of Rwanda (ICPAR). The rest of the members provide extensive expertise in technology, finance, economic policy and risk management, supported by advanced academic and executive training. The Committee was reconstituted during the year under review.

COMMITTEE MEMBERS AND ATTENDANCE

Membership	Number of Meetings eligible to attend	Attendance
Ms. Belinda Bwiza - Chairperson**	3	3/3
Mr. Andrew Rugege, Member	4	4/4
Ms. Arlette Rwakazina, Member	4	4/4
Ms. Iza Irame, Member**	2	1/2
Mr. Camille Karamaga, Member*	1	1/1
Dr. Patrick Uwizeye, Member***	1	1/1

* Retired as a member of the Committee during the year

** Joined the Committee during the year

***Retired during the year

COMMITTEE MEMBERS AND ATTENDANCE (%)



% of committee members who are independent

COMMITTEE RESPONSIBILITIES

- » Reviewing quarterly and annual financial statements. » Ensuring accuracy of accounting policies.
- » Supervising the effective Internal Audit function which reports to them. » Overseeing both internal and external audit processes.
- » Assessing Internal and External Auditor independence and adequacy. » Reviewing control weaknesses and related-party transactions.
- » Ensuring timely remediation of regulatory inspection, internal and external audit findings. » Ensuring financial reporting compliance.

KEY FOCUS AREAS FOR FY 2025

- » Reviewed and recommended the audited financial statements for the year 2024 and the quarterly unaudited results for Board approval.
- » Reviewed and approved the Group Internal Audit Plan and External Audit Plan for the year ended 31st December 2025.
- » Recommendation of PricewaterhouseCoopers as external auditors for the final year of their regulatory term and initiation of succession planning for auditor rotation.
- » Oversight of regulatory inspections and supervisory findings across all jurisdictions.
- » Review of the transfer pricing framework and documentation for the year ended 31st December 2024.

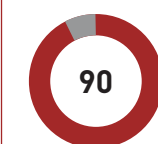
Throughout 2025, the Committee remained focused on strengthening the Banks' control environment, regulatory compliance, and financial reporting integrity.

ANNUAL BOARD EVALUATION OUTCOMES

The Committee demonstrates strengths in financial oversight, audit processes, and regulatory compliance. Improvements continue to be made in strategic alignment, risk management, and internal controls. The committee's leadership is well structured, and directors are proactively seeking opportunities to improve engagement, decision follow-up, and timely reporting.

Internal controls and regulatory compliance are being actively advanced, with focused attention on enforcement, improving fraud detection, enforcement, monitoring of whistleblowing, and regulatory responsiveness. Regulatory inspections are well managed and efforts to enhance documentation are ongoing.

OVERALL MEMBER ATTENDANCE (%)



■ Attended
■ Missed

► The Governance, Nominations and Compensation Committee (GNCC)

Oversees governance structures, board composition and diversity, succession planning, directors' independence and conflicts of interest, director recruitment, board performance evaluations, board induction and training, ethical culture, remuneration frameworks and disclosures, human resources, governance and compliance audits, and conduct policies and stakeholder relations and governance framework disclosures.

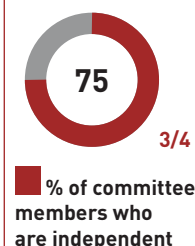
COMMITTEE MEMBER COMPOSITION

The Committee is composed of four members: one executive director, and three independent non-executive director. The Chairperson of the Committee is an Independent director..

COMMITTEE MEMBERS AND ATTENDANCE

Membership	Number of Meetings eligible to attend	Attendance
Amb. William Kayonga, Chairperson	6	6/6
Mr. Jean Claude Nkuliikimfura, Member	6	6/6
Mr. Hannington Namara, Member	6	6/6
Mr. Emmanuel Muragijimana, Member	6	6/6

INDEPENDENT MEMBERS (%)



COMMITTEE RESPONSIBILITIES

- » Recommending executive remuneration, including bonuses, incentives, pensions, and compensation, aligning with the Bank's risk and appraisal framework.
- » Advising on staff remuneration and HR practices, and monitoring strategic human capital efficiency and productivity.
- » Periodically assessing and enhancing corporate governance policies.
- » Reviewing Board composition, skills, and effectiveness.
- » Recommending new appointments to the Board.
- » Undertaking Board succession planning by ensuring that the Board is prepared for the succession management for the Chairman, Non-Executive Directors, Executive Directors, and Senior Management.

KEY FOCUS AREAS FOR FY 2025

- » Steered significant Board renewal, reviewing Board composition and recommending appointments to the boards, approving reconstituted committee structures and endorsing enhanced vetting processes
- » Reviewed and enhanced the Board effectiveness frameworks, including committee charters, board training programmes, and long-term board calendars.
- » Reviewed and recommended to the Board updated corporate governance frameworks and policies. » Oversight of culture renewal, conduct risk and ethics.
- » Review of Board composition and succession planning.
- » Monitored progress on the 2024 Board Evaluation action plan, approved the Board Evaluation Policy and initiated external reviews of its non-executive director remuneration.

Through these activities, the GNCC ensured that governance structures, leadership capability, compensation frameworks, and culture programmes remained aligned to the Group's strategic ambitions, enhanced regulatory expectations, and the demands of a rapidly transforming organisation.

ANNUAL BOARD EVALUATION OUTCOMES

The committee provides for effective board nominations and sound executive remuneration policies. It provides strategic oversight of board composition, human resources, and governance compliance. While board succession planning, external advisory integration and executive remuneration policies are progressing well, there are opportunities to refine these areas further for greater impact. The committee's leadership is effective and introducing strategic training would enhance its performance. Governance policies align with best practices, and efforts to enhance disclosure transparency will strengthen stakeholder confidence.

Board and executive remuneration frameworks are well structured and will benefit from periodic fairness reviews for closer alignment with long-term strategic goals. Succession planning is established and there are opportunities to enhance its implementation and oversight. HR policies are well managed, and there is room to build on this strong foundation by focusing on talent retention and workforce development.

OVERALL MEMBER ATTENDANCE (%)



► The Risk Committee

Provides enterprise-wide oversight of risk management.

COMMITTEE MEMBER COMPOSITION

The Committee is composed of four members, all who are independent non-executive directors. The Chairperson of the Committee is an independent non-executive director.

COMMITTEE MEMBERS AND ATTENDANCE

Membership	Number of Meetings eligible to attend	Attendance
Mr. Camille Karamaga, Chairperson*	3	3/3
Ms. Belinda Bwiza, Member	4	4/4
Mr. Andrew Rugege Member	4	4/4
Mr. Emmanuel Muragijimana, Member	4	4/4
Dr. Patrick Uwizeye, Chairperson**	1	1/1

* Joined the Committee during the year

***Retired during the year

INDEPENDENT MEMBERS (%)



COMMITTEE RESPONSIBILITIES

- » Setting the risk culture.
- » Reviewing and approving the enterprise risk management framework covering all strategic principal risk types across the Group.
- » Reviewing and interrogating reports on all principal and emerging risks. This includes third-party and operational resilience risks, ESG, climate, and strategic risks.
- » Approving policies, setting and monitors risk appetite.
- » Overseeing internal controls.

KEY FOCUS AREAS FOR FY 2025

- » Reviewed the Bank's Enterprise Risk Management Framework (ERMF), and its implementation
- » Reviewed quarterly risk profiles, providing direction on improvements.
- » Reviewed macroeconomic developments and geopolitical trends across the Group's operating markets and guided Management on scenario planning and strategic risk management.
- » Monitored operational resilience, business continuity management and process re-engineering initiatives aimed at reducing manual interventions and strengthening controls.
- » Reviewed various Group wide risk, compliance and technology policies for approval and endorsed enhancements to governance documents.

The Committees key focus was to ensure strengthened oversight of the Group's risk management framework in an environment of elevated macroeconomic, geopolitical and, regulatory risk.

ANNUAL BOARD EVALUATION OUTCOMES

The Committee demonstrates strength in governance, risk management and financial oversight. The Committee fosters a strong risk culture, effective management engagement, and robust regulatory compliance. The Committee is well positioned to build on its robust foundations to further enhance risk appetite monitoring, credit risk management and audit implementation.

The committee's leadership is effective and there are opportunities to enhance structured engagement and performance reviews. Processes are well structured, and with continued focus, the approach to identify and address emerging risks and scenario planning should become more robust. While the risk culture is strong, awareness training and communication must be improved. Risk governance is effective, but alignment with strategic objectives requires more frequent reviews.

The Enterprise Risk Management framework is solid, and by improving tracking of risk mitigation, greater assurance will be achieved. Accelerating the closure of audit findings and reinforcing accountability will also further elevate performance. Regulatory compliance is well-established, and compliance monitoring is being enhanced. Continued strengthening of credit risk management and assessment of capital adequacy and asset liability management will support sustained success

OVERALL MEMBER ATTENDANCE (%)



► The Information Technology Committee (T Committee)

Provides strategic oversight over the Bank's IT, innovation and cybersecurity agenda.

COMMITTEE MEMBER COMPOSITION

The Committee is composed of four members all who are independent non-executive directors. The Chairperson of the Committee is an independent non-executive director.

COMMITTEE MEMBERS AND ATTENDANCE

Membership	Number of Meetings eligible to attend	Attendance
Mr. Andrew Rugege, Chairperson	4	4/4
Amb. William Kayonga, Member	4	4/4
Mr. Jean Claude Nkulikiyimfura, Member	4	4/4
Ms. Arlette Rwakazina, Member	4	4/4
Dr. Patrick Uwizeye, Member*	1	1/1

*Retired during the year

COMMITTEE MEMBERS AND ATTENDANCE (%)



COMMITTEE RESPONSIBILITIES

- » Overseeing information technology (IT) governance at the Bank.
- » Oversight over the Bank's IT, innovation, and cybersecurity agenda.
- » Ensuring that major technology investments, digital transformation initiatives, IT talent management initiatives, and emerging technology adoption are aligned to strategy.
- » Ensuring that IT and cyber risks are fully integrated into enterprise risk management.
- » Ensuring a resilient, secure, and well governed technology environment that underpins long term value creation and supports the Bank's digital transformation ambitions.

KEY FOCUS AREAS FOR FY 2025

- » Oversight of the Bank's technology transformation agenda.
- » Monitoring of implementation of key strategic IT projects including the Aspire security programme and readiness for emerging risks such as AI security and post quantum cryptography.
- » Review and oversight of the Bank's data strategy and target data architecture. ».
- » Reviewed and recommended significant technology procurement and renewal requests, ensuring strategic alignment.

Through this work, the Committee strengthened the Bank's technology governance, operational resilience, cybersecurity posture, and digital innovation capacity.

ANNUAL BOARD EVALUATION OUTCOMES

The committee has demonstrated strong leadership and continues to improve IT governance frameworks, ensuring that technology strategy aligns with business objectives. The committee has made significant progress in strengthening IT oversight, cybersecurity, and information governance.

The IT budget and investments have improved, and there are opportunities to further refine digital transformation alignment and investment return tracking. Cybersecurity risk assessment and reporting structures are progressing well, and with improvements in proactive threat monitoring the organisation is well positioned to enhance its resilience.

OVERALL MEMBER ATTENDANCE (%)



► The Credit Committee

The Committee has oversight on lending decisions, ensuring that credit approvals, renewals, and restructurings were consistent with established risk appetite, regulatory requirements, and the Bank's credit policies.

COMMITTEE MEMBER COMPOSITION

The Committee is composed of four members who are independent non-executive directors. The Chairperson of the Committee is an independent non-executive director.

COMMITTEE MEMBERS AND ATTENDANCE

Membership	Number of Meetings eligible to attend	Attendance
Amb. William Kayonga, Chairperson	5	5/5
Ms. Belinda Bwiza, Chairperson **	1	1/1
Ms. Iza Irame, Member*	2	2/2
Mr. Camille Karamaga, Member	5	5/5

* Joined the Committee during the year

**Retired from the Committee during the year

INDEPENDENT MEMBERS (%)



% of committee members who are independent

COMMITTEE RESPONSIBILITIES

- » Evaluation and reviewing loans and advances, subject to specified approval limits.
- » Serving as a forum for members to discuss credit matters extensively to form the basis for a proper evaluation and consideration of all issues related to loans, thereby providing appropriate safeguards for arriving at credit or credit- related decisions.

KEY FOCUS AREAS FOR FY 2025

- » Reviewed and approved a substantial pipeline of credit facilities across key sectors of the Rwandan economy, including trade, manufacturing, agribusiness, infrastructure, and SME financing.
- » Enhanced scrutiny to large exposures to ensure compliance with regulatory limits and internal concentration thresholds.
- » Oversight of the Bank's top borrowers
- » strengthening credit appraisal processes, collateral management, and post-disbursement monitoring to enhance overall credit discipline.
- » Review and recommendation of the Committee Charter.

Through these activities, the Committee strengthened the Bank's credit oversight, supported sustainable loan book growth, and reinforced a culture of risk-aware decision-making, thereby contributing to the Bank's financial resilience and long-term value creation

ANNUAL BOARD EVALUATION OUTCOMES

The committee displays strong leadership and effective oversight of credit risk. The Committee was assessed as functioning effectively, providing appropriate oversight of credit risk and maintaining alignment with the Bank's risk appetite and strategic objectives. It demonstrated strong engagement with management and exercised sound judgment in credit approvals and policy oversight.

OVERALL MEMBER ATTENDANCE (%)



■ Attended

■ Missed

► Assets and Liabilities Management Committee (ALCO)

The ALCO is responsible for overseeing balance sheet management and ensuring the Bank's financial risks are prudently managed within approved risk appetite.

COMMITTEE MEMBER COMPOSITION

The Committee is composed of four members: three independent non-executive directors and one executive director. The Chairperson of the Committee is an independent non-executive director

COMMITTEE MEMBERS AND ATTENDANCE

Membership	Number of Meetings eligible to attend	Attendance
Mr. Emmanuel Muragijimana, Chairperson**	3	3/3
Mr. Camille Karamaga, Member	4	4/4
Mr. Hannington Namara, Member	4	4/4
Ms. Iza Irame, Member**	2	1/4
Ms. Belinda Bwiza, Chairperson*	1	1/4

*Retired as a member and Chairperson of the Committee during the year

** Joined the Committee during the year

INDEPENDENT MEMBERS (%)



COMMITTEE RESPONSIBILITIES

- » Reviewing the Assets and Liabilities Committee (ALCO)-related matters and ensuring regulatory compliance and timely remediation of regulatory, audit and control issues.
- » Assessing the impact of balance sheet strategies on capital adequacy and earnings, ensuring alignment with the strategic plans.
- » Monitoring liquidity positions, ensuring adequate funding, and maintaining compliance with internal limits and regulatory ratios. It reviews funding gaps, stress scenarios, and contingency funding plans.

KEY FOCUS AREAS FOR FY 2025

- » Reviewed the Bank's investment portfolio, overseeing the composition and performance of the bank's securities portfolio, including government instruments, to optimise returns while preserving liquidity and capital protection.. » supported strategic funding and growth initiatives, including managing the cost of funds, diversifying funding sources, and aligning balance sheet strategy with the Bank's broader business growth objectives..
- » Prioritised foreign exchange (FX) risk management, given the exposure to currency volatility.
- » Reviewed pricing frameworks for deposits and loans to sustain profitability while remaining competitive in the market.

The work of the ALCO Committee throughout the year resulted in a strengthened balance sheet position, sustained liquidity resilience, and improved management of financial risks, enabling the Bank to operate within its risk appetite while supporting business growth.

ANNUAL BOARD EVALUATION OUTCOMES

The Committee was assessed as having effectively discharged its mandate satisfactorily, providing strong oversight of the Bank's balance sheet, liquidity position, and financial risk exposures. The Committee was recognised for maintaining robust governance over liquidity, interest rate, and foreign exchange risks, ensuring that the Bank consistently operated within approved risk appetite and regulatory requirements.

OVERALL MEMBER ATTENDANCE (%)



COMPLIANCE WITH LAWS AND REGULATIONS

The Board maintains rigorous and structured oversight over the Bank's internal control environment, risk management systems, and information systems, ensuring their adequacy, integrity and alignment with applicable laws, regulations, and regulatory guidelines.

The Board and its Committees, particularly the Audit Committee, Risk Committee and IT Committee, receive and review regular reports on internal audit outcomes, control weaknesses, remediation progress, and technology related risks, including significant issues arising from regulatory inspections and internal audits.

During 2025, the Board Committees complied with regulatory and prudential guidelines on their composition specifically; they each had at least three members and the chairs were all independent, and the Chairs of the Audit and Risk Committees are not the Board chair or any other committees' chairs.

KEY POLICIES

Ethics and Social Responsibility: Our Code of Conduct and Ethics

The Board ensures that all its deliberations and decisions are anchored in the Bank's core governance values of responsibility, accountability, fairness and transparency, as articulated across its governance principles and policy framework.

These values are operationalised through the Board-approved Code of Conduct and Ethics, which applies to all directors, management, and employees. It sets out expectations on ethical behaviour, integrity of records, fair treatment, conflict-of-interest management, and adherence to laws and regulations.

The Board integrates ethical and sustainability considerations into the Bank's risk-management processes through frameworks that embed environmental, social, ethical and conduct-risk oversight within the enterprise-risk structure and committee reporting lines. Performance on ethics is monitored through conduct dashboards, grievance mechanisms, compliance reporting, and disciplinary systems, while internal and external disclosure is supported by transparency and sustainability reporting obligations. The Bank's Speak Up (whistleblowing) Policy and Procedure also allows stakeholders to report misconduct confidentially, safeguarding ethical culture and reinforcing accountability.

The Stakeholder Engagement Policy, Sustainability Strategy, and ESG-aligned governance frameworks (which guide how the Group integrates societal and environmental considerations into strategy and operations) also guide the Bank on corporate citizenship, sustainability, and responsible business conduct.

In its oversight role, the Board evaluates not only financial performance but also the broader impact of the Bank's activities on society and the environment and receives regular reporting on sustainability, governance, and corporate-citizenship initiatives to ensure they are effectively coordinated and disclosed to stakeholders.

Speak Up (Whistleblowing) Policy and Procedure

The Board has put in place a Speak Up (Whistle Blowing) Policy, which reinforces the Bank's commitment to openness, probity, and high ethical behaviour by fostering an environment where employees and all stakeholders can raise concerns without fear of retaliation.

The policy provides clear internal and external reporting channels, including confidential and anonymous mechanisms, and outlines reportable matters such as misconduct, unethical behaviour, regulatory breaches, and improprieties.

It sets out defined procedures for receiving, assessing, and investigating concerns within specified timelines, backed by robust protections including non-retaliation, anonymity options, and compensation safeguards for speakers. The policy also emphasises proactive culture building by embedding a strong Speak Up regime, supported by leadership commitment, clear roles and responsibilities, and regular review to ensure continued effectiveness.

Reports may be made through dedicated, non-traceable platforms managed by an independent, accredited organisation. The Group commits to a timely, impartial assessment of all disclosures, with investigation reports escalated to senior management and, where necessary, external authorities.

By ensuring anonymity in its whistleblowing platform, the Bank assures whistleblowers of confidentiality and protection against retaliation. The Bank does not tolerate any actual or threatened reprisals against whistleblowers and takes reasonable steps to protect individuals who report misconduct, including disciplinary action against any staff who threatens or acts against a whistleblower.

The Board also ensures that risks arising from any ethical issues are proactively identified and effectively managed within the broader risk management framework.

Conflict of Interest Policy

The Board has developed a Conflict-of-Interest Policy grounded in the principle that directors must always uphold the highest standards of ethical conduct and act in the best interests of the Company and its shareholders. Their personal interests must never compromise objective judgment, board integrity, or the fairness and transparency of decision-making.

The Board applied the policy throughout 2025 by requiring annual director attestations and ad-hoc or continuous disclosure of any actual or potential conflicts. These disclosures are consolidated into a conflict-of-interest register, which is maintained by the Company Secretary and updated whenever declarations are made. Conflict disclosures form part of suitability and independence assessments during the GNCC's Board composition reviews, which inform nomination and succession planning decisions.

Board and Committee meeting procedures also embed structured safeguards. At the start of every Board and Committee meeting, the Chairperson calls for declarations of interest. Any conflicted director excuses themselves from deliberations and decision-making on the affected matter, consistent with policy provisions.

Related Party Transactions

The Board has also developed a Related Party Transactions Policy which defines related parties, sets materiality thresholds, requires prior Board (or committee) approval, and mandates arm's length terms and transparent disclosure in line with the best practice. The Board Charter identifies the Related Party Transactions Policy among the governance instruments under Board oversight. These policies are designed to safeguard the Company and all shareholders by ensuring that conflicts are promptly identified and managed, and that any related party dealings are conducted fairly and transparently.

Details on all related party transactions during the year are disclosed in note 32 ...to the financial statements.

Insider Dealings/ Trading

The Board maintains a comprehensive Insider Trading and Market Abuse Policy which governs the handling of material non-public information and prohibits insider dealing and market manipulation. The Company operationalises this policy through structured, quarterly communication to its employees and directors on open and closed periods for trading in its shares. This is supported by mandatory director and employee attestations, formal pre-clearance procedures for trading, and continuous communication from the Group Company Secretary on prohibited practices and regulatory expectations. No incidents of insider dealings were reported during the year.

Transparency and Disclosure

The Board has put in place a Transparency and Disclosure Policy that provides clear policies and processes to ensure timely, accurate, and balanced disclosure of all material information. Information is made publicly accessible through structured disclosures on the Company's website, including regular financial statements, integrated reports, governance documents and public notices. The Board oversees adherence to this Policy, supported by ongoing updates and periodic reviews to ensure disclosures remain relevant, complete, and compliant with evolving regulatory requirements.

Procurement Policy

The Board has developed a Procurement Policy establishing a unified framework to ensure all procurement of goods, services, and works is conducted ethically, fairly, and transparently. The policy ensures compliance with the Bank's procedures, legal obligations, and sustainability commitments. Oversight is centralised through the Bank's Supply Chain Department, with procurement activities subject to robust governance through Board and Management Procurement Committees.

Standardised processes cover business case approval, competitive bidding, evaluation, contracting, and supplier management. Strong controls are enforced, including conflict-of-interest declarations, ethical conduct requirements, consequence management, and routine reporting and audits to strengthen accountability and mitigate third-party risk.

The Board reaffirms its unwavering commitment to the highest standards of corporate governance, ethical leadership, and regulatory compliance. We will remain vigilant, forward-looking and responsive to evolving stakeholder expectations, ensuring that the Bank sustains its track record of integrity, accountability, and long-term value creation for all its shareholders and stakeholders.

BOARD OF DIRECTORS - PROFILES

COL. (RTD) EUGENE HAGUMA MURASHI

Non-Executive Chairman, Equity Bank Rwanda Plc

Gender: Male

Nationality: Rwandan

Joined: 2020

Profile: Col. (Rtd) Eugene is a seasoned leader with a distinguished career spanning both the public and private sectors. His professional journey began in the Rwanda Defence Force, where he rose through the ranks to hold senior leadership positions, including Permanent Secretary at the Ministry of Defence from 2002 to 2005. He later served as Rwanda's Defence Attaché to the Republic of South Africa between 2005 and 2010, strengthening bilateral relations and advancing strategic defense initiatives. Transitioning to the corporate arena, Eugene became Chief Executive Officer of Horizon Group Rwanda, a role he held from 2010 to 2018, where he spearheaded organizational growth and operational excellence. He currently serves as Chief Executive Officer of Prime Insurance Limited, leveraging his expertise in governance and strategic leadership.

Col. Rtd Eugene Haguma holds a Master of Science in Financial Management from the University of London. He earned a Bachelor of Commerce degree with a specialization in Marketing from Makerere University in Kampala. Additionally, Eugene is certified as a Sustainable Investments Professional (SIPC) through the John Molson Business School at Concordia University, Canada.

HANNINGTON NAMARA

Managing Director, Equity Bank Rwanda Plc

Gender: Male

Nationality: Rwandan

Joined: 2016

Profile: Hannington is an accomplished business leader with over 19 years of experience in banking and private sector development. He currently serves as Managing Director of Equity Bank Rwanda, where he provides strategic leadership and drives operational excellence across the institution. His leadership has been instrumental in advancing financial inclusion, promoting investment, and shaping private sector growth in Rwanda and the region. He has served on several corporate and parastatal boards, contributing to policy formulation and governance oversight. Hannington's expertise spans strategic planning, banking and finance, and stakeholder engagement, positioning him as a key driver of sustainable growth and innovation in the financial services sector.

Hannington holds a Master of Science in Financial Management from the University of London and a Bachelor of Commerce degree with a specialization in Marketing from Makerere University, Kampala. In addition, Hannington is certified as a Sustainable Investments Professional (SIPC) through the John Molson Business School at Concordia University, Canada, underscoring his commitment to responsible investment and sustainability principles.

DR. PATRICK UWIZEYE

Non -Executive Chairman, Finserve Africa Limited,

Non-Executive Director, Equity Bank Rwanda Plc

Gender: Male

Nationality: Rwandan

Joined: 2016 - Retired: 2025

Profile: Patrick holds a Doctorate in Business Administration (DBA) from the Heriot-Watt University, UK, a Master of Science (MSc) in Strategic Planning from the same University, MBA in Financial Management from the University of Hull, UK and master's in communications management (MCM) from Coventry University, UK. He is a Certified Public Accountant (CPA) and a member of both Institutes of CPA Kenya and Rwanda; a Certified Member of the Institute of Risk Management (CMIRM), UK and Associate Member of Kenya Institute of Management. Patrick has over 28 years of working experience in business management and worked for MTN Rwanda and AACC in Nairobi. Dr. Uwizeye is the immediate past President of the Institute of CPA Rwanda, and a board member of Pan Africa Federation of Accountants (PAFA). Patrick currently serves as the Managing Director of BPU Consulting Ltd, a company he founded more than seven years ago.

MS. IZA IRAME

Non-Executive Director, Equity Bank Rwanda Plc

Gender: Female

Nationality: Rwandan

Joined: 2025

Profile: Iza is a distinguished finance and investment executive with extensive experience in corporate leadership, investment strategy, and financial management across Rwanda's leading organizations. Currently serving as Chief Investment Officer at Crystal Ventures Limited, Rwanda's largest investment company, Iza leads the development and implementation of group-wide investment strategies, oversees strategic planning, and advises on high-return opportunities, equity raising, and digital transformation. Previously, she was Chief Executive Officer of Crystal Telecom Limited, a listed company holding a significant stake in MTN Rwanda, where she managed regulatory compliance, financial reporting, and investor relations. Earlier roles include Chief Corporate Officer at Crystal Ventures Limited, CEO of African Alliance Rwanda (a top stockbroking and advisory firm), and Finance Manager at Horizon Group and CDH Rwanda. Iza has also held key positions in financial operations, accounting, and administration at the Office of the Prosecutor General and Helpage Rwanda, and has contributed to organizational planning, treasury management, and client advisory in Rwanda's capital markets.

Iza is an ACCA Affiliate, a CFA Level III candidate, and holds a Bachelor's Degree in Business Administration (Finance) from Kigali Institute of Science, Technology and Management.

BOARD OF DIRECTORS - PROFILES

AMB. GEORGE WILLIAM KAYONGA

Non-Executive Director, Equity Bank Rwanda Plc

Gender: Male

Nationality: Rwandan

Joined: 2020

Profile: Amb. Kayonga is a seasoned diplomat and corporate leader with extensive experience in governance, policy formulation, and strategic advisory roles as High Commissioner of Rwanda to Kenya, Non-Resident Ambassador to Somalia, and Permanent Representative of Rwanda to UNEP and UN-HABITAT. He also served as Permanent Secretary in the Ministry of East African Community, where he played a key role in advancing regional integration policies. Leveraging his diplomatic expertise, he has played a pivotal role in strengthening governance frameworks and promoting ethical leadership within corporate boards. His insights into regulatory compliance and stakeholder engagement have been instrumental in aligning board practices with global standards and Rwanda's evolving governance landscape.

CAMILLE KARAMAGA

Non-Executive Director, Equity Bank Rwanda Plc

Gender: Male

Nationality: Rwandan

Joined: 2022

Profile: Camille is a seasoned expert in economic development, public finance management, and development banking, with over three decades of experience across Africa. He has held senior roles in government, international financial institutions, and advisory capacities, specializing in portfolio operations, budget reforms, and governance. His career includes eight years at the African Development Bank (AfDB), where he led lending operations and portfolio management, designing and implementing public sector programs. He played a key role in major programs across Eritrea, Ghana, Seychelles, Somalia, South Sudan, and Sudan, with notable achievements such as leading multi-million-dollar governance and economic reform projects and strengthening tax administration systems. In Rwanda, he led national budget and PFM reforms as Director of Budget at the Ministry of Finance, overseeing budget preparation, execution, reporting, and the development of Rwanda's first Organic Budget Law. Camille also held positions as Director of Customs and Acting Director of Macroeconomic Policy. His expertise spans fiscal policy, revenue administration, fiduciary risk assessments, and governance diagnostics, complemented by consultancy work on policy formulation and PFM frameworks.

Camille holds a master's in business administration from Maastricht School of Management (Netherlands), a Bachelor of Commerce in Finance from Makerere University (Uganda), and a Post-Graduate Diploma in Tax Administration from the Institute of Finance Management (Tanzania). Additional certifications include public finance and financial programming from the IMF Institute and executive training from Harvard Kennedy School.

ANDREW RUGEGE

Independent

Gender: Male

Nationality: Rwandan

Joined: 2022

Profile: Andrew is an accomplished leader with over three decades of experience in technology, telecommunications, and strategic advisory roles across Africa. He has held senior leadership positions driving innovation, digital transformation, and infrastructure development, with a strong focus on enabling connectivity and fostering inclusive growth. Throughout his career, Andrew has held several senior leadership roles across multiple organizations. As Regional Director for Africa and Representative to the African Union and UNECA at the International Telecommunications Union (ITU) in Addis Ababa, he led major ICT infrastructure and policy initiatives, including the €8 million Harmonization of ICT Policies and Procedures in Sub-Saharan Africa project, the \$12 million ITU-McCaw Foundation broadband project, and the African Girls Can Code initiative. He also spearheaded the GIGA project, connecting schools to the Internet across Africa. Prior to ITU, Andrew served as Chief Executive Officer at Artel Communications in Rwanda, where he was responsible for corporate strategy, marketing, and revenue growth. At MTN Rwanda, he served as the Chief Operation Officer and oversaw the introduction of the first Mobile Money service in the country, developed the corporate strategic business plans, and established the MTN Foundation to support rural communities.

Andrew holds a Master of Science in Computer Information Systems and Business Administration from Marist College, New York, and a Master of Science in Electrical Engineering from the University of Aberdeen, Scotland, United Kingdom. His academic foundation includes a Bachelor of Science in Engineering Science from the same institution.

ARLETTE RWAKAZINA

Non-Executive Director, Equity Bank Rwanda Plc

Gender: Female

Nationality: Rwandan

Joined: 2021

Profile: Arlette is a seasoned ICT and digital transformation leader with extensive experience in regulatory innovation, cybersecurity, and mobile financial services across Africa. She currently serves as Country Lead for the Rwanda Economy Digitalization Program at Cenfri, an initiative in partnership with the Government of Rwanda and the Mastercard Foundation aimed at driving an inclusive, digitalized economy through data-driven policymaking and innovation. Previously, Arlette was General Manager for Innovation and Cybersecurity at the Rwanda Utilities Regulatory Authority (RURA), where she established regulatory frameworks for emerging ICT solutions, led data analytics initiatives, and managed cybersecurity across multiple regulated sectors. Her career also includes senior roles in the private sector, notably with

BOARD OF DIRECTORS - PROFILES

Ericsson as a Technical Business Analyst and Solution Architect for Mobile Financial Services, where she led integration of mobile money solutions with over 100 service providers, government institutions, utilities, and financial institutions across Sub-Saharan Africa.

Arlette holds a Master of Science in Communications, Control and Digital Signal Processing from the University of Strathclyde (UK), a Bachelor of Science in Electromechanical Engineering from Kigali Institute of Science and Technology and is a Certified Digital Finance Practitioner from The Fletcher School at Tufts University.

BELINDA BWIZA

Non-Executive Director, Equity Bank Rwanda Plc

Gender: Female

Nationality: Rwandan

Joined: 2021

Profile: Belinda is a dynamic leader with extensive experience in policy, business strategy, and risk management. She oversees One Acre Fund Rwanda, which delivers more than \$200 million in annual impact to over 2 million farmers nationwide. Under her leadership, the program has scaled to reach nearly every farmer in Rwanda through sustainable food systems that increase farm productivity, strengthen farmer resilience to climate shocks, and connect farmers to premium markets.

She has also led systemic reforms internationally, including designing efficient business processes that contributed to reducing the Province of Ontario's \$12 billion deficit. She implemented a pioneering capacity assessment framework for Canada's private career colleges sector, strengthening quality assurance and mitigating systemic risks.

Belinda holds a Master of Business Administration from Wilfrid Laurier University and a Bachelor of Business Administration in Finance from Brock University, where she graduated with honours. She is also a Certified Management Accountant (CMA, CPA). In addition, Belinda has completed Institute of Directors training in preparation for Chartered Director Certification, covering board roles, finance, strategy, and leadership.

EMMANUEL MURAGIJIMANA

Non-Executive Director, Equity Bank Rwanda Plc

Gender: Male

Nationality: Rwandan

Joined: 2023

Profile: Emmanuel is a highly experienced legal and governance professional with over 20 years of expertise in legal advisory services, corporate governance, and regulatory compliance. He is recognized for his contributions to financial and legal governance across multiple sectors. He serves on the World Bank panel as an expert in the Business Enabling Environment Project (BEEP) and has provided legal advisory services for the Rwanda Stock Exchange. Currently, Emmanuel is an Advocate at the Rwanda Bar Association and a Private Notary at K-Solutions & Partners Law Firm. There, he provides legal advisory services to a diverse

clientele, including the Rwanda Stock Exchange and international organizations such as International Commercial Banks and also serves as an Insolvency Practitioner in Rwanda. Previously, he served as the Advisor to the Speaker of the Parliament of Rwanda, Head Legal and Company Secretary at Ecobank Rwanda and BCDI S.A., and Legal Officer at the Ministry of Public Service and Labour. Emmanuel has extensive experience in legal due diligence, compliance, receivership, and corporate restructuring, and has contributed to international publications on banking regulation and arbitration in Africa. He holds a Master's degree in Business Law and a Bachelor's degree in Law from the National University of Rwanda, complemented by a Diploma in Legal Practice from the Institute of Legal Practice and Development and a Certificate in Legislative Drafting from Tulane Law School.

JEAN CLAUDE NKULIKIYIMFURA

Non-Executive Director, Equity Bank Rwanda Plc

Gender: Male

Nationality: Rwandan

Joined: 2023

Profile: Jean-Claude (JC) is a dynamic business professional with over 20 years of expertise in education, marketing, government, and corporate communications. He is recognized for his leadership in team management, innovative fundraising, and strategic budget oversight while forging impactful local and international partnerships. He currently serves as Executive Director at Agahozo Shalom Youth Village in Kigali, Rwanda, a role held since 2011, where he leads initiatives focused on empowering young people and fostering community impact. Previously, JC was General Manager at Saatchi & Saatchi, overseeing operations and strategic growth. As Founder and Managing Director of XL COM, JC led communications and media projects, and also served as Communications Specialist at the Africa Development Bank. Earlier on, JC was the Head of Division, Media & Protocol Department in the Office of the President, Republic of Rwanda, where he managed high-level communications and protocol functions.

JC holds a Master of Arts in Political Studies from the University of Kwazulu Natal, South Africa, and a Bachelor of Arts in Mass Communication/Journalism with a minor in Computer Information Systems from the University of Central Arkansas, USA. He also completed an International Baccalaureate with an emphasis on Mathematics and Philosophy at Lycée Sainte Croix Des Neiges in France.

BOARD OF DIRECTORS - PROFILES

LYDIA NDIRANGU

Company Secretary

Gender: Female

Nationality: Kenyan

Joined: 2021

Profile: Ms. Lydia Ndirangu is a distinguished governance, tax and regulatory expert with over fifteen years of local and international experience spanning tax, corporate governance, strategy, risk and compliance. As the Group Company Secretary and Head of Tax at Equity Group Holdings Plc, she provides strategic oversight of governance, legal, regulatory and tax compliance across the Group's subsidiaries, while advising on corporate governance, mergers and acquisitions, capital markets, and financial sector regulation. She also serves as the company secretary for the banking and insurance subsidiaries in Equity Group.

Before joining Equity Group, she built a strong advisory career at leading professional services firms, serving as Senior Manager at Ernst & Young and previously as Manager at KPMG. Her deep expertise has enabled her to guide both local and international organisations in navigating complex tax and regulatory environments with confidence and precision.

Ms. Ndirangu has played a pivotal role in developing and implementing tax and regulatory frameworks that have strengthened compliance across institutions. She is also a respected trainer and thought leader, having delivered cross-sector tax and regulatory trainings for boards and management teams, helping leaders sharpen their understanding of compliance obligations, dispute management and governance risks.

She has also advised organisations on restructuring, mergers and demergers, combining legal, financial and tax insight to deliver practical, innovative solutions. Her excellence has earned her notable recognition, including the KPMG Encore Award, Commendation award from ICPAK, second runners up company secretary of the year in 2023 and a place among the Top 40 Under 40 Women for her contribution to the legal and tax profession.

She holds a Bachelor of Laws degree and a Master of Laws in Public Finance and Taxation from the University of Nairobi and is an Advocate of the High Court of Kenya, a Certified Secretary, Certified Public Accountant (Kenya), and Certified Investment Analyst. She is a Tutu fellow from Africa Leadership Institute and Oxford University.



Equity Bank Rwanda Plc board of directors group photo

EXECUTIVE MANAGEMENT TEAM

MANAGING DIRECTOR

HANNINGTON NAMARA



DIRECTOR OF COMMERCIAL

ERIC RUTABANA



HEAD OF TREASURY

GASTON NSENGIMANA



AG. HEAD OF LEGAL

TASHOBYA BENON



HEAD OF CREDIT ADMINISTRATION

CHANTAL MUKANDOLI
KAYIJAMAHE



HEAD OF FINANCE

JOSEPH MUTUMA



HEAD OF RISK

JEAN NEPOMUSCENE
BIZIMUNGU



HEAD OF HR

DIANAH KWARISIIMA



HEAD OF CUSTOMER EXPERIENCE

LILIOSE LARISSE
NYINAWINKINDI



HEAD OF COMPLIANCE

SYLVIO HABINEZA



HEAD OF INTERNAL AUDIT

JEAN PAUL NGABONZIZA



AG DIRECTOR OPERATIONS AND INFORMATION TECHNOLOGY

CAROLE KAREMA JENI



EXECUTIVE MANAGEMENT CONTINUED

DIRECTOR, SOCIAL IMPACT INVESTMENT

LOYCE K. BAMWINE



EXECUTIVE MANAGEMENT PROFILES

HANNINGTON NAMARA

Managing Director

Hannington is an accomplished business leader with over 19 years of experience in banking and private sector development. He currently serves as Managing Director of Equity Bank Rwanda, where he provides strategic leadership and drives operational excellence across the institution. His leadership has been instrumental in advancing financial inclusion, promoting investment, and shaping private sector growth in Rwanda and the region. He has served on several corporate and parastatal boards, contributing to policy formulation and governance oversight. Hannington's expertise spans strategic planning, banking and finance, and stakeholder engagement, positioning him as a key driver of sustainable growth and innovation in the financial services sector.

Hannington holds a Master of Science in Financial Management from the University of London and a Bachelor of Commerce degree with a specialization in Marketing from Makerere University, Kampala. In addition, Hannington is certified as a Sustainable Investments Professional (SIPC) through the John Molson Business School at Concordia University, Canada, underscoring his commitment to responsible investment and sustainability principles.

CHANTAL MUKANDOLI KAYIJAMAHE

Head of Credit Administration

Chantal holds a Master's Degree in Project Management, and a bachelor's degree in business administration, accounting option. Prior to joining Equity Bank Rwanda Plc 12 years ago, Chantal worked at the Commercial Bank of Rwanda (now I&M) in Credit Department for more than 12 years; As an Analyst in SME and Corporate Banking, Security Perfection Manager, Personal Lending and Mortgages Manager.

JOSEPH MUTUMA

Head of Finance

Joseph holds a Master of Business Administration (Finance) degree from Jomo Kenyatta University of Agriculture and Technology (JKUAT) and Bachelor of Arts degree in Economics from the University of Nairobi. He is a Certified Public Accountant (Kenya) and member of The Institute of Certified Public Accountants of Rwanda (ICPAR), a Certified Investments and Financial Analysts and a member of The Institute of Certified Investment and Financial Analysts (ICIFA). Prior to joining Equity Bank Rwanda Plc, Joseph worked as a senior accountant at Equity Bank Kenya Limited which he joined in 2009 and has over 13 years' working experience in accounting and financial management within the banking industry, nine (9) of which are in senior management.

SYLVIO HABINEZA

Head of Compliance

Mr. Sylvio Habineza has 14+ years of financial services experience and worked for 10 years in Senior Compliance, Risk Management and Internal control positions. His knowledge cuts across compliance, fraud, operations, credit, risk management & mitigation and business process. Prior to joining Equity Bank Rwanda Plc, he worked as the Head of Compliance and Ag. Head of Risk & Internal Control in Cogebanque Plc, prior to that as the Ag, Head Conduct & Compliance and Compliance Advisor at Access Bank Rwanda. Sylvio holds a Bachelor of Business Administration in Finance from the School of Finance and Banking (SFB). He is a Certified Banker from Lagos School of Excellence, a Certified Compliance Professional by IABFM and has been exposed to several trainings in various fields.

EXECUTIVE MANAGEMENT PROFILES-CONTINUED

DIANAH KWARISIIMA

Head of HR

Dianah is a holder of a bachelor's degree in education with 18 years of experience in the banking Industry. Prior to joining Equity Bank Rwanda Plc in December 2023, she worked with I&M Bank for 16 years as a Training Officer, Employee Relations Manager and Head of HR. She, also worked for Ecobank as Head of HR for a year from November 2021. Throughout her career in the banking sector, she gained immense experience in HR Strategic Management.

CAROLE KAREMA JENI

Head of IT & Projects

Carole holds an MBA from the University of Nicosia in Cyprus, a Master's degree in IT from the University of Pretoria, a BCOM Honor's in Informatica degree for the same University, and a Bachelor degree in Information system from Adventist University of Central Africa. Having lived in different countries, Carole has gained a diverse range of experiences in Banking , Telecoms, Investments, Construction, Security services, Building materials, Insurance brokerage, as well as in Food and Beverage and Agribusiness. She is fluent In English, French, Swahili, and Kinyarwanda. Her IT acumen and leadership make her a great asset of any organization she relates too. Carole is a Business and IT specialist with 21 years of experience. She has specialized herself as a Digital transformation and Solution Architect who conceptualizes, designs and implements IT Strategies and Solutions that drive innovation, businesses efficiency and continuity in different areas of operations. She has successfully achieved automation of different business processes, allowing companies to focus on their core businesses and concentrate on turning companies into profitable business. She also managed and delivered various business and IT projects that require integration of various Vendors and Solutions following IT standards and Processes like PMP, COBIT and ITIL. She is currently working on various digitization projects that embody cybersecurity, mobility, and data analytics. She has done several training and certification in Business, IT ,and leadership areas and that as equipped her for the various roles. Carole is currently Head of IT at Equity Bank Rwanda Plc since January 2020 where she oversees the digital transformation of the Bank and runs different Business Digitalization programs. Prior to that she was the Group IT Director of Crystal Ventures for 8 years and IT Project manager and Solution Architect of MTN Rwanda for 5 years and Deputy CEO /Center Coordinator for Electronic and ICT Center for 6 years. She also serves in different Boards as a Non-Executive Director.

JEAN PAUL NGABONZIZA

Head of Internal Audit

Jean Paul holds a degree in Business Administration-Accounting Sciences from National University of Rwanda (now UR). He is ACCA certified, a member of The Institute of Certified Public Accountants of Rwanda (ICPAR), a member of the Institute of Internal Auditors (IIA) and a BSI certified ISO 27001 Lead Auditor. He has over 15 years of experience in Audit with 13 years spent in Internal audit in Banking Industry. He joined Equity Bank Rwanda Plc in April 2020 as Head of Internal Audit. He has previously worked for BPR Bank (an Atlas Mara subsidiary) for over 2.5 years as Senior Audit Manager; I&M Bank Rwanda Plc as Senior Internal Auditor for over 7 years and Auditors General's Office of Rwanda as an Auditor of Public Business Enterprises for 2 years.

LOYCE K. BAMWINE

Director, Social Impact Investments

With over 18 years of experience, Loyce has deep expertise in Legal and Transaction Advisory, Corporate Governance, and Social Impact strategy. She holds a Master of Laws (LLM) from Utrecht University, The Netherlands, a Bachelor of Laws (LLB-Hons) and a Post Graduate Diploma in Law. Loyce is an Associate Chartered Arbitrator, a member of the East Africa Law Society, Rwanda Bar Association and, Institute of Directors (IoD London) trained Board Director, and has earned certifications in banking, and corporate governance.

During the year under review, Loyce served as the Director of Social Impact Investments where she led initiatives and programs aimed at promoting financial inclusion and empowering the underserved groups within the Rwanda communities particularly women, youth, refugees, small holder farmers and persons with disabilities. She transitioned into this role after 4 years of service as the Head of Legal. Prior to this, she held several senior roles in public and private institutions including as a Company Secretary and General Counsel for the Development Bank of Rwanda Plc, Commissioner at Rwanda Law Reform Commission, Commissioner at Rwanda Constitution Commission and Commissioner at Rwanda National Electoral Commission respectively.

She is a board member of Ngali Holdings Ltd and Rwanda Medical Supply Ltd, where she also chairs the Governance & Compensations Committees. Loyce is a former board member of Business Development Fund Ltd, Mantis Kivu Marina Bay Hotel and a member of the External Audit Committee for Rwanda Demobilisation and Reintegration Commission (RDRC).

EXECUTIVE MANAGEMENT PROFILES-CONTINUED

TASHOBYA BENON

Ag.Head of Legal

TASHOBYA Benon is a senior lawyer, holding a Bachelor of Laws (LLB-Hons) from the National University of Rwanda. He also holds a Post-Graduate Diploma in Legal Practice and Development and a mediation certification from Edwards Mediation Academy, USA. He is a member of the Rwanda Bar Association and the Rwanda Mediation Association.

In terms of career, Benon has served both in public and private institutions. He currently works as the Acting Head of Legal at Equity Bank Rwanda Plc, bringing over 12 years of diverse legal experience across the judiciary, non-governmental organizations, and the banking sector. Since February 2025, he has led the Bank's legal strategy, overseeing litigation, compliance, risk management, and recovery initiatives to safeguard the institution's interests within a strong legal framework.

He previously worked as a served as Manager of Litigation and Recovery Support at Equity Bank Rwanda, where he effectively managed complex legal matters and enhanced dispute resolution processes. His earlier career includes significant judicial service as a Judge and a president of the court in various Rwandan courts, as well as leadership in legal aid and mediation programs with the Certa Foundation.

MR. ERIC RUTABANA

Commercial Director

Eric is an accomplished business executive with over 20 years of experience in financial services and investment across Africa and the Middle East. As Commercial Director at Equity Bank Rwanda, he leads the bank's commercial strategy, revenue and balance sheet growth, market expansion, and customer engagement initiatives, driving inclusive finance and sustainable growth.

Prior to his current role at Equity Bank, Eric served in a number of senior roles in manufacturing and financial services including as CEO of Rwanda Development Bank (BRD), where he led major institutional reforms and positioned the bank as a key driver of national development. He also served as the Deputy Group CEO at Milbridge Group – involved in manufacturing of construction materials in Dubai, overseeing investments and operational expansion across multiple markets in Africa. He previously held senior roles in banking at KCB, BPR and I&M Bank as well as in the private equity at Business Partners SME Fund. He has served on a number of Boards including at I&M Bank Rwanda, Cogebanque, the Capital Market Authority, Rwanda Natural Resources

Authority, the Private Sector Federation (PSF) and a number other not-for-profit organization.

He holds an MBA in Finance from the Maastricht School of Management – the Netherlands and a Bachelor of Business Administration from the University of Rwanda.

JEAN NEPOMUSCENE BIZIMUNGU

Head of Risk

Bizimungu is a Seasoned banker with a proven track record of driving enterprise Risk Management and operational excellence in banking industry. Successfully spearheaded a vital role in an organization by identifying, assessing, and mitigating risks that could hinder the Bank's operations or objectives. He has aligned the risk appetite and management with business strategy and has strong experience in Strong business acumen and understanding of the industry landscape and integrating risk into decision making at Bank level. He developed and implemented a comprehensive risk management framework covering credit, market, operational, liquidity, compliance, and reputational risks. He played a pivotal role in safeguarding the bank's assets, ensuring regulatory compliance, maintaining investor and customer confidence, and supporting sustainable growth and He has been a key strategic advisor to the executive team and the board on all enterprise risk related matters.

He has 14 years' experience in the banking industry, specifically in enterprise Risk Management, Compliance Risk Management and credit underwriting process. More recently, he has been serving as Head of Risk since 2018 to date. Prior to occupying managerial role in risk management function, Bizimungu served as credit officer, senior compliance officer and risk and compliance assistant manager.

Bizimungu hold a Second-Class upper-level bachelor's degree in Monetary Economics from National University of Rwanda. He is Financial Risk Manager (FRM) certified from Global Association of Risk Professionals, and he holds an international certificate in Enterprise Risk Management from Institute of Risk Management in UK(IRM). He is also certified anti-money laundering specialists from CAMS, and he holds other professional certification like Certificate of competence in ICAAP/ILAAP models, ALM and Interest rate Simulation. He is also a member of CAMS and GARP.

GASTON NSENGIMANA

Head of Treasury

Gaston holds a bachelor's degree in Finance from University of Rwanda former School of Finance and Banking, and He holds an ACI Dealer Certificate, He is a Certified Professional Banker from School of Excellence Nigeria. Prior to joining Equity Bank Rwanda Plc, Gaston worked in Access Bank Rwanda Ltd for 7 years in various positions including Team member of Treasury from 2014 – October 2018 and Electronic business and Operations 2011 – 2013.

LILIOSE LARISSE NYINAWINKINDI

Head of Customer Experience

Liliose holds a degree in Management Information Systems and Marketing from Saint Peter's University in New Jersey, a CXPA-trained Customer Experience Professional, and an alumna of the Women in Leadership program at Strathmore University.

She brings over 18 years of experience spanning banking,

digital public services, and retail in both local and international markets. Her expertise lies in customer experience strategy, service excellence, customer engagement, and business transformation. Liliose is known for driving impactful customer-centric initiatives that align with business goals while improving service delivery and customer satisfaction.

Prior to joining Equity Bank Rwanda as Head of Customer Experience, she served as Director of Customer Experience and Service Distribution at Irembo Ltd. There, she led key initiatives including the launch of Rwanda's national contact center, expansion of access to digital public services, and the development of Irembo Academy to promote digital inclusion. She also established the user research function and played a central role in reducing fraud within the agent network.

Before Irembo, she led customer experience at KCB Bank Rwanda and spent nearly a decade in the United States as a Senior Sales Manager at CarMax.

Liliose currently serves as a Counselor for the City of Kigali Council and as Executive Bureau Secretary for the Council.



Equity Women Forum that brought together women entrepreneurs, industry leaders, and partners to discuss how financial inclusion and technology can empower women in business.

OPERATING ENVIRONMENT IN 2025

The global economy slowed in 2025, marking a clear moderation from 2024 as tighter financial conditions, trade fragmentation, and elevated geopolitical risks weighed on activity. According to the IMF, global GDP growth decelerated to about 2.8–3.2% in 2025, down from 3.3% in 2024, reflecting weaker-than-expected momentum in advanced economies and a gradual cooling in several large emerging markets. Advanced economies expanded by roughly 1.4–1.5%, constrained by restrictive monetary policy stances, fiscal consolidation, and structural demographic pressures. Emerging market and developing economies (EMDEs) continued to outperform advanced peers but also experienced a modest slowdown, with growth averaging around 3.7–4.2%, supported by resilient services activity and domestic demand, but offset by weaker trade flows and financing constraints.

Global inflation continued to decline in 2025, extending the disinflation trend that began in 2023, though progress remained uneven across regions. The IMF estimates that average global inflation eased to about 4.2–4.3% in 2025, down from approximately 5.7–5.8% in 2024, reflecting the lagged effects of tight monetary policies, easing supply chain pressures, and lower food and energy prices. Advanced economies made faster progress, with inflation nearing—or returning to—central bank targets in several countries. In contrast, inflation in EMDEs declined more gradually, constrained by food price sensitivity, exchange rate volatility, and lingering fiscal pressures in some large economies.

Sub Saharan Africa (SSA) experienced a stronger than expected year in 2025, with regional GDP growth estimated at around 4.4–4.5%, representing the fastest pace of expansion in over a decade. Growth was underpinned by macroeconomic

stabilization in several large economies, easing inflation, recovery in services, and favorable commodity prices for key exporters. However, the region's overall performance remained uneven and fragile, constrained by high public debt, limited fiscal space, climate related shocks, and persistent insecurity in parts of the region. Despite the rebound, per capita income gains remained insufficient to significantly improve living standards across many SSA countries. [thestar.com.my], [imf.org], [furtherafrica.com]

The East African Community (EAC) consolidated its position as one of Africa's fastest growing sub regions in 2025. Aggregate GDP growth reached approximately 6%, driven by sustained public and private investment in infrastructure, strong recovery in tourism and services, improved agricultural output, and expanding intra regional trade. Countries such as Rwanda, Uganda, Tanzania, and Ethiopia recorded particularly strong performances. Nonetheless, the region continued to face headwinds from elevated debt service costs, exchange rate pressures, and inflation persistence in some member states, underscoring ongoing macroeconomic vulnerabilities despite robust headline growth.



RWANDA PERFORMANCE SNAPSHOT: 2025 VS 2024

■ 2025 ■ 2024

Total Income



RETURN ON ASSETS

RETURN ON EQUITY

COST TO INCOME RATIO

Net Profit



4.3% 4.7%

28.9% 33.1%

39.0% 36.0%

Total Assets



RWANDA CONTEXT

Rwanda's economy accelerated strongly in 2025, with real GDP growing by 9.4%, up from 8.9% in 2024, reflecting broad based momentum across all major sectors of the economy. Growth strengthened progressively through the year, rising from 6.5% in Q1 to 11.2% in Q4, supported by robust domestic demand, sustained public investment, and recovery in high value services. This performance was among the strongest globally and reaffirmed Rwanda's position as one of Africa's fastest growing economies.

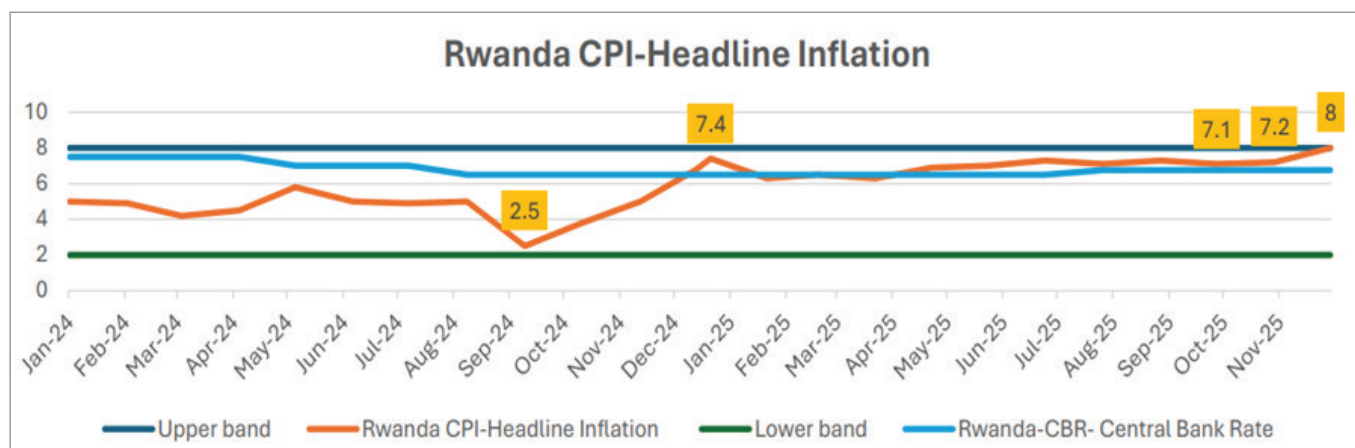
The expansion in 2025 was driven primarily by the services and industrial sectors, which continued to record double digit growth over the second half of the year, reflecting strong activity in trade, transport, tourism, financial services, construction, manufacturing, and mining. Agriculture recorded moderate growth, supported by improved weather conditions and ongoing productivity enhancing interventions, though its contribution remained constrained by structural and climate related factors. The structure of the economy remained broadly stable, with services contributing just under half of GDP, followed by agriculture at about one quarter and industry at just over one fifth, consistent with Rwanda's medium term transformation trajectory.

Inflationary pressures continued to ease during 2025, consolidating the sharp disinflation recorded in 2024. Headline inflation remained contained within the National Bank of Rwanda's policy target range for much of the year, supported by improved food supply conditions, relative stability in energy prices, and the lagged effects of prudent monetary tightening. While price pressures persisted in transport and other imported inflation sensitive components, reflecting fuel price movements and exchange rate pass through, overall inflation dynamics were consistent with macroeconomic stability and recovering real incomes. The inflation outcome in 2025 strengthened consumer confidence and supported sustained private sector activity.

The Rwandan Franc (RWF) depreciated moderately against the US Dollar in 2025, reflecting both external pressures and domestic foreign exchange demand dynamics. Over the course of the year, the USD/RWF exchange rate averaged approximately RWF 1,433 per USD, up from levels at the start of the year, representing an annual depreciation of about 5.9%. The exchange rate moved progressively wider through the year, with the Rwandan Franc weakening from around RWF 1,377 per USD in January 2025 to a peak of about RWF 1,459 per USD in October 2025, before stabilising towards year end.

Exchange rate pressures in 2025 were driven primarily by strong import demand associated with infrastructure development, capital goods, energy, and consumer imports, alongside sustained demand for foreign currency to finance large public and private investment projects. These pressures were partly offset by robust export performance, particularly in minerals, coffee, tourism receipts, and remittance inflows, which helped moderate the pace of depreciation compared to previous years. As a result, foreign exchange market conditions improved relative to 2024, with a more orderly adjustment of the exchange rate supported by active liquidity management by the National Bank of Rwanda (NBR).

Despite the depreciation, exchange rate volatility remained contained in 2025, reflecting NBR's continued commitment to a market determined exchange rate regime, complemented by targeted interventions to smooth excessive short term fluctuations. By mid 2025, the Rwandan Franc had depreciated by about 3.0% year on year against the US Dollar, a slower pace than in the corresponding period of 2024, indicating easing pressures in the foreign exchange market. Overall, USD/RWF developments in 2025 remained consistent with macroeconomic stability, supporting external competitiveness while avoiding disorderly currency movements.





DELIVERING ON
OUR STRATEGY

DELIVERING ON OUR STRATEGY

Creating sustainable shared value across Africa

OUR INTEGRATED TRANSFORMATION APPROACH

Equity Bank Rwanda's strategy is not a collection of initiatives — it is a system. It is designed as an integrated architecture that connects mission, institutional capability, operating discipline, and financial structure into a single, unified execution platform. Rather than treating growth, resilience, and impact as separate or competing objectives, the model aligns them within a coherent framework where commercial performance compounds with social progress and sustainability outcomes. In FY2025, that architecture delivered its strongest results to date validating not only the quality of the strategy, but the maturity of the institution executing it.

At the heart of our strategic conviction is a fundamental insight about Africa: the continent's greatest opportunity lies not only in its natural resources or demographic strength, but in the deliberate and disciplined integration of people, enterprises, capital, and markets. Isolated projects generate activity. Coordinated systems generate structural change. Durable transformation therefore requires institutions that endure across cycles, platforms that accumulate and retain learning, and financial architectures that scale in proportion to performance. This is the standard to which Equity holds itself, and it is the standard against which the Bank's strategy has been designed.

Our integrated transformation approach rests on mutually reinforcing anchors, each performing a distinct and essential function within the overall system. The Africa Recovery and Resilience Plan serves as the strategic north star — a mission framework that defines priorities, sequences investments across six pillars, and anchors capital allocation and partnership strategy within a long-horizon transformation agenda. Private Sector-Led Development (PSLD) provides the institutional logic of delivery, positioning the Bank as a permanent coordinating platform that aligns capital, capability, and market opportunity across value chains, ensuring that growth is embedded within productive ecosystems rather than extracted from them. The Three-Engine Model — integrating Social, Economic, and Sustainability Engines into a single execution discipline — ensures that capability building translates into commercial cash flow, and that commercial expansion reinforces rather than undermines environmental and social resilience.

Together, the ARR, PSLD and the Three-Engine model form an execution system in which every component is designed to

compound across cycles. Geographic expansion strengthens corridor integration. Digital innovation deepens financial inclusion and operational efficiency. Social investment enhances enterprise productivity and long-term economic stability. Financial discipline ensures that impact is not only meaningful but scalable and sustainable. Progress in one dimension strengthens all others.

The result is a durable platform for sustainable shared value creation one where economic growth strengthens resilience, resilience deepens inclusion, and inclusion expands the foundations for wealth creation and long-term prosperity across the communities, markets, and economies that Equity serves. The sections that follow describe each pillar in detail, and demonstrate how their integration delivered measurable transformation across Africa in FY2025.

The Africa Recovery and Resilience Plan (ARRP)

Conceived not as a crisis response but as a blueprint for permanent structural reform, the ARR aligns recovery with resilience, competitiveness with sustainability, and ambition with disciplined execution.

Launched on 7 March 2022, the ARR emerged from a period of profound global disruption. Pandemic shocks, climate volatility, geopolitical fragmentation, and tightening global liquidity had exposed deep structural vulnerabilities across Africa's supply chains, fiscal systems, and household balance sheets. The experience crystallised a central and enduring conviction: recovery without reform simply restores fragility. Lasting resilience requires deliberate redesign. The ARR was therefore structured not as a stimulus programme, but as a transformation framework — one that recognises Africa's long-term strength in the coordinated development of its value chains, the competitiveness of its enterprises, the depth of its human capital, and the sustainable management of its natural resources. It reframes disruption as an inflection point and positions resilience as the outcome of disciplined, system-level institution building.

Each pillar addresses a distinct structural driver of economic performance. The sequencing logic ensures that investments in one area reinforce and accelerate progress in others — strengthening productive depth, expanding market access, and embedding sustainability into growth pathways in a way that compounds across cycles rather than diminishing over time.

DELIVERING ON OUR STRATEGY (CONTINUED)

The Six Pillars of the ARR

The ARR is structured around six interconnected pillars, each designed to address a specific dimension of Africa's productive capacity. Together, they form a coherent system for linking people to markets, enterprises to capital, and local production to regional and global demand. The table below sets out each pillar alongside the Bank's 2030 goals and targets — the strategic milestones against which Equity measures its progress and holds itself accountable.

THE AFRICA RECOVERY AND RESILIENCE PLAN

(ARRP)

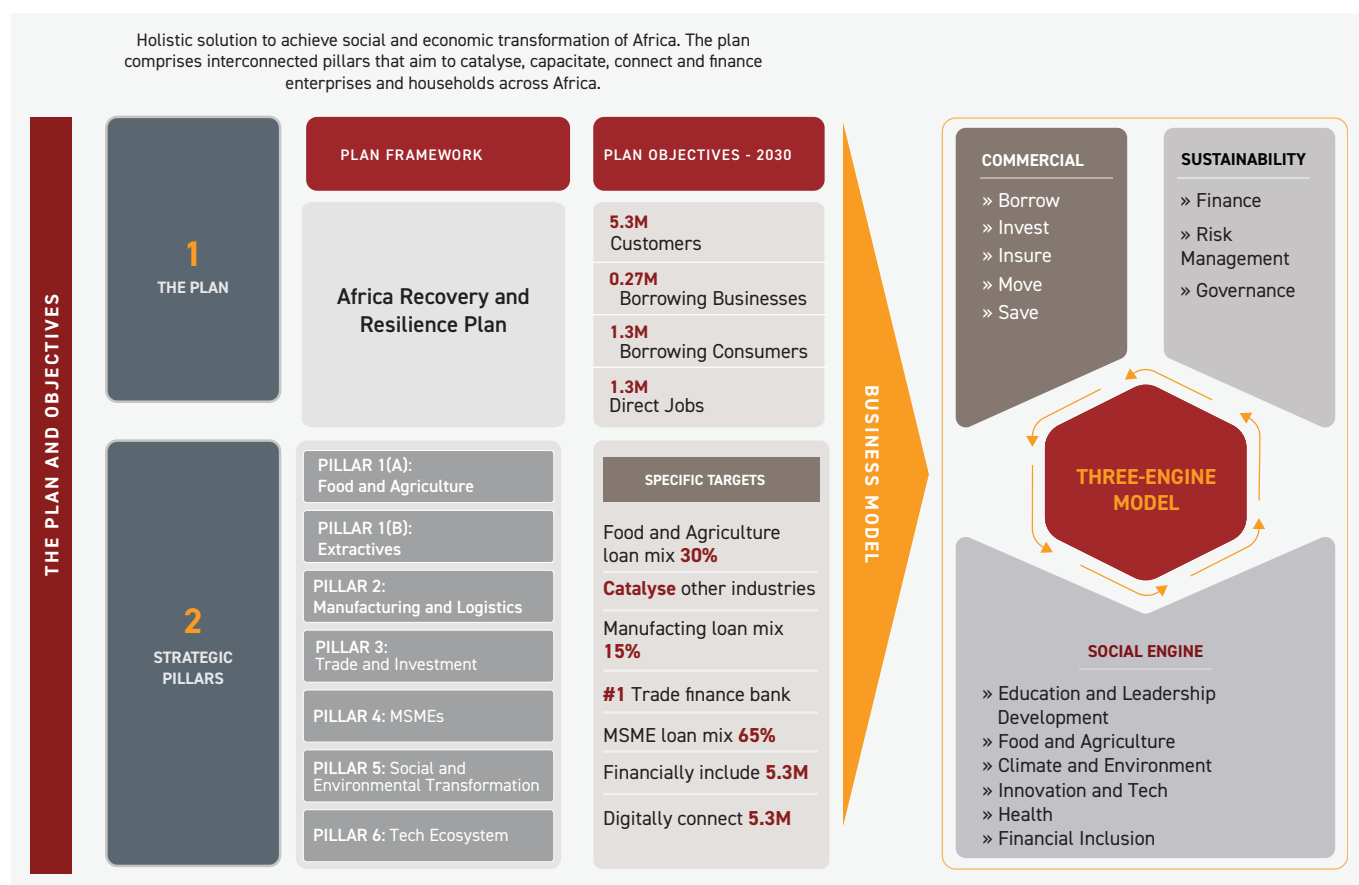
The Equity Bank Rwanda Plc strategy is a multi-pronged and holistic solution to achieve the social and economic transformation of Africa. This unconventional strategy represents our belief that financial services are a critical

facilitator of improving livelihoods, safeguarding nature and the environment and enabling social-economic development. The Plan focuses on three key approaches and is anchored on six key pillars, with a clear set of targets to be achieved by 2030.

The Plan

The ARR aims at catalysing the transformation of Africa through:

- Capacitating and enhancing productivity of raw material producers
- Integrating primary producers to more co-ordinated African productive / manufacturing capacities
- Connecting primary and secondary sectors to global supply chains, capital, skills, and technology



DELIVERING ON OUR STRATEGY (CONTINUED)

The Six Pillars of the ARRP (Continued)

Each pillar is about more than just numbers; it's about connecting people to opportunity, building industries that last, and making sure no one is left behind.

The ambition embedded in these targets reflects Equity's role not merely as a financial services provider, but as a platform for continent-wide economic transformation. By 2030, the Bank is committed to building a customer base of 5.3 million individuals and enterprises, creating 1.3 million direct jobs, achieving a food and agriculture loan mix of 30%, an MSME loan mix of 65%, and digitally connecting 5.3 million users across Rwanda. These are not aspirational statements they are the benchmarks of a strategy under active execution, and the sections below demonstrate how each pillar is being advanced.

PILLAR 1: FOOD, AGRICULTURE AND EXTRACTIVES — 2025 SCORECARD

Food security and agricultural productivity represent both Africa's greatest vulnerability and its greatest untapped opportunity. Under this pillar, the Bank is committed to sustainably commercialising smallholder producers, driving productivity gains through enhanced farming practices, input financing, and asset finance systems — while catalysing value addition and industrialisation in the extractives sector. The 2030 target of a 30% food and agriculture loan mix, against a current FY2025 level of 10%, reflects the scale of the transformation underway and the depth of the Bank's commitment to unlocking Rwanda's agriculture as a commercial and development asset.

PILLAR 2: MANUFACTURING AND SERVICES — 2025 SCORECARD

Africa's long-term economic transformation depends on moving up the value chain from raw material extraction to processing, manufacturing, and services that retain value on the continent. Under this pillar, the Bank is focused on scaling value-chain anchors, deepening credit penetration of the manufacturing sector, and establishing manufacturing and services hubs across key regional economic corridors. The 2030 target of a 15% manufacturing loan mix, against a FY2025 result of 6%, reflects both the scale of the opportunity and the deliberate sequencing required to build the enabling conditions for manufacturing-led growth.

PILLAR 3: TRADE AND INVESTMENT — 2025 SCORECARD

Deepening intra-African and intercontinental trade is central to the continent's long-term economic sovereignty. Under this pillar, the Bank is working to stimulate regional

and international trade linkages, attract foreign direct investment, skills, and technology, and leverage frameworks such as the African Continental Free Trade Area (AfCFTA) and East African Community (EAC) to expand market connectivity. The 2030 target of becoming the leading regional finance bank for trade and investment is a statement of institutional ambition and commercial conviction.

PILLAR 4: MSMEs — 2025 SCORECARD

Micro, small, and medium enterprises are the backbone of Africa's economy, accounting for the majority of employment and a significant share of GDP across the country. Under this pillar, the Bank is focused on catalysing entrepreneurship, building MSME capacity, accelerating linkages to formal value chains, and expanding access to credit across the MSME sector. The 2030 target of a 65% MSME loan mix, against an FY2025 result of 31%, reflects the Bank's ambition to fundamentally reorient African finance toward the enterprises that drive inclusive growth and wealth creation.



Equity Bank Rwanda and FAGACE have signed an MOU to make financing more accessible for SMEs.

DELIVERING ON OUR STRATEGY (CONTINUED)

PILLAR 5: SOCIAL AND ENVIRONMENTAL TRANSFORMATION – 2025 SCORECARD

Sustainable economic transformation cannot be achieved without investing in the human and environmental foundations that make it possible. Under this pillar, the Bank is committed to championing financial literacy, facilitating entrepreneurship training, enabling access to quality and affordable healthcare, and driving environmental transformation through responsible resource allocation and nature-positive investment. The 2030 goal of financially including 5.3 million people underscores the scale of social and environmental impact the Bank is pursuing alongside its commercial objectives.

PILLAR 6: TECHNOLOGY-ENABLED ECOSYSTEM – 2025 SCORECARD

Technology is both an enabler and an accelerator of every other dimension of the ARRP. Under this pillar, the Bank is committed to digitising value chains and trade corridors, driving digital velocity across the ecosystem, and connecting MSMEs and smallholder farmers to formal digital financial services. The 2030 goal of digitally connecting 5.3 million users reflects the Bank's conviction that digital inclusion is inseparable from economic inclusion, and that building Africa's digital infrastructure is as much a development imperative as it is a commercial one.

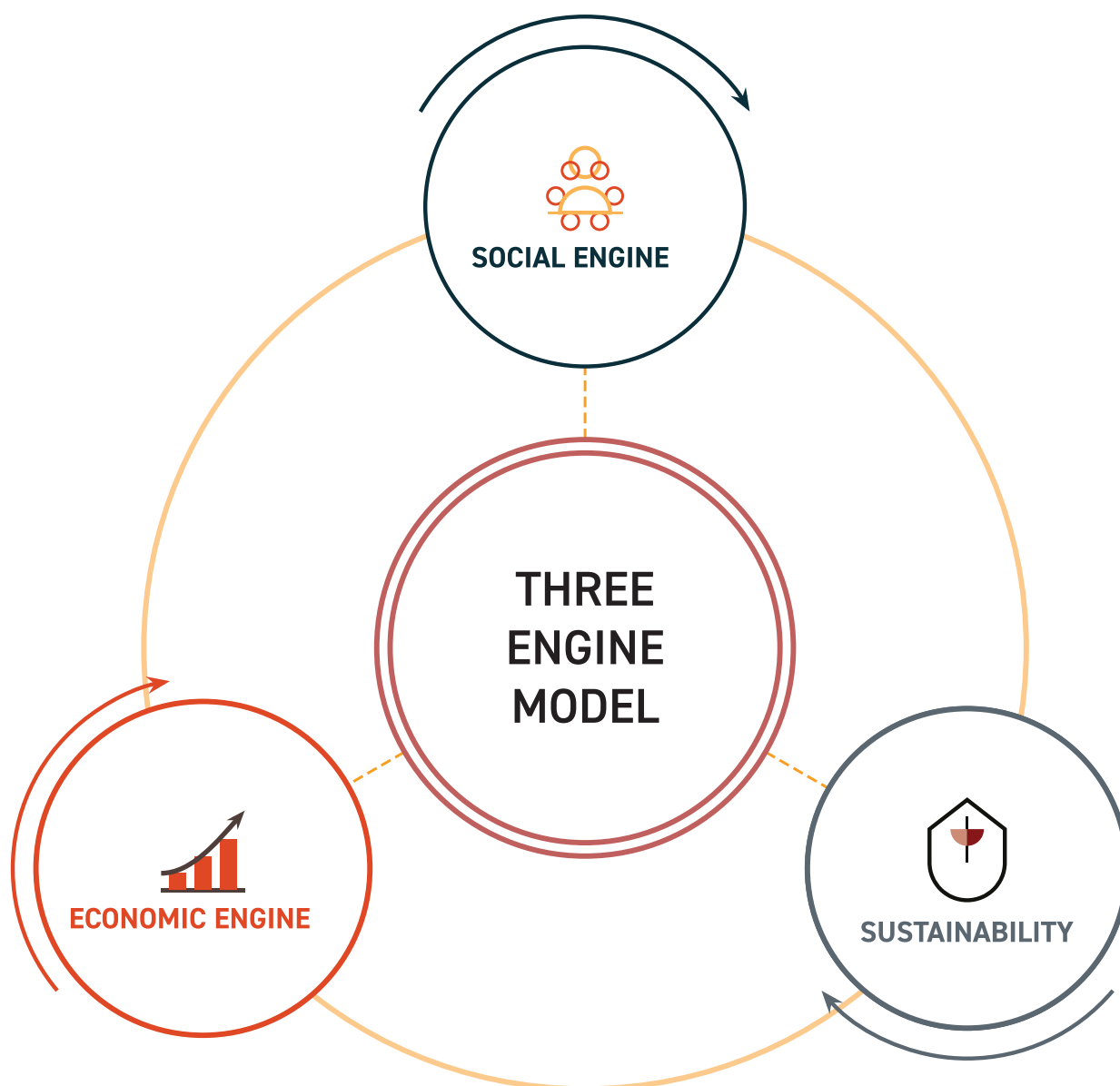


Mr. Hannington Namara (l), Equity Bank Rwanda MD and Ms. Teddy Mugabo (r), CEO - Green Fund Rwanda after signing and formalizing a MoU to advance climate resilience and sustainable development in Rwanda.

THE THREE-ENGINE ECOSYSTEM

Our Three-Engine Model is executed through an ecosystem approach that holistically supports value chains and households.

Builds capability and inclusion, opening doors for people and businesses to participate in the formal economy



Turns participation into income and growth, embedding financial solutions directly into value chains

Ensures progress is resilient and responsible, weaving governance and stewardship into everything we do

Our value-creating business model

Our tri- engine business model portrays how we deploy our capitals to create sustainable value for stakeholders in line with our strategy. We operate an inclusive, high volume, low margin, digital and experiential, agile and quality-driven business model.

Our inputs

Financial capital

Our financial resources including assets and reserve funds as well as diversified sources of deposits and funding from investors, lenders and clients that are used to support our customers and reward shareholders for the capital invested.

- Total assets Rwf 1,469.96bn
- Deposits Rwf 991,741bn
- Rwf 222.07bn shareholders funds

Human capital

Our employees, together with their individual and collective competencies, abilities, experience, and expertise and the overall workplace culture that enable innovation and the delivery of value for all stakeholders.

- 1,009 employees
- Highly skilled and experienced leadership
- Motivated and competent employees
- High performance culture
- A highly diversified staff complement

Intellectual capital

Our intangible assets including proprietary procedures and intellectual property (IP), knowledge, policies, vision, mission, purpose and the value of our positioning, brand, and reputation.

- Strong and highly recognised brand
- Dual engine model
- Africa Recovery and Resilience Plan
- Deployment of Digital channels
- Proprietary technology
- Strong governance structure
- Management systems

Manufactured Capital

Our buildings, properties, vehicles, and physical infrastructure that underpin our operations.

- Presence in all provinces in the country
- Representative service centers
- 36 branches
- 54 ATMs
- 2,950 POS machines
- 6,097 Agent Outlets
- 1.51m customers
- 1.7m customer accounts

Social and relationship capital

The partnerships and associations we build with third parties, providers and suppliers, our communities and stakeholders, and the mutual benefit that this brings. Our ability to leverage our brand to create value and enhance levels of financial inclusion.

- Financing for water, sanitation, and hygiene reached over RWF 3.5 billion, benefiting more than 160 households and micro, small, and medium enterprises
- 41,000 trees were planted
- RWF 11.85 billion in green loans were disbursed
- A total of 258 green accounts were opened
- 899 staff members, representing 89 percent of the workforce, trained on ESG and climate risk management.
- 1009 staff have been equipped with ESG Related and Climate Risk Management skills
- RWF 4.5 billion was disbursed toward energy financing, supporting the adoption of renewable energy and clean technologies.

Nature capital

The direct use and impact we have on natural resources through our own operations, including energy and water our focus on reducing our own level of exposure to climate change and biodiversity impacts across our value chain.

- Clean energy products rolled out in 2025.

FINANCIAL REVIEW

DEPOSITS

RWF 1,049.47 BN



LOANS

RWF 715.88 BN



REVENUE GROWTH

14.6%



TOTAL REVENUE

RWF 172.53 BN



PROFIT BEFORE TAX

RWF 82.53 BN



RETURN ON EQUITY

28.9%



PROFIT AFTER TAX

RWF 59.19 BN



EPS

2.32



NPL COVERAGE

65.2%



TOTAL ASSETS

RWF 1,469.96 BN



POINT OF SALE (POS) OUTLETS

2,950



NPL

3.1%



COST INCOME RATIO (Without loan loss provisions)

36.9%



SHAREHOLDERS' FUNDS

222.1BN



COST OF FUNDS

2.5%



CORE CAPITAL/TRWA

17.72%



TOTAL CAPITAL/TRWA

18.97%



Overview

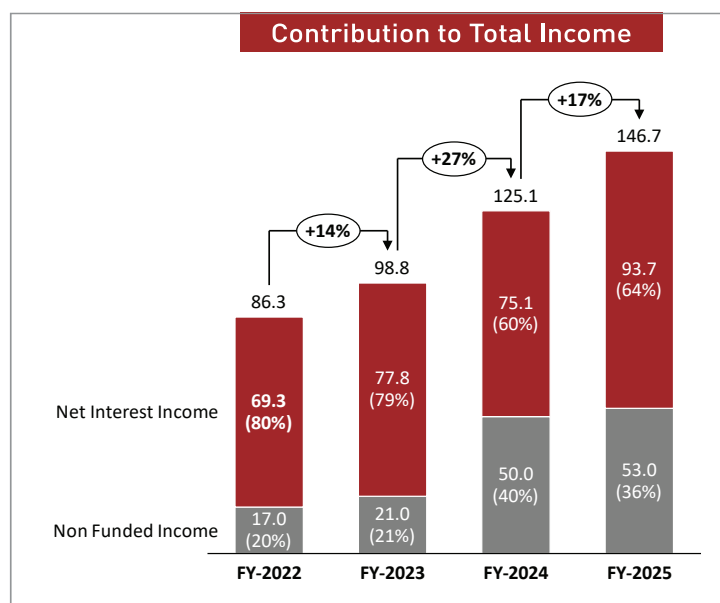
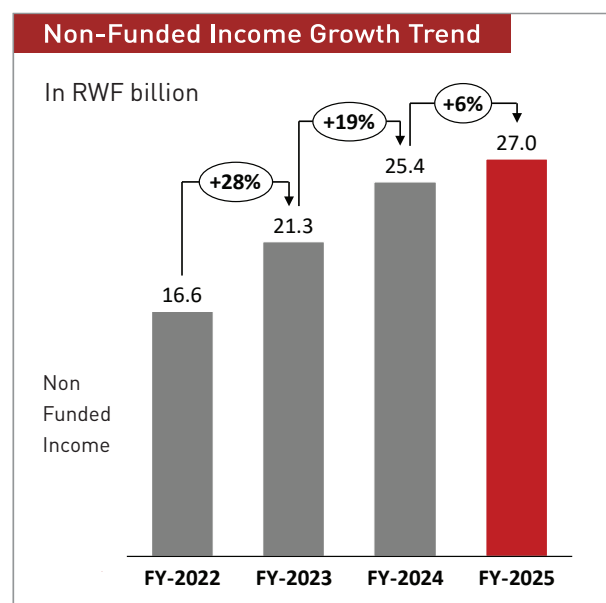
The Bank delivered strong balance sheet growth in 2025, with total assets expanding to RWF 1,469.96 billion (up from RWF 1,330.06 billion in 2024), supported by a robust increase in deposits to RWF 1,049.47 billion (+5.8% YoY) and a significant expansion in the loan book to RWF 715.88 billion (+28.6% YoY). Total revenue grew by 14.6% to RWF 172.53 billion, reflecting sustained business momentum across core income lines. Profitability improved moderately, with Profit Before Tax reaching RWF 82.53 billion and Profit After Tax rising to RWF 59.19 billion, while Earnings Per Share increased to RWF 2.56. The Bank maintained strong capitalization, with Core Capital to Risk Weighted Assets improving to 17.72% and Total Capital ratio strengthening to 18.97%, ensuring adequate buffers to support future growth.

Notwithstanding the strong balance sheet expansion, key efficiency and profitability metrics moderated, with Return on Equity declining to 28.9% and cost-to-income ratio increasing to 36.9%, reflecting deliberate investment in growth, digital capability, and operational resilience. Asset quality improved, with the NPL ratio declining to 3.1%; however, NPL coverage reduced to 65.2%, indicating a recalibration of provisioning levels. Cost of funds improved to 2.5%, supporting margin stability.

Our Internal Capital Adequacy Assessment Process (ICAAP) enables us to maintain appropriate capital resources, manage risks and meet capital adequacy requirements. It also guides our cost optimisation efforts and where we allocate financial resources. Overall, capital allocation focuses on supporting value creation and ensuring high returns on deployed financial capital.

FINANCIAL REVIEW

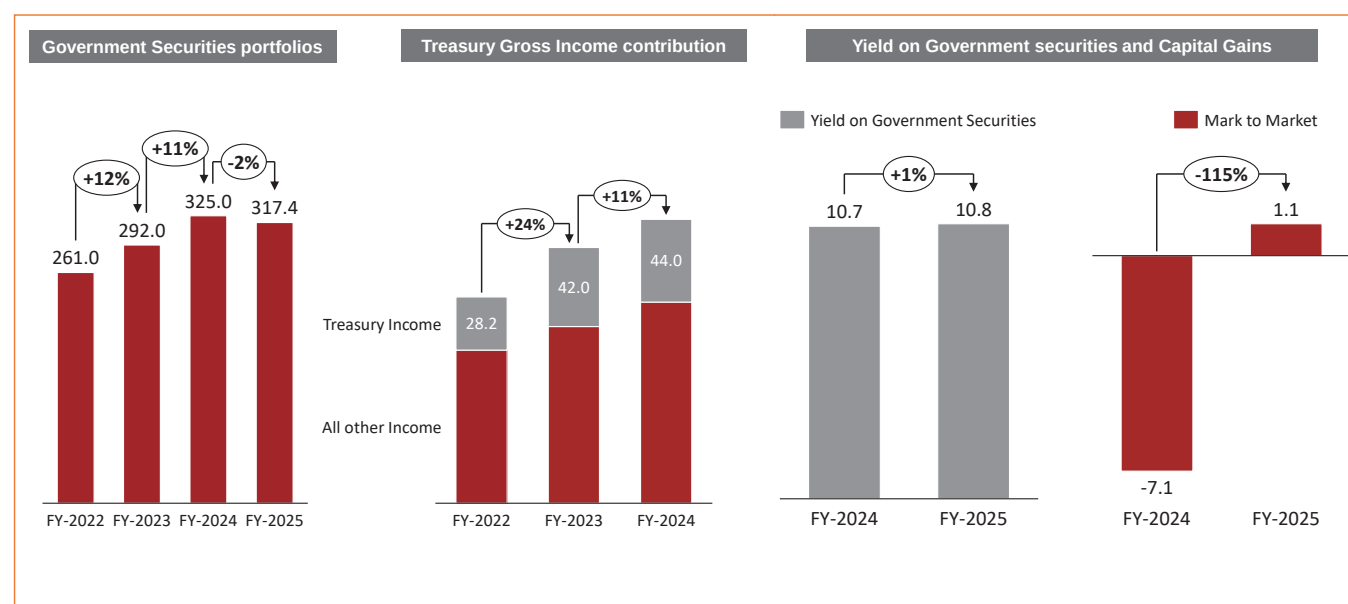
Focus Area 1: Non-funded income



Overview

Non-funded income grew modestly by +6%, increasing from RWF 25.4bn in FY-2024 to RWF 27.0bn in FY-2025, indicating a continued but slower recovery in fee-based income streams compared to the stronger +19% growth recorded in FY-2024. These fees include SWIFT income, Trade finance, mobile banking fees, bank transaction fees and bancassurance. For the year 2025, non-funded income contribution to total income was 36%.

Focus Area 2: Treasury operations



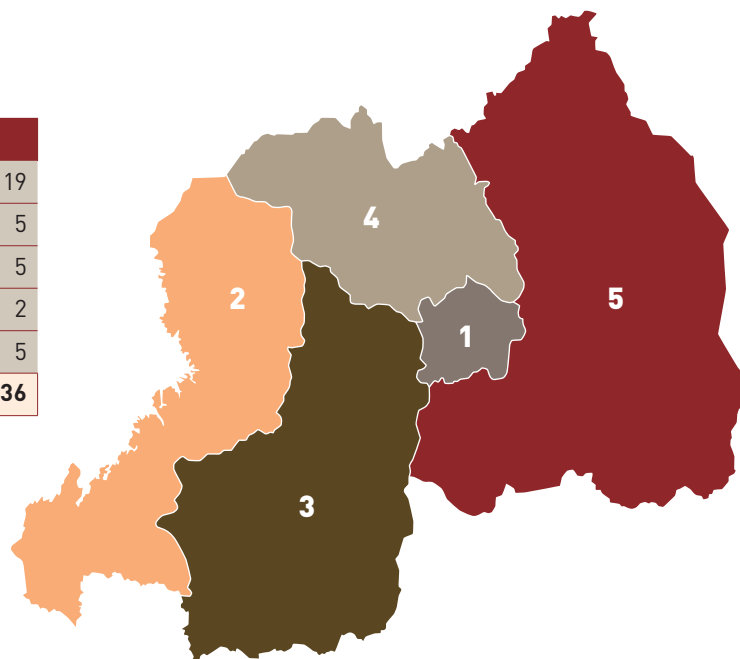
Treasury operations in FY-2025 show improved earnings quality and reduced volatility, with performance increasingly supported by core yield income rather than market revaluation losses, strengthening the sustainability of treasury contribution to the Bank's income. This has primarily been through interest income derived from trading in government securities.

FINANCIAL REVIEW

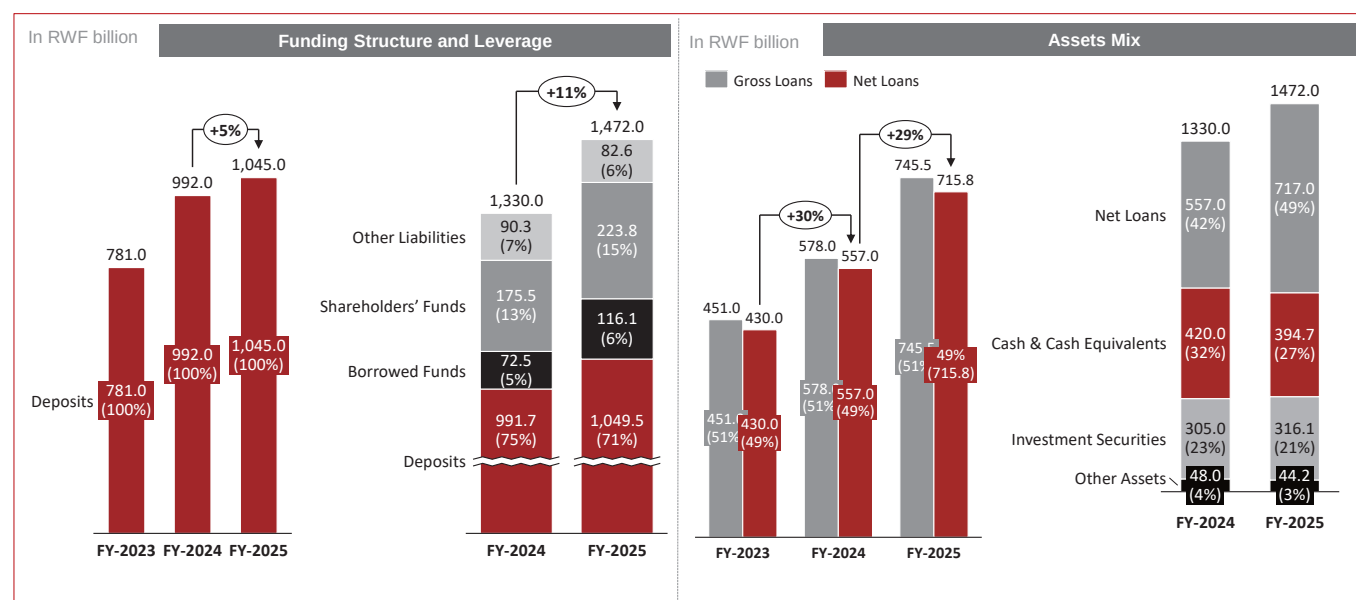
Focus Area 3: Geographic Expansion and Business Diversification

The bank continued to expand using physical and digital tools. During the year 2025, the bank operates with 36 Branches

Branch distribution Per Rwanda Provinces	
1. Kigali	19
2. Western	5
3. Southern	5
4. Northern	2
5. Eastern	5
Total	36



Focus Area 4: Balance-sheet efficiency, optimisation and agility



Our balance sheet remains agile, enabling us to invest excess liquidity as opportunities arise.

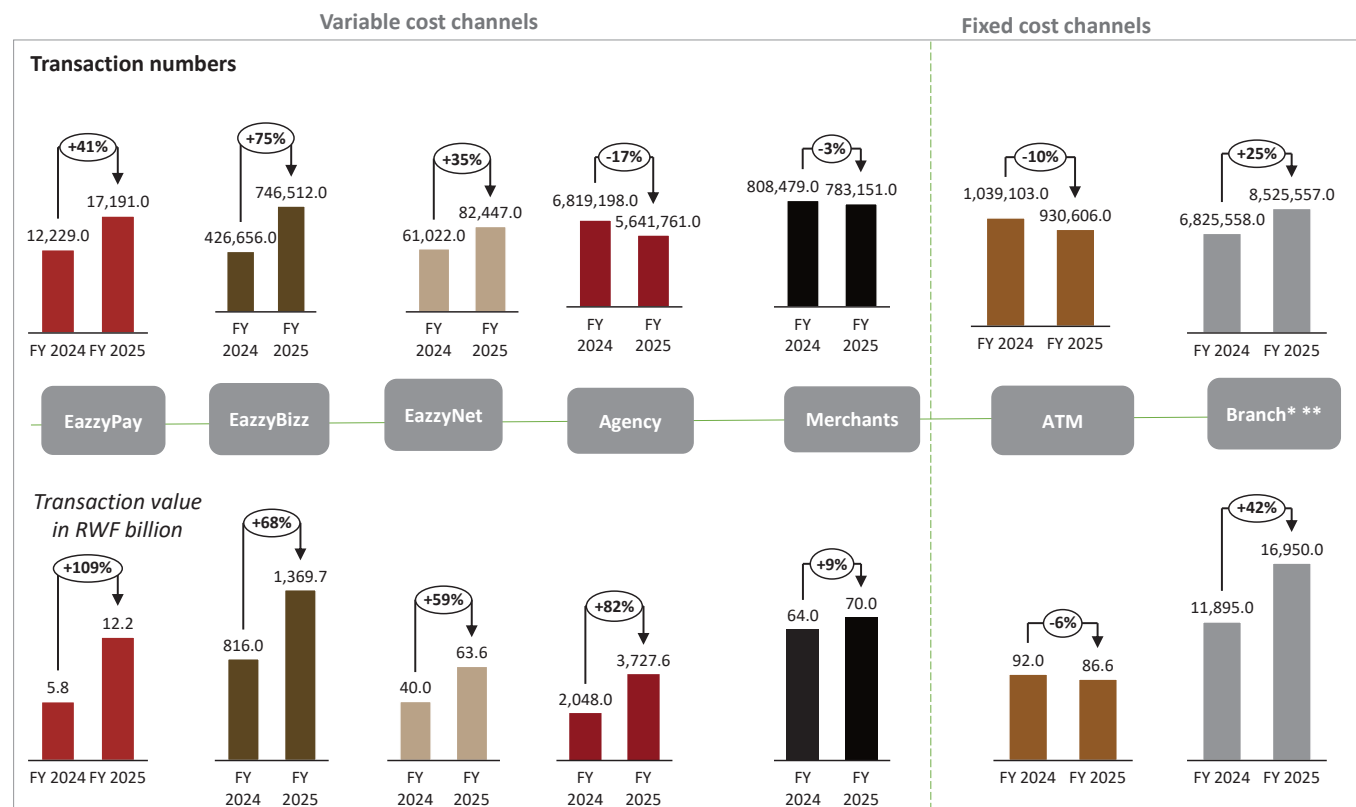
- » Balance sheet expanded (+11%) to RWF 1,472bn, driven by loan growth (+17% to RWF 717bn), reinforcing the Bank's focus on asset expansion and credit intermediation.
- » Deposits grew moderately by +5% to RWF 1,045bn, remaining the primary funding source (71%), though slightly down from 75% in FY-2024, indicating gradual diversification of funding

The Bank will therefore focus on growing the loan book as liquidity moves from defensive purposes to a more assertive stance focused on private sector credit.

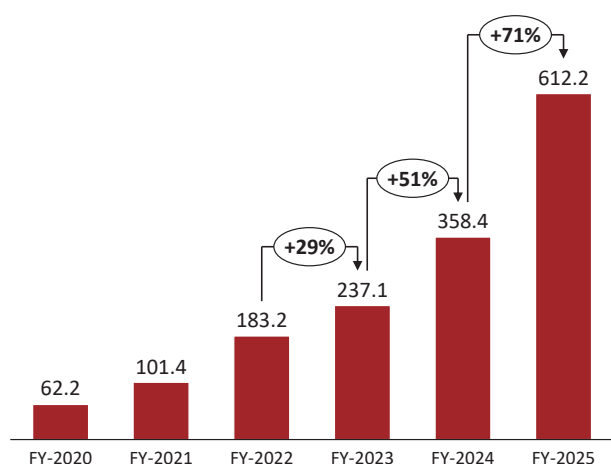
FINANCIAL REVIEW

Focus Area 5: Business transformation through innovation and digitisation

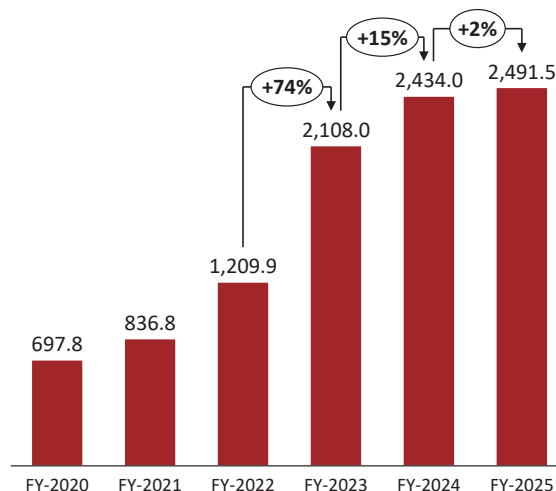
We prioritise technology as a crucial enabler for conducting our business operations and delivering on our strategic objectives in the Africa Recovery and Resilience Plan (ARRP). We are pursuing a level of deepened digital transformation to effectively cater to end consumer needs across our vast territories to deliver on our plan.



■ MT Transaction Volumes in Rwf Billions



■ Total Commissions in Rwf Millions

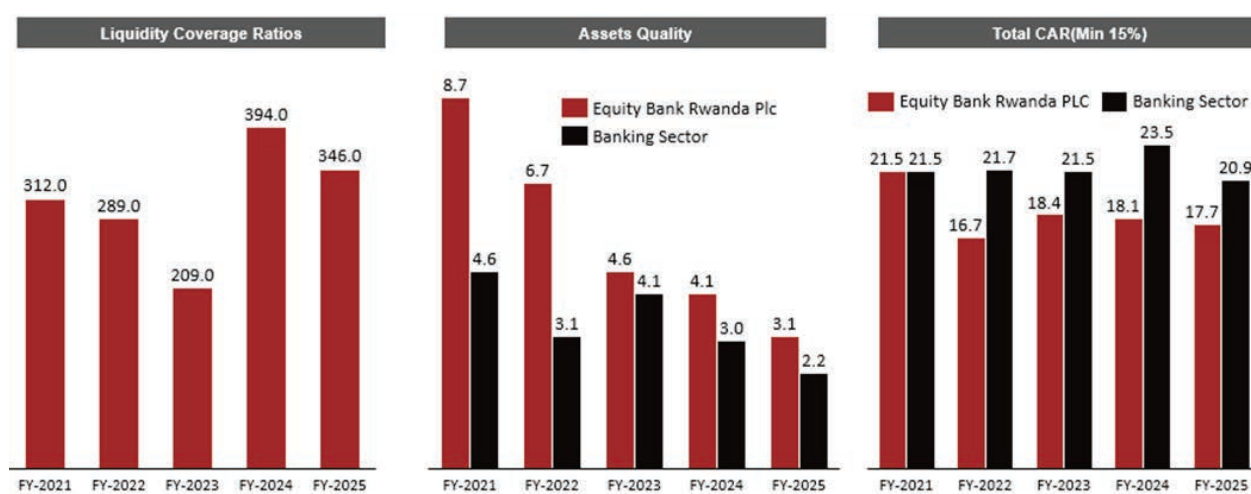


FINANCIAL REVIEW

Focus Area 6: Asset quality, distribution and risk mitigation

We closed the year with an NPLs ratio of 3.1% against an industry average of 2.2%. The Bank continues with proactive customer relationships and engagement.

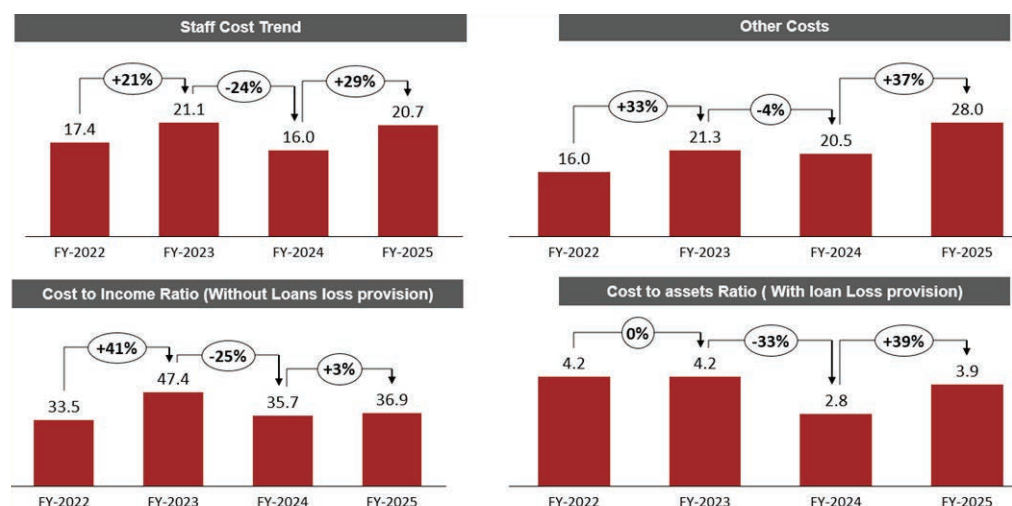
- » Liquidity remains strong despite moderation, with LCR at 346% in FY-2025 (down from 394%), still significantly above regulatory thresholds, indicating comfortable liquidity buffers even with increased lending activity.
- » Asset quality improved but remains above industry levels, with Equity NPL ratio declining from 4.1% to 3.1%, reflecting strong recoveries and better credit management. However, NPLs are still higher than the banking sector (3.1% vs 2.2%), indicating continued need to strengthen portfolio quality to align with industry benchmarks.
- » While the Bank maintains adequate regulatory capital, the gap versus industry peers highlights relatively tighter capital headroom, especially in the context of continued loan growth and balance sheet expansion, warranting close capital management going forward.



Focus Area 7: Efficiency and cost optimisation

Cost optimization is aimed at ensuring we deploy our resources in a cost-effective manner while maximizing on value, thus enabling us to allocate our resources effectively, eliminating wastage and enhancing profitability. We regularly monitor our expenses, identifying ways to address cost escalations and eliminate unnecessary expenditure.

We also place an emphasis on improving operations and streamlining processes to realize efficiency in our operations. Our cost to income ratio stood at 36.9% (2023: 35.7%) despite the staff costs rising +29% (to RWF 20.7bn) and other costs up +37% (to RWF 28.0bn), reflecting investment in growth, capacity, and operations.



OUR APPROACH TO STAKEHOLDER MANAGEMENT

Managing our stakeholders

We recognise that our key stakeholders are those groups who are materially impacted by our business activities. We acknowledge that for us to determine and respond appropriately to their needs and concerns, their interests require ongoing input, insight, commitment.

Our stakeholders form the core component of our social and relationship capital, and it is our positive and productive relationships with them that enable us to guide and tailor our strategy, benefit from the opportunities and understandings that arise from our engagement with them, provide the services, products and regulatory compliance entailed in the expression of their needs and concerns, and manage the risks and challenges that we face.

Our approach to engaging with our stakeholders

We are committed to open, transparent, and continuous communication with our stakeholders in order to gain the understandings upon which we depend in order to maximise the mutual knowledge and insight inherent in our relationships, and to enable and incorporate feedback that can be translated into the meaningful strategy and intent that inform our business decisions and actions.

Our engagement with our stakeholders is defined by our values and underpinned by our vision of being the champion of the socio-economic prosperity of the people of Africa, and our mission to offer inclusive integrated financial services that socially and economically empower consumers, businesses, and communities. It is the positive and proactive management of those relationships that enable us to realize our purpose of transforming lives, conferring dignity and expanding opportunities for value and wealth creation.

Engaging with our stakeholders in 2025

Key concerns	Communication methods	The value we create
Shareholders and investors		
> Efficient capital allocation as we expand > Sustainable growth and payment of dividends > Sustainability considerations into our business practices > Strong and experienced management team > Transparent reporting and disclosures	> Annual General Meeting > Investor conferences, and meetings > Newspaper publications > Annual financial statements > Investor relations section on the website	> Delivering by increasing net asset value and net earnings > Continuous engagement to ensure full disclosure and open communication to inform their investment decisions > The adherence of management to a disciplined process of capital allocation that ensure we venture into growth markets where our model of shared prosperity will continue to be profitable and sustainable > Payment of dividends, enabled by the growth resulting from our strategic decisions in the prior year > Maintaining a safe balance sheet by holding adequate provisions and keeping a high coverage of non-performing loans
Customers		
> Simple, intuitive, and time-efficient banking solutions > Excellent customer service > Innovative solutions that address growing customer needs	> Contact Centre, branches and online platforms and apps > EBR plc website > Facebook and Twitter platforms	> Safeguarding deposits, investments, and wealth, while growing returns > Providing credit that enables wealth creation, economic development and job creation > Facilitating transactions that are the backbone of economic value exchange > Enabling financial inclusion by providing access to affordable products for the underbanked

Engaging with our stakeholders in 2025 (continued)

Employees		
> A safe and healthy work environment > Fair remuneration, effective performance management and recognition > Career development and advancement opportunities	> Internal website > Equity newsletter > Employee surveys > Leadership mentorship forums	> >Employing citizens in the jurisdictions in which we operate > Rewarding staff for the value they add > Creating job opportunities as we grow > Developing our staff to further their careers and improve our services and products > Promoting transformation into an inclusive society through employment equity and gender equality > Motivating and energizing our workforce

Key concerns	Communication methods	The value we create
Society		
> Ethical and social responsibility > Do good and positively transform the economy and society at large	> Equity Social Impact investments partnering with communities on various initiatives > Investing in communities through flagship projects such as, Equity Leaders Programme	> Embracing sustainable banking practices and regulatory compliance that enable a safe and stable banking system, and a thriving society > Playing a meaningful part in the broader society as a procurer of goods and services > Making a difference through our corporate social investment activities > Positively transforming economies and society through our activities and lending > Initiating social development initiatives through the Equity Group Foundation with the aim of transforming lives and livelihoods
Regulators and policy makers: > The Central Banks > The Revenue Authorities > The Capital Markets Authority > Compliance with legal and regulatory requirements > Being a responsible taxpayer > Active participation and contribution to industry working groups > Establishment and adherence to good corporate governance practices	> Submission of required returns > Engagement through industry consultative bodies > Partnering on key areas of education, health, and resource conservation	> Complying with set rules and regulations to ensure a stable financial sector > Collaboration to deepen financial inclusion > Contributing meaningfully to government budgets through corporate and personal taxes > The buying of government and public-sector bonds.

HUMAN CAPITAL

Equity Bank Rwanda Plc 's Human Resources Strategy has four strategic thrusts over the next two to three years:

1. Organising ourselves for growth through a market-focused target operating model and structure.
2. Delivering superior sustainable value creation for our stakeholders through a robust Productivity and Performance Management Framework.
3. Harnessing high employee engagement and retention through deployment of a competitive employee value proposition (including Total Rewards).
4. Building robust succession plans for key positions and career development pathways for our key talent.

In 2025 we continued to focus on sharpening our productivity and performance management approaches as we adopted the balanced score card to measure and review employee contributions. We now have productivity dashboards for the Bank functions as well the teams. This is in line with our commitment to promote a high-performance culture that focuses on delivering value for stakeholders while ensuring the right employee experience.

We also focused our attention on building talent pools, succession planning and career development for our key talent. Learning for growth and inculcating a high-performance culture are key to our recipe for success.

During the year, we requested all our employees to return to office to align with our customers' needs. A top priority of the human capital function is to have the right organisation and the right talent to deliver on the commitments made under the Africa Recovery and Resilience Strategy. This means organizing employees to deliver and particularly to be market focused on how to create sustainable value for our stakeholders. We ensure that our employees have the right skill sets and right toolsets to deliver on their mandates. Back-office functions also need to enable and partner with the market facing teams to win in the marketplace.

We continue to review and enhance our employee value proposition to ensure superior competitiveness and for talent retention as well as engagement.

ORGANISATION DESIGN

In 2025 we finalized the re-design of our target operating model, built around 5 key broad categories of job families, namely:

- 1) Demand – these teams develop and grow our customer base, target agreed to Customer Segments, and link these to specific sectors to customize relevant Customer Value Propositions
- 2) Supply – these teams are responsible for demand fulfilment, designing and customizing customer solutions, products and experience to specific segments and sectors.
- 3) Business Partners – These teams provide enabler subject matter expertise in the back-office centers of excellence to enable customer value creation along the organizations value chain. These include Strategy, Governance, Risk, and other technical subject-matter functions.
- 4) Subsidiaries/Licenses – These teams translate business strategy into customer value operationalization through the regulated jurisdiction of operations across geographies.
- 5) Shared Capabilities – These job families offer high volume, repetitive, standardized, and harmonized operational services, leveraging efficient, automated processes and policies to minimize duplication of resources and effort across geographies and licenses.

The organizational design follows a matrix reporting structure. In this setup, Bank functional leaders offer strategic guidance, oversee functional risks, build capacity and capabilities across the organization, facilitate best-practice sharing, and standardize policies, processes, and procedures. Meanwhile, the Executive Teams manage the functional teams to ensure daily operations are executed and comply with the agreed periodic operating plans.

HUMAN CAPITAL (CONTINUED)

To further optimize our human resources, the HR teams, in collaboration with business leaders, conducted a thorough study of the Work, Workforce, and Workplace to assess alignment with our Strategy. This was followed by CEO-led, organization-wide focus group discussions to facilitate an organizational health diagnostic assessment. These discussions unpacked core capabilities such as Governance, Leadership, Strategy, Structure, Systems and Processes, People, Products, and our value creation for customers. The outcomes of these engagements led to the development of action plans that are strengthening our market leadership and creating sustainable value for stakeholders.

EMPLOYEE WELLNESS

The Bank adopts a holistic approach to employee wellness through its Wellness Wheel, which includes eight aspects: physical, intellectual, emotional, social, spiritual, financial, and environmental wellbeing. This comprehensive wellness strategy aims to protect and enhance employee wellbeing. The Bank provides an employee medical scheme as the primary resource for outpatient medical services. Additionally, the Bank conducted outreach and experiential programs to raise awareness about various aspects of the scheme, including case management, life-threatening diseases, communicable disease management, occupational health and safety, and regular medical check-ups, among other initiatives.

LEARNING AND DEVELOPMENT

During the year, the Bank provided 59,282 cumulative training hours to employees. Apart from the general induction training programs, the Bank delivered training on the following areas:

- Risk & Compliance
- Operational Effectiveness and Efficiency
- Technical Functional Competencies
- Leadership and People Management Fundamentals
- Productivity and Performance Management
- Wellness and Vitality
- Culture and Diversity
- Mentorship

We have intentionally developed succession pipelines for key roles by balancing the cultivation of internal talent pools with the recruitment of mid-career professionals from the market. Our talent review process is overseen by talent committees or councils, which promote individuals from the bottom up across Subsidiaries and Functions. This approach enables us to segment our talent pools and identify our Top Talent (High Potential + High Performers). It also allows us to plan and structure their learning and career pathways across job families and subsidiaries.

MANUFACTURING AND INTELLECTUAL CAPITAL

Manufactured capital includes equipment, physical facilities, and digital channels such as ATMs, mobile applications, agency banking infrastructure, merchant POS devices, and operational systems provided by the Bank for use by customers and employees. Intellectual capital encompasses the Bank's intangible assets, including technology platforms, data assets, innovation capabilities, operational processes, cybersecurity frameworks, and institutional knowledge that support value creation, customer acquisition, product innovation, and operational excellence.

MANUFACTURED CAPITAL

Equity Bank Rwanda offer a combination of physical and digital service delivery channels. These include branches, ATMs, agency banking locations, merchant and POS networks, contact center services, and digital banking platforms across the Bank's operational footprint in Rwanda.

Digital channels continue to play a leading role in customer acquisition, transaction processing, and customer service delivery. The Bank has further enhanced self-service capabilities through Equity online for Business (EOB), Mobile Banking, Online Banking, Agency Banking, merchant payments, interoperable payment services, international remittances, and card-based digital payment solutions. The Bank also continues to support seamless regional banking through the Equity Group inter-country banking platform.

DIGITAL BANKING

Leveraging technology and innovation, the Bank provides integrated digital financial solutions to retail, SME, corporate, institutional, group, and diaspora customers. These services include mobile and online banking, account opening, digital lending, merchant payments, cards, bill payments, interoperable transfers, and local and international money transfer services.

The Digital Banking platforms remain central to the Bank's digital transformation agenda by enabling customers to conveniently transact, save, borrow, invest, and make payments through secure digital channels. The Bank continues to enhance customer experience through automation, self-service functionality, and integration with regional and international payment ecosystems.

AGENCY BANKING

Agency banking enhances financial inclusion by extending banking services closer to customers, especially in underserved and remote areas. The Bank's agency network provides convenient access to key services including account opening origination, cash deposits and withdrawals, bill payments, school fees payments and tax payments.

Agency banking also creates business opportunities for small

businesses and service providers by enabling them to diversify revenue streams while supporting cash-light banking and community-level financial access.

CARD AND MERCHANT

The Bank offers a broad range of card and merchant payment solutions, including Visa debit cards, credit cards, prepaid cards, Mastercard debit cards, merchant POS acquiring services, and e-commerce payment capabilities. The Bank's cards support local and international transactions, ATM withdrawals, online payments, and digital commerce.

DIASPORA BANKING

Diaspora banking remains a strategic segment for the Bank, providing tailored banking solutions to Rwandans living abroad and regional diaspora communities. Services include account opening, international money transfers, cards, mobile and online banking, savings and investment products, trade facilitation, insurance products, and access to credit solutions.

INTELLECTUAL CAPITAL

Creating Value Through Technology

Information Technology (IT) continues to play a strategic role in enabling and supporting the Bank's commercial, operational, and social impact objectives. As customer expectations and digital financial ecosystems evolve, the Bank continues to invest in scalable, secure, resilient, and future-ready technology platforms.

The Bank's technology strategy focuses on delivering secure, resilient, and scalable banking systems that drive digital transformation, strengthen cybersecurity, enhance data-driven decision making, and improve operational efficiency. In line with the ARRP and Equity Group's ambition to reach 100 million customers by 2030, IT capabilities support innovation, regulatory compliance, regional integration, and sustainable business growth. The IT function operates as a shared service across the Group, supporting product, commercial, and social business pillars.

OUR IT PLAN 2026: BUILDING RESILIENT DIGITAL FOUNDATIONS

The Bank's strategic IT priorities continue to align with Equity Group's Africa Recovery and Resilience Plan (ARRP) and the broader digital transformation agenda. The focus areas for 2026 are as follows:

1. Customer-Centricity

To strengthen the Bank's ability to deliver integrated platforms that provide seamless and personalized customer interactions across various channels, enhancing user experience and satisfaction.

MANUFACTURING AND INTELLECTUAL CAPITAL (CONTINUED)

2. Operational Efficiency through Automation and Modernization

To improve operational efficiency through automation tools, modernize legacy systems to streamline processes, reduce costs, and improve service delivery.

3. High-Performance Teams

To build a culture of continuous learning and innovation, attracting and retaining top IT talent to drive strategic initiatives.

4. Enterprise Data-Driven

To leverage enterprise data management and analytics capabilities in support of informed strategic decisions, personalized customer offerings, and identify new market opportunities.

5. Resilient IT GRC with Cybersecurity

To establish robust governance frameworks and cybersecurity measures to manage risks, ensure compliance, and protect organizational assets.

6. Ecosystem Enablement

To foster partnerships and integrations with fintech's, government agencies, and other third parties to expand service offerings and reach.

ENHANCEMENTS AND NEW PRODUCTS

Technology continues to play a critical role in the delivery and enhancement of the Bank's customer propositions. During the period, the Bank continued enhancing digital banking capabilities and expanding self-service functionality across its platforms.

Key enhancements and digital capabilities include:

- Enhanced Equity Online for Business functionality for payments, transfers, savings, and account management.
- Expansion of digital lending and automated credit solutions.
- Growth in merchant and biller integrations.
- Strengthening of inter-country transfer capabilities across Equity Group subsidiaries
- Enhancement of agency banking and merchant acquiring platforms.
- Improved integration capabilities through APIs and host-to-host connectivity for corporate and ecosystem partners
- Continued support for online card payments and international remittance services

SYSTEM OPTIMISATION

Our IT system optimization is a crucial process that involves improving and refining the capabilities of an existing IT system. This includes various strategies like enhancing hardware performance, streamlining software operations, improving network performance, data management, and application tuning. Our intent is to increase efficiency and

productivity, reduce costs, minimize downtime, and improve the overall performance and reliability of the system. Ongoing optimization efforts through continuous improvement initiatives focused on performance, scalability, resilience, and operational efficiency. These initiatives support business continuity, customer experience enhancement, cost management, and cybersecurity resilience.

In 2025, Key focus areas include:

- Core banking infrastructure modernization
- Omnichannel platform enhancements
- Digital channel optimization
- Cybersecurity transformation initiatives
- API and integration platform improvements
- Data-center modernization and energy efficiency initiatives
- Enterprise systems optimization and automation
- Service management and operational monitoring enhancements

IT GOVERNANCE

IT Governance at Equity Bank Rwanda continues to align with recognized international standards and frameworks that guide technology management, service delivery, risk management, cybersecurity, and enterprise architecture.

The Bank continues to benchmark and align its governance practices with internationally recognized frameworks including:

- Information Technology Infrastructure Library (ITIL)
- Control Objectives for Information and Related Technologies (COBIT)
- National Institute of Standards and Technology (NIST)
- The Open Group Architecture Framework (TOGAF)
- Project Management Body of Knowledge (PMBOK)

The Bank also maintains compliance with industry and regulatory standards relating to information security, payment systems security, operational resilience, and financial services governance. Governance structures continue to support data privacy, cybersecurity, ethical technology use, operational risk management, and regulatory compliance across the organization.

CERTIFICATIONS

The Bank maintains and complies with internationally recognized standards and security frameworks including:

- ISO 20000 – Information Technology Service Management System
- ISO 27001 – Information Security Management System
- SWIFT Customer Security Programme (CSP)
- PCI-DSS – Payment Card Industry Data Security Standard

These standards support the Bank's commitment to information security, operational resilience, secure payment processing, service reliability, and protection of customer information.

SOCIAL AND RELATIONSHIP CAPITAL

CUSTOMERS

Our customers were estimated at 1.51million at the close of 2025. We have had a steady growth in customer numbers despite the challenging context with our ambition to increase customer numbers. This requires that we invest to ensure that the Bank is able to deliver consistent high-quality value to our customers and maintain a superior customer proposition and customer experience.

CUSTOMER EXPERIENCE

Equity Bank Rwanda Plc has made substantive investments in improving customer experience. The bulk of these investments have gone into technology and digitization to foster convenience and accessibility for customers. Additionally, investments have gone into parity, ensuring that products that are available in one geographic market are also available in to their markets and expansion aimed at increasing penetration especially in new markets. Recognizing that the Bank cannot offer a “one- shoe-fits all” product and service offering, data is increasingly being used to enable improved propositions for different customer categories enabling the delivery of products that are relevant and suitable to specific customer segments. In addition, the Bank has deployed data to help discern customer behaviors from actively engaged to dormancy. Despite the progress made in data mining and analysis, the Bank is cognizant that more can be achieved especially in supporting SME and corporate clients and this aspect will be a key focus for customer engagement. Further, on a strategic level, customer engagement is being aligned to the ARR. P.

On customer experience, the Bank noted a mixed performance and continues to support initiatives to improve outcomes for customers including:

- Quarterly thematic trainings for the branches covering soft skills training on customers experience management.
- Foot fall reduction through floor manager in branches who support and direct customers to use alternative channels.
- Increased uptake of digital products hence reducing the customer visits to branches.

SUSTAINABILITY: OPPORTUNITIES

MAXIMIZING

Investment and Social Impact Department of Equity Bank Rwanda Plc is the social arm of the Bank. It is mandated with transforming the lives and livelihoods of the people where the Bank operates, socially and economically by availing them modern, inclusive financial services that maximize their opportunities.

The Bank's social investments are hinged on two engines: The Commercial Engine and the Social Engine, which were adopted from the parent Equity Bank, Kenya, with an ultimate goal of socially transforming the lives of the people in Africa.

The social engine of Equity Bank Rwanda strategy is founded on the Bank's social and relationship capital, conception, structure, and activities of the Equity Group Foundation (EGF). The EGF activities are carried out in alignment with all 17 of the United Nations' Sustainable Development Goals (SDGs), and implemented through initiatives, projects and partnerships among the communities where the Bank operates and serves.

The social Engine of the Bank runs its businesses using seven pillars (Education and Leadership Development, Enterprise Development and Financial Inclusion, Food and Agriculture, Health, Energy-Environment and Climate Change, women and youth empowerment and Social Protection).

This report highlights all the activities carried-out from January 2025 up to December 2025.

EQUITY BANK RWANDA PLC CSR PILLARS

Equity Bank Rwanda Plc did not reinvent the wheel, but adopted the already EGF-established pillars which were customized to fit in the local context. These are:

- **Education and Leadership development**
- **Food and Agriculture**
- **Social Protection**
- **Energy and Environment**
- **Enterprise Development and Financial Inclusion**
- **Health**
- **Women and Youth Empowerment**

EDUCATION AND LEADERSHIP DEVELOPMENT

In the quest for pursuing knowledge that empowers the youth to become thought leaders, Investment and Social Impact seeks to break the cycle of poverty and develop the next generation of leaders through increased access to quality education through its Equity Leaders' Program (ELP).

ELP is a comprehensive program that offers scholars academic stability, professional growth, innovation, and entrepreneurship skills, positioning them ahead of their peers in terms of job readiness upon completing University studies.

The program is a merit-based initiative that gives opportunity to all final year students in Rwandan secondary schools; top

SOCIAL AND RELATIONSHIP CAPITAL (CONTINUED)

male and female performers in all districts across the country where Equity Bank branches operate from.

The Bank fully owns and finances the program of which primary goal is to cultivate exceptional young people and nurture them into transformative future leaders. It has a full package that includes a paid internship opportunity with the Bank and college counselling among others to prepare the scholars for Tertiary Quality Education. The Bank collaborates with the Ministry of Education (MINEDUC) and the National Examinations and Schools Inspections Authority (NESA) to ensure transparency in the selection and verification process of qualifying scholars.

To support the scholars in this journey of transformation, the Bank utilizes the following milestones:

Scholars' Selection:

To ensure transparency, the National Examinations and Schools Inspection Authority (NESA), operating under the Ministry of Education, supports in the selection process of the qualified from every district where Equity Bank's branches operate. In the event where many bank branches operate in one district like it is the case in City of Kigali, two scholars are selected for each branch. In Kigali where we operate 20 branches, there is a girl and boy scholar in each branch.

This is put into consideration because scholars have to be attached to an Equity Bank Branch to ensure that proper training and mentorship is done.

In-house Induction:

The selected students are taken for a two-week's boot-camp program where they are inducted and taken through leadership and development trainings and mentorships, facilitated by both internal and external mentors.

All onboarded scholars have been equipped with career development program, Bank's operations and Services, and have been linked with high level leaders of the country who have inspired them with Rwandan History, Role of young generation as future leaders of the country and prerequisites to pre-paring them into young leaders.

Professional and Paid Internship:

Equity Bank Rwanda offers both professional and paid internships to scholars as part of its commitment to nurturing young talent and providing them with financial support, practical experience in the banking and financial services

sector. The professional internship component is designed to provide scholars with hands-on experience in a professional environment, helping them apply their academic knowledge to real-world scenarios.

Scholars may rotate through various departments within the Bank, which allows them to gain a broad understanding of the Bank's operations and identify areas of interest. Each intern is paired with a mentor who is an experienced professional within the Bank. Mentors provide guidance, support, and feedback throughout the internship period, helping interns navigate their roles and responsibilities effectively.

The paid internships offered by Equity Bank Rwanda to scholars ensure that scholars are fairly compensated for their contributions and to support them financially during their internship period. Interns receive a monthly stipend to cover their needs and save some portion for the expenditures when they join university. This financial support helps alleviate any financial burden and allows scholars to focus on their learning and development.

The pathway, as well, provides a seamless transition from internship to professional employment within Equity Bank Rwanda. Interns have the opportunity to network with professionals within the Bank and the broader financial services industry. Internships provide scholars with invaluable practical experience that complements their academic studies. By offering these professional and paid internships, Equity Bank Rwanda not only invests in the development of young leaders but also ensures that its scholars are well-prepared for future career success in the financial sector.

College Counselling Program:

Equity Bank Rwanda through Investment and Social Impact department which is a subsidiary of Equity Group Foundation (EGF) has offered a College Counselling Program to ELP scholars as a comprehensive support system designed to guide and assist scholars in their pursuit of higher education while for the remaining 36 scholars the college counselling program is ongoing. The program is structured to help scholars navigate the complexities of college applications, make informed decisions about their educational future, and maximize their chances of admission to top universities worldwide. Scholars received both comprehensive college counselling sessions and one-on-one counselling sessions with experienced college Professional Mentors from the region who helped them identify their academic strengths, career interests, and personal goals.

SOCIAL AND RELATIONSHIP CAPITAL (CONTINUED)

Based on each scholar's profile, Professional Mentors provide a customized list of colleges and universities that match their interests and aspirations. Professional Mentors helped scholars develop a comprehensive application plan, including timelines and milestones for each stage of the application process and guidance on selecting the most appropriate application rounds (early decision, early action, regular decision) for their chosen schools.

Workshops and individual sessions on crafting compelling personal statements and supplemental essays, review and feedback on essay drafts to ensure clarity, coherence, and impact. They are supported on Mock interviews and interview coaching to help scholars present themselves with utmost confidence and efficiency.

The Bank has equipped scholars with English proficiency and supported them in preparing for standardized tests such as SAT, TOEFL, DUOLINGO and IELTS tests through professional coaching, access to test prep materials, practice tests, and professional test prep courses. Scholars have been assisted with identifying and applying for scholarships and grants, both local, regional and global universities.

University Chapters' Program:

The University Chapters' Program of Equity Bank Rwanda for Equity Leaders' Program (ELP) scholars is an initiative aimed at providing ongoing support, fostering a sense of community, and enhancing the leadership skills of scholars who are studying at universities around the world. The program helps scholars stay connected with the ELP network, engage in meaningful activities, and contribute to both their academic communities and their home communities. The Community Giveback Program is an essential component of the ELP, emphasizing the importance of social responsibility and community service. Scholars are encouraged to apply their skills and knowledge to benefit their communities.

Milestones:

In 2025, Under the college counseling component, 58 scholars participated actively. These scholars were supported by eight (8) senior ELP mentors currently studying at global universities. In August 2025, 34 scholars were airlifted for further studies with global scholarships. Further more 19 scholars secured admission to global universities with full funding during early decision of year 2025.

ELPs have organized different activities at different genocide memorial sites where the participants supported by providing cleaning services and participated in Kwibuka day of Equity

Bank. Through the power of poetry, they sought to remind reflection, empathy, and remembrance within their community and emphasizing the need to learn from history and work towards a more just and peaceful world.

Food and Agriculture

This Pillar aims to accelerate growth by commercializing agriculture to help create jobs, improve market access, and expand agricultural production by working in partnership with farmers and other players to increase sustainable production, improve market access and post-harvest management as well as enhancing business management capacity.

Through the pillar, the Bank also supports efforts expended towards the attainment of the UN Sustainable Development Goals (SDG) to which the Government of Rwanda is committed. The pillar facilitates farmers at all levels to increase production and transitioning small holder farmers from subsistence farming to market-driven farming. To achieve the outcomes of this Food and Agriculture pillar, the Bank supports Agribusiness Ecosystem through Capacity Building, Access to Finance and Market Linkage. The food and Agriculture pillar helps the Bank to be the leading Bank of choice in agribusiness-related and positions the Bank in the achievement of Africa Recovery and Resilience Plan (ARRP) by turning to Bank Portfolio into 30% agribusiness by 2030.

Capacity Building and Access to Finance

Through Food and Agriculture Pillars, the Bank has been able to provide different training to smallholder farmers, aiming at increasing production, practicing sustainable agriculture, facilitating farmers to access finances and link them to markets. Equity bank Rwanda, through its Agriculture Value Chain Financing Models, disbursed, through its loan products portfolio, Rwf 30.7 billion to 1,380 farmers.

A total of 23,915 Farmers were trained on financial literacy and entrepreneurship education, agribusiness skills and good agricultural practices before they are linked to various market channels to facilitate them access loans. These include farmers in cooperatives (302 Cooperatives trained) and VSLAs (166 VSLAs trained)

Energy, Environment and Climate Change

Equity Bank through the Energy, Environment and Climate change Pillar supports programs that aim at increasing access, adoption and usage of clean energy technologies and environmental conservation in Africa. The focus is on households, institutions and communities as part of climate

SOCIAL AND RELATIONSHIP CAPITAL (CONTINUED)

change adaption, mitigation and building resilience. The Bank is addressing the environmental and climate risks by increasing awareness of the benefits of transitioning to cleaner technologies, facilitating access through innovative financing to acquire the technologies that reduce GHG emissions while positively impacting peoples' health and incomes. Our main areas of focus include renewable energy, energy efficiency, climate smart agriculture, water & sanitation, circular economy, waste management and environmental conservation through afforestation, E-mobility and green construction.

Strategic alignment to sustainability

To strategically align Equity Bank Rwanda with sustainability, the Energy, Environment, and Climate Change (EECC) Pillar of the Bank has developed a comprehensive EECC Implementation Procedure and designed specific financial products tailored to support sustainable initiatives.

As part of compliance to sustainability management, the Bank is ensuring that all Bank's operations comply with national and international sustainability standards, such as the UN Sustainable Development Goals (SDGs) and BNR guidelines.

To that effects therefore, staff have been equipped with ESG Related and climate Risk Management Trainings to enhance their understanding of sustainability issues and the Bank's strategy of being transitioned into a Green Bank at 15% by 2030.

There has been also an integration of environmental risk assessments into the Bank's credit evaluation process to ensure that financed projects meet sustainability criteria as well as developed a framework for regular sustainability reporting. The Bank has also designed EECC-Specific Financial Products to en-sure commitment to the offering of green products and services.

The green products developed include Solar System Products, E-Mobility Products, Sustainable Agri-culture, Green Construction, Clean Cooking Solutions, Afforestation, and Water, Sanitation, and Hygiene (WASH) Products and all these products were launched.

Environmental Conservation

Equity Bank has demonstrated its commitment to environmental conservation and community well-being by implementing a tree-planting initiative that included the planting of over 41,000 trees. This effort not only contributes to environmental sustainability but also promotes nutritional sensitive agriculture, supporting both ecological and human

health. Through these activities, Equity Bank Rwanda Plc has taken significant steps towards promoting environmental sustainability and enhancing nutritional sensitive agriculture. This initiative not only supports ecological balance but also provides tangible benefits to the local communities, contributing to their health, well-being, and economic resilience.

Enterprise Development and Financial Inclusion

The Enterprise development and financial inclusion pillar stimulates job creation and economic growth by providing micro and small entrepreneurs with advice, mentorship and entrepreneurship training. The Social business skills training is based on the International Labor Organization (ILO) standards known as Start and Improve Your Business (SIYB) curricula. Digital Literacy training is conducted for Micro, Small and Medium scale enterprises (MSMEs). This pillar provided hand holding or aftercare through mentoring and business advisory visits, and also Business support and advice through SMS tips. It improves financial access, financial capability, individual and household financial security by connecting low-income populations to bank accounts and expert financial literacy trainings.

Capacity Building of Bank Members and Access to Finance.

Equity Bank Rwanda's efforts to support Micro, Small, and Medium Enterprises (MSMEs) encompass financial literacy and entrepreneurship training, facilitating access to formal financial services, and providing direct financial support. The Bank has created a comprehensive curriculum covering essential financial literacy topics such as budgeting, savings, credit management, and basic accounting. The entrepreneurship module included business planning, marketing, and growth strategies.

Equity Bank Rwanda supported job creation and economic growth by providing micro, small and medium entrepreneurs [MSMEs] with capacity building, mentorship and entrepreneurship training. Under the Entrepreneurship program, a total of RWF 5.45 billion deposits were mobilized and a 3.8Bn Rwf loans disbursed to 7,177 MSMEs creating jobs to local residents, mostly youth and women.

SOCIAL AND RELATIONSHIP CAPITAL (CONTINUED)

Social Protection

The Social protection pillar is designed to provide inclusive financial services to thousands of marginalized and vulnerable households living in Rwanda through Cash Transfer Programs. Social payments demonstrate a cost-effective way of transferring cash to the most vulnerable and exposed demographics, promotes socio-economic integration and increases self-reliance. The intervention targets refugees as a key group of people that are classified as most vulnerable according to the vulnerability indicators. This pillar (SP) is not limited to providing interventions in refugee camps, rather it is open to all policies, programs and projects that are positively responding to vulnerability and socio-economic marginalization in Rwandan society. Social protection pillar encounters vulnerability indicators including but not limited to Extreme poverty, Disability, and other environmental and social shocks that lead people into vulnerability status. The Bank ensures the effective and efficient refugees and host communities' inclusion, disability inclusion, and other people who are living in extreme poverty.

Capacity Building Provision and Cash Based Transfer (CBT)

Many refugees lack access to formal financial services due to various barriers, including documentation requirements, and financial literacy. Equity Bank's efforts aim to bridge this gap by providing training and access to banking services, thereby promoting financial inclusion among refugees. Through ISI, Equity bank has trained refugees on financial services and provided them with the financial support through CBT.

Providing banking services to refugees may also align with regulatory requirements or international standards aimed at protecting the rights and well-being of displaced persons. Equity Bank may see this as an opportunity to demonstrate compliance with relevant laws and regulations while fulfilling its mission of promoting financial inclusion with leaving no one behind. By empowering refugees with financial knowledge and access to banking services, Equity Bank not only improves their economic prospects but also contributes to broader social and economic development goals. This initiative demonstrates the Bank's commitment to inclusive finance and sustainable business practices.

Equity Bank also Supported refugees by availing its payment infrastructure (Branches, agent network, merchant locations, mobile banking) and digital tools (fully-fledged bank accounts & smart cards to enable ubiquitous access to payments,

savings, investments, and insurance products. The use of Biometric Smart Cards (Multi-wallets cards) guarantees convenience, security, accessibility and efficiency as well as accountability. With this model, beneficiaries are able to access their cash allocations, purchase goods and pay for services. Social payments have demonstrated a cost-effective way of transferring cash to the most vulnerable and exposed demographics, promoted socio-economic integration and increased self-reliance.

Women and Youth Banking

The Youth and Women inclusion Unit of the Bank has the mission of supporting youth and gender inclusion in all the Bank's activities and empowering youth and women clients and non-clients to transform their livelihoods socially and economically. The unit developed youth and women specific products that respond to their social economic challenges. All gender gaps (either social gaps and/or economic gaps) and youth exclusion are addressed under this unit.

The unit partners with different organizations to fasten the achievement of women Banking outcomes. For all products and services of the Bank, this Unit inserts value addition to promote gender & youth inclusion in the Bank. It further drives the women commercial portfolio of the Bank.

Women and Youth Capacity Building

Women and youth empowerment has a multiplier effect and helps drive economic growth and development. Equity Bank Rwanda has empowered 12,196 women and 6,457 youth with financial literacy skills prior to working with financial institutions to economically empower themselves.

11,920 women and youth accessed finance where a cumulative loan of Rwf 38 billion were offered to them in the agriculture, manufacturing, business and other sectors.

Strategic Partnerships

Our partnerships vary in nature, and in the scope of their operations, ranging from Government entities, to DFIs, NGOs and UN Agencies. They focus on technical assistance and access to finance and other programs that lead to extensive financial inclusion. In 2024 new 8 partnerships were established and continue to expand through 2025.

SOCIAL AND RELATIONSHIP CAPITAL (CONTINUED)

Challenges, recommendations and Lessons learnt

Challenges	Proposed recommendation	Key Lessons Learnt
Limited resources	To have at least two additional staff to support the W&YE pillar	The pillar is not effective and efficient in partnerships handling.
Lack of budget	To approve and avail the budget to support activities of the pillar	Activities planned are not implemented due to the lack of budget, and those activities are the ones that helps us to achieve our targets.
Legal status of the social engine	To register the social engine as foundation	Our core job relies on partnerships, and we are being disqualified by strategic partners due to our legal status because they are not allowed to give funds or to partner with financial institutions.
Delays in the approval of the EECC procedure Manual	Setting System approval with escalation option.	Harmony in team working is key for business performance
Collateral requirement for refugees	Search for credit guarantees or adopt group lending and hold their savings as cash cover.	Lending refugees in groups involved in small businesses works better and would help to financially improve their livelihoods.
Budget constraints	Allocate a fair budget for this program or search for funding from other partners	Planned interventions to refugees are not executed as planned

Equity Bank Rwanda CSR Future Plans

- Conducting College counseling program
- Supporting Community Giveback activities
- Develop specific Health and Education products
- Launch of the Green and Sustainability Products
- Financial inclusion for refugees through group lending.

NATURE CAPITAL

We are committed to having a positive impact on the natural environment. In this regard, we have expanded our internal capacity to handle environmental and social (E&S) aspects of our business. We have established a Sustainability department to provide oversight on the E&S aspects. Internally, we have established a substantive business function to manage Environmental, Social and Governance (ESG) risks and opportunities and recruited suitable experienced persons.

Further, the Bank has made significant progress in assessing environmental and climate aspects and impacts including those that result due to lending processes. Additionally, we have made similar reviews in respect to how we interact with our customers, how we engage with our suppliers and how we run our facilities. These internal interventions are intended to:

- Improve our operations.
- Enhance efficiencies in energy and water usage.
- Assess use of back up energy supplies such as use of generators.
- Change the way we consume services in the Bank.

In terms of externally focused interventions, we are engaged with suppliers to encourage and support them to transition to greener practices and production methods.:

Deepening sustainability

We have made marked strides in embedding ESG including the application of a standard ESG and Climate Risk Framework across the Bank. At management level, the Bank established a Sustainability department mirroring a similar committee created at Board level in 2022. Other actions in the year include reviewing, updating and expanding management policies incorporated in the Environmental and Risk Management framework and establishing the three lines of defence model for ESG.

Tax Sustainability

1. Introduction

Taxation and tax policies play a crucial role in the functioning of organizations, the society and governments across the globe. They are integral components of economic systems and have far-reaching implications for businesses, governments, and society. As a leading financial institution, the Bank recognizes the crucial role it plays in this intricate framework and therefore, sustainability and ESG is always be at the top of its leadership agenda.

The Bank is also aware of the various tax measures that the government has put in place for the collection of revenue, to fuel economic stability, promote investment and build international competitiveness and trade relations. The Bank has therefore taken a socially responsible approach to tax as a way of doing business. Our approach is not only looking at tax compliance as the right thing to do but as a key driver to ensuring sustainable growth.

Our tax policy is a crucial element towards developing sustainability into our operations. It serves as a cornerstone for ethical governance, financial transparency, and societal contribution. By establishing clear guidelines and principles regarding tax compliance, the Bank not only upholds legal obligations but also fosters trust and credibility with its stakeholders. Our tax policy, underpinned by robust controls demonstrates our commitment to ethical business practices, financial integrity, and the holistic well-being of society.

Our tax policy speaks to this through continuous self-reviews, taking advantage of voluntary disclosure programs offered by the various governments, continuous training of our teams to enable them to keep abreast with the ever-changing tax landscape and collaborative approaches with every stakeholder, including the Government. It is this approach to tax transparency and accountability that the Bank intends to use to build trust in its business for both internal and external stakeholders.

NATURE CAPITAL (CONTINUED)

In pursuing compliance, in the year ending 31st December 2025, the Bank paid taxes amounting to RWF35.6B comprising of direct taxes amounting of RWF33.2B and indirect taxes of RWF 2.4B accounted for and remitted through 66 tax returns throughout the year.

Scope and Approach

As a bank that presents itself as a sustainable business, we approach tax not only from the legal and economic perspective but also from an ethical perspective. In line with our Group Tax Policy and the Global Reporting Initiative (GRI) Standards for Tax (GRI -207), the Bank applies the following approach and initiatives to promote and ensure tax transparency, accountability, and sustainability:

Compliance: We are committed to 100% compliance with all relevant tax laws, regulations, and reporting requirements in the jurisdictions where we operate. This is done by meeting our tax obligations through ensuring transparent and ethical practices, continuous engagement with stakeholders and direct engagement with government agencies,

Transparency: Embracing a culture of transparency and accountability in tax matters not only supports the Bank's long-term financial health but also reinforces its commitment to ethical business practices and social responsibility. For this reason, the Bank openly discloses relevant information about its tax practices, policies, and contributions to the tax authority, stakeholders, and the public. We have in place a robust transfer pricing document and policy and continue to adhere to the Bank's reporting requirements. Through this report, we disclose our tax affairs and transactions for the year 2025.

Planning: We believe that society has certain expectations for corporations that determine what is appropriate business behaviour. As a Bank, we understand that social norms exist over and above mere compliance with laws and regulations. We therefore consider the economic substance of all our transactions and the potential impact on the various key stakeholders and society at large.

Stakeholder engagement: The Bank continuously engages the tax authority, investors, and the community to understand concerns and address any business issues that arise. Additionally, we regularly engage with policymakers to support the development of tax rules and regulations based on sound tax policy principles. In this way, we hope to contribute to the development of fair, effective and stable tax systems. This ensures that while we maximize sustainable shareholder value by undertaking responsible tax optimization in line with the existing tax laws, rules, and regulations, we minimize any negative impacts that certain decisions may have on these stakeholders.

Taking advantage of tax incentives: Tax incentives are government-provided benefits designed to encourage certain behaviors, investments, or activities that contribute to economic development, job creation, or other societal benefits. We, as a bank, are keen to take advantage of any tax incentives extended by the government, provided they align with the Bank's wider sustainability goals. By carefully evaluating incentives, complying with legal and ethical standards, and engaging with stakeholders, the Bank leverages on tax incentives to support sustainable development, economic growth, and social progress.

Risk management: We evaluate and monitor our tax risks by carrying out annual tax health checks and reviewing our transfer pricing documentation and policy to ensure that our tax operations are aligned to the tax laws, rules and regulations in line with the respective tax sustainability and ESG strategies.

Conclusion

At the Bank, we remain committed to conducting our tax affairs in an accountable, transparent, responsible, and sustainable manner. We understand the impact that such sustainability has on the various stakeholders and the societies that we operate in. We are therefore deliberate in approaching our tax compliance, management, and planning as a moral obligation and not just as a factor to our bottom line.

CUSTOMER EXPERIENCE STRATEGY AND GOVERNANCE

Customer Experience remains a core strategic pillar at Equity Bank Rwanda, anchored in the Bank's purpose of transforming lives and deepening customer trust. In 2025, the Bank continued to strengthen customer-centric governance, service culture, digital accessibility, complaint management, and Voice of Customer practices across all customer touchpoints. Customer Experience governance is overseen through structured management and Board reporting mechanisms to ensure accountability, continuous improvement, and alignment with regulatory expectations.

CUSTOMER BASE AND REACH

1.51M Total Customers	678,418 Active Customers
36 Branches Nationwide	3,500 Agents

In 2025, the Bank served over 1.51 million customers, supported through 36 branches nationwide, agency banking, digital banking platforms, contact centre operations, card services, and self-service channels. USSD remained the most widely utilized digital platform, reflecting the Bank's commitment to inclusive and accessible banking.

CUSTOMER SATISFACTION AND LOYALTY MONITORING

26 NPS	81% CSAT	77% CES
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The Bank continued to monitor customer sentiment through quarterly Voice of Customer (VOC) surveys across branches and digital touchpoints. Customer feedback consistently highlighted the professionalism of frontline staff, commitment to customer care, and welcoming branch environments. Insights from customer feedback continue to inform service improvement priorities and operational enhancements.

COMPLAINTS MANAGEMENT AND RESOLUTION

The Bank maintained a structured multi-channel complaint handling framework through branches, CRM, contact centre, digital platforms, and the National Bank of Rwanda (BNR) Intumwa consumer protection platform. Complaint management performance continued to be monitored through monthly SLA tracking and operational governance forums. The primary complaint themes during the year related to digital transaction delays, transaction notification challenges, remittance processing timelines, loan processing timelines, and digital channel accessibility.

DIGITAL CUSTOMER EXPERIENCE

96.87% Transaction Success Rate	72% Contact Centre Answer Rate
29% Abandoned Call Rate	91% Complaint Resolution rate within SLA

The Bank continued to strengthen digital service delivery and channel accessibility in 2025. Key investments focused on improving customer support responsiveness, digital engagement, and service reliability through enhanced CRM capabilities, chatbot support, telephony improvements, and social media engagement platforms.

ACCESSIBILITY, SERVICE QUALITY AND CUSTOMER PROTECTION

The Bank remained committed to equitable access, multilingual service delivery, and responsible banking practices. Services and customer communications continued to be provided in Kinyarwanda, English, and French to support accessibility across all customer segments. The Bank also maintained alignment with BNR Consumer Protection Guidelines and Rwanda's Data Protection and Privacy Law through transparent customer communication and strengthened customer education initiatives.

CUSTOMER ENGAGEMENT AND FEEDBACK

Customer engagement remained central to the Bank's customer experience strategy. Feedback was collected and acted upon through quarterly VOC surveys, contact centre and CRM interaction data, social media listening and engagement, customer forums, and customer education campaigns. The Bank also continued executive-led customer engagement initiatives aimed at strengthening customer trust and relationships.

KEY CUSTOMER EXPERIENCE ACHIEVEMENTS IN 2025

99% Customer Onboarding Success Rate	96.87% Transaction Success Rate	~1000 Staff Trained
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Key achievements during the year included rollout of the Equity Experience Service Standards Program, deployment of the Intumwa Chatbot and Brandwatch platforms, expansion of CRM adoption and customer support workflows, strengthened executive-level customer engagement initiatives, and enhanced digital onboarding and customer education efforts.

OUTLOOK AND STRATEGIC COMMITMENTS – 2026

In 2026, the Bank will continue strengthening customer experience governance, digital reliability, service culture, and proactive customer engagement. Priority initiatives include Queue Management System rollout across branches, enhanced Voice of Customer capabilities, improved digital channel stability, continued embedding of the Equity Experience program, and expanded customer education and lifecycle engagement initiatives. The Bank remains committed to delivering fair, transparent, accessible, and seamless banking experiences while continuously strengthening customer trust and long-term relationships.



RISK MANAGEMENT

RISK MANAGEMENT

Executing on the vision and mission of the Bank to achieve the set objectives entails effective identification and management of a wide range of risks spanning strategic and operational as well as financial and non-financial.

During 2025 we continued to implement the Bank's Enterprise Risk Management Framework to identify, assess and manage risks in every department and business segment. The ERMF sets out the Bank's approach to identification, assessment, monitoring, mitigation, and reporting risks that can positively or negatively impact achievement of the Bank's Strategic Plan and/or the continuing operations. The ERMF enables forward-looking risk management and risk-informed decisions across all levels of the Bank, thereby maximizing gains while avoiding unnecessary losses, and is anchored on a risk culture cultivated by the Board, that encourages open communication and transparency in all aspects of risk management. The Bank applies the Three Lines of Defense model to the day-to-day risk management activities.

The Bank acts in accordance with its risk appetite statement to achieve its strategic goals and objectives in pursuit of its purpose to become "the champion of the socio-economic prosperity of the people of Africa." The Bank strives for a sound risk culture and adherence to its values and principles to effectively manage risks, promote a culture of integrity, high ethical standards and achieve compliance with internal policies and risk appetite as well as laws and regulations.

The ERMF is supported by frameworks covering the risk management approach for individual principal risk types (PRTs), and policies and standards aligned to the PRTs. Policies set out the key control requirements for the management of risks while standards set out the approach for meeting the core requirements in policies. The ERMF, PRT frameworks, policies and procedures together comprise the Bank's control framework.

Principal Risk Types

The Bank's activities are exposed to various risks of which the principal ones are the following:

- Strategic risks due to ineffective business strategies, improper implementation of business strategies, or a lack of responsiveness to changes in the business environment.
- Capital risks resulting in insufficient capital to carry out the Bank's strategy and satisfy regulatory capital adequacy requirements.
- Liquidity and funding risks result in insufficient stable or diverse sources of funding to meet financial obligations as they fall due, without raising funds at unfavorable rates or resorting to distressed sales of assets or central bank support.
- Country risks due to adverse political or economic events in a

country.

- Credit and counterparts' risk due to failure of a borrower or counter party in a transaction to meet its agreed payment obligations to the Bank.
- Market and structural risks caused by adverse movements in market factors such as interest and exchange rates, or other prices affecting activities undertaken by the Bank.
- Operational risks due to inadequate or failed internal processes, people, and systems or from external events including legal risks
- People risks due to staff behavioral, staff culture not aligning to the risk management requirement and staff misconduct that shall expose the bank to operational losses. This risk has the potential for financial loss, reputational damage, or operational failure caused by employees, management, or stakeholders.
- Technology risks relating to failure of the Bank's technology to deliver the expected services due to inadequate or deficient systems/process developments and performance or inadequate resilience or security
- Information and cybersecurity risks relating to the loss of confidentiality, integrity, or availability of information, data, or information (or control) systems.
- Model risks resulting in adverse consequences including financial loss, poor business and strategic decision-making, or damage to the Bank's reputation arising from decisions based on incorrect or misused model outputs and reports.
- Compliance risks resulting in negative impact to business activities, adverse impact to customers and other stakeholders, or regulatory relationships through failure on our part to comply with laws or regulations.
- Financial crime risks leading to legal or regulatory penalties, material financial loss or reputational damage due to failure to comply with applicable laws and regulations relating to anti-money laundering, and international and domestic sanctions
- Conduct risks resulting in detriment to the Bank or its customers, investors, shareholders and other stakeholders from inappropriate supply of financial services or through willful or negligent misconduct
- Reputational risk due to negative perceptions on the part of customers, counterparties, investors, debt holders, regulators and other stakeholder, whether justified or not, regarding the Bank's business practices, actions, or inactions, will adversely affect the Bank's ability to maintain existing, or establish new business relationships and continued access to sources of funding leading to a decline in the institution's value, brand,

RISK MANAGEMENT

liquidity, or customer base

- ESG/climate risks due to failure to identify and manage climate change risks including extreme weather events, long-term progressive shifts of climate, transition towards a lower-carbon economy and activities having negative environmental impacts
- Fraud risks due to the intentional acts, misstatements, or omissions of internal or external parties, including misrepresentations that knowingly or recklessly mislead or attempt to mislead, with a view to obtaining a financial or other benefit or to avoid an obligation
- Bancassurance risks due to actual experience emerging differently from the expected in insurance product pricing or reserving occasioned by adverse fluctuations in timing, actual size, and/or frequency of claims mortality, morbidity, policyholders' behavior, or associated expenses incurred or other causes

Each of the above-mentioned Principal Risk Types is managed through distinct Risk Type Frameworks (RTFs) that document the overall risk management approach for their respective PRT to ensure resilience to risk events. Senior experienced risk officers appointed and designated as Risk Framework Owners are responsible for maintaining the Risk Type Frameworks and policies and providing second line oversight and challenge of risk management activities performed by the First Line of Defense.

RISK GOVERNANCE

The Board of Directors has ultimate responsibility for risk management. It is supported and advised by the Risk Committee which oversees the management of current and future risks in line with the risk appetite approved by the Board.

Key developments in 2025

During 2025 we enhanced our risk management to ensure timely and appropriate responses to the effects of major external events and ensure operational resilience. The events included rising inflation and interest rates, Russia/Ukraine war, global and regional geopolitical tensions, continuing COVID-19 impacts, drought across Eastern Africa and weakening domestic currencies caused by volatility in international financial markets. In addition, that, the 2025, the United States is currently experiencing geopolitical unrest. Workers' protest in Paris, Gen Z-led protest in Nepal, and even the largest flotilla naval aid ever recorded is moving toward Gaza. The Russia-Ukraine war is impacting energy markets while China-Taiwan tensions threaten global chip supplies. As it stands, 61% of organizations lack the preparation to respond to such a critical global risk. Without such operational risk management tools, a company can face overregulation or outright boycotts due to social issues. Sudden market instability alone is enough to leave a company vulnerable. Furthermore, the

world is expecting a new geopolitical conflict between USA, Israel against Iran in 2026 which might impact world economy including Rwanda hence affecting bank asset quality due to an increased fuel prices leading to high level of inflation. Lastly, the merger and acquisition done end 2023, continue to impact the overall risk management culture of the bank which increased the fraud risk and people risk in 2025. These challenges look set to continue during 2026 with adverse impact on future economic growth and subsequently on the Bank's customers, especially M23 vs DRC war, continuing Ukraine vs Russian war impacts, drought across Eastern Africa and weakening domestic currencies caused by volatility in international financial markets.

These challenges continued during 2025 and shall continue in 2026 with adverse impact on future economic growth and subsequently on the Bank's customers. Bank management has established risk management framework to mitigate these challenges as follows:

1. We enhanced monitoring of financial risks considering the rising inflation and significant volatility in domestic and international financial markets. Stress tests and portfolio reviews were used to identify vulnerable borrowers, industry sectors and segments impacted by the sharp rise in inflation and interest rates, rapid depreciation of local currencies, supply chain disruptions and commodity volatility and foreign exchange shortages. These exposures continue to be tracked through the Watchlists monitoring process. Review of the treasury portfolio led to a revised risk appetite and reduced limits where appropriate, as well as new qualitative and quantitative risk triggers and exposure management strategies. We are focused on diversifying funding sources and further strengthening liquidity buffers. The Bank remains resilient because of these actions as evidenced by the strong asset quality and liquidity and capital buffers.
2. In the face of rapid changes in the cybersecurity landscape globally we increased focus on the security of our technology systems and the data they contain. Furthermore, we continued to improve the stability and availability of IT systems to support the rapid growth in customer transaction volumes as digital products and services continued to be rolled out. The Board approved a new Bank Technology, Information and Cybersecurity (TICS) Risk Framework as well as a multi-year cybersecurity program to strengthen the prevention and protection, monitoring and detection, response and recovery, as well as governance, risk and control. Furthermore, substantial investments were approved to modernize and expand the core IT infrastructure and applications and improve resilience. The Board is regularly updated regarding the progress of this program and other key IT change initiatives as well as the results of cybersecurity testing exercises, internal controls testing, vulnerability assessments and penetration testing. The cybersecurity training and awareness program

RISK MANAGEMENT

was enhanced for all employees during 2025 after merger and acquisition including mandatory eLearning and phishing exercises. Lastly in 2025, the bank rolled out onto pilot testing new corporate internet banking called cashcloud with enhanced security to replace the existing eazzybiz and former cogebank internet banking for corporate and the plan is to deploy it fully in 2026 after all existing customers in Eazzybiz and cogebank internet banking to the new solution.

3. We strengthened our capacity in the fight against financial crime by increasing the bench of technical experts, rollout of revised risks frameworks and policies as well as procedures, ramping up training and enhancing automated systems for customer and transaction screening, customer risk rating and transaction monitoring. We continue to enhance the safety and security of digital and third-party channels to control risks associated with AML & CFT and sanctions as well as external and internal frauds. Furthermore, we are automating back-office operations and strengthening internal controls.
4. We enhanced conduct risk management and established governance around conduct risk & data protection risk and the Bank committed to comply with the consumer protection regulations requirement and data protection law requirement. With that Bank established policies and procedure to identify, assess, control and monitor the risk presented during risk assessment. Furthermore, bank enhanced governance around consumer protection and data protection and established technical security control towards protecting the subject data information and treatment of all customers fairly. The bank initiated the conduct risk assessment in 2025, and the bank separated with the employees who were not complying with the conduct risk management framework and this was to enhance the risk management and improve risk management culture and set the tone from the top on zero tolerance of any noncompliance activities within the bank.
5. With aim of digitizing the bank process, the bank has identified list of all processes to be automated in 2025 to mitigate the human error in process, enhance performance and improve risk management within the bank, Increased Efficiency and Lower Costs, Enhanced Accuracy and Reduced Risk, Improved Customer Experience, Stronger Compliance and Security and Scalability (automated workflows enable banks to handle increased volumes of work without proportionally increasing staff or infrastructure costs). The plan is to automate all bank processes in next five years.
6. To increase internal control and risk management within the bank, the bank established the new mechanism called First Line of defense risk management framework implementation to implement board approved risk management framework. The

new mechanism focuses on how to enhance embedment and integration of Risk management framework within the Businesses and Licenses, Convert existing Business/Function Risk Champions into full time enterprise business control managers and continuous monitoring and closure of pending audit. The key performed task in the new approach was to ensure all process/subprocess within the bank are established and documented, ensure all process/subprocess has policy and procedure, ensure all risk were identified and documented for each process/subprocess and ensure all required control to be implemented as per procedure, were implemented to the bank satisfaction. This approach to risk management is aimed at enhancing risk management culture, reducing errors, standardizing the bank's operations across all branches and improving risk management across the bank.

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE

Governance and Risk Management:

During 2025, Equity Bank Rwanda plc enhanced ESG risk management framework through establishing the bank procedure that guide its operations. The ESG procedure guide step by step how the ESG risk assessment shall be conducted for each borrowing customers and how the identified risk shall be mitigated throughout the loan tenure. The implementation of the ESG procedure is done via well-established ESG monitoring by risk management department.

Through the ESG risk management framework, the bank integrated ESG into Enterprise Risk management framework where the bank embedded it into its strategy, adopted materiality assessment in way that the assessment of ESG impact on the bank and outside environment in general, in addition to that, the bank established governance for ESG as defined below, currently the bank is working on data quality and monitoring to support accurate reporting and enhance mitigation control around identified ESG.

EBR operates under the guidance of a Board approved ARRP 24-30 strategy. This sustainability strategy reinforces it and, in many ways, completes it. It delineates our commitment to ourselves and our stakeholders and our passion towards sustainability. Operationalizing it successfully will also demystify the idea that "it's either profits or sustainability and not both", we believe we can become the market leader in "profiting while doing good". To this end, the Bank is committed to define ESG governance and monitor ESG objectives, embedding sustainability, monitor ESG risks and independent Greenhouse Gas emission (GHG) auditor.

The Board of Directors established good governance around ESG where all ESG matters are discussed in Board risk committee every quarter which has a mandate to oversee the ESG risk management framework within the bank. At senior management level, all ESG identified risks are discussed by the Non-Financial Risk committee

RISK MANAGEMENT

(NFR) which takes place every month. The ESG reports to the board and NFRs are prepared and presented by Head of risk within the bank. However, the plan is to have Sustainability Committee (SSC) Steering committee in financial year 2026. At first line of defense, the person responsible of ESG risk management is all department head with most responsible person who is Commercial director and credit director while at second line of defense, head of risk is the one overseeing ESG risk while head of internal audit provide assurance to the board about effectiveness of ESG risk management.

The board responsibility towards ESG risk management:

The Board is responsible for sustainability governance including climate and nature related risks and opportunities. The Board is responsible for:

- Approving the ESG, Nature and Climate Risk Framework and policies recommended by senior management, having regard for relevant global, regional, and local developments, and agreed goals.
- Ensuring that Directors have an adequate understanding of sustainability and senior management is equipped with appropriate expertise for managing ESG, nature and climate risk.
- Considering sustainability risks and opportunities in a holistic manner and ensuring business decisions are commensurate with the magnitude of these risks.
- Defining and articulating the roles and responsibilities and designating key personnel with specific responsibilities for the implementation of the EBR's sustainability and climate-related risk management framework in line with its risk profile.
- Reviewing and approving the EBR's overall risk appetite and approving the Risk Appetite Statement (RAS) recommended by senior management. The RAS identifies the strategic goals; risk-taking capacity; and results of any materiality assessment, climate risk stress testing and scenario analysis and nature-based assessments.

- Ensuring that there are appropriate resources, processes, systems, and controls to support the implementation of the EBR's strategy and ESG, Nature and Climate Risk Framework.
- Cultivating a risk culture from the top that embeds ESG, nature and climate risk considerations into the business activities and decision-making process.

Below are key senior management responsibilities toward ESG risk management:

- Establishment of the EBR Sustainability Management Committee.
- Review and update of Environmental and Social (E&S) risk management policies in line with new developments and business direction. This included incorporating vendor E&S risk assessments for the first time in the ESG policy and embedding nature as a key area of risk assessment.
- Customization and adoption of an ESG, Nature and Climate Risk Framework within the bank
- Solidifying the application and entrenchment of the three lines of defense model in ESG with clear separation of roles defined for reporting and execution.
- Equipping ESG functions in departments and subsidiaries with adequate and skilled resources throughout the year.
- Undertook ESG-linked training and development initiatives within the bank.
- Launched new sustainable finance solutions and propositions.
- Upgraded and enhanced the Environmental and Social Risk Management procedures.
- Approval of a facility under the Africa Rural Climate Adaptation Finance Mechanism (ARCAFIM) to support low-income rural households and small agricultural producers with a focus on women and youth.

HOW WE MANAGE RISK



RISK MANAGEMENT

Materiality Assessment

- In 2025, the Bank undertook a refreshed Materiality Assessment to identify the Environmental, Social and Governance (ESG) topics most relevant to our business strategy, our stakeholders, and the long-term sustainability of our organization. This process ensured that our sustainability priorities align with the expectations of customers, employees, regulators, investors, and the communities we serve, while also supporting our ambition for responsible growth. The assessment was conducted through a Group-wide multi-subsidiary working group, comprising representatives from risk, operations, human resources, finance, compliance, sustainability, and business development teams across all subsidiaries. Following extensive deliberation, benchmarking, and stakeholder input, the proposed material issues were consolidated and Equity Bank Rwanda localized these into four strategic sustainability pillars. Our four material pillars are: Governance, sustainable finance, people & own operations and community. The sub material ESG matter includes but is not limited to climate risk, investors relations, value to society, governance, customer centric, financial inclusion, employees, partnerships, culture, Diversity, Equity, and Inclusion, supply chain, credit risk management and natural & environmental protection.

Strategic Plan

- Equity Bank Rwanda Plc is implementing the Africa Recovery and Resilience Plan (ARRP) Strategy. The strategy is a multi-pronged and holistic solution to achieve the social economic transformation of Africa. The Strategy comprises of 6 strategic pillars that will be operationalized through a collaborative ecosystem-centric approach. The six strategic pillars are namely. Pillar 1: Food & Agriculture Pillar 2: Manufacturing & Logistics Pillar 3: Trade & Investment Pillar 4: MSMEs Pillar 5: Social Transformation & Environmental Pillar 6: Technology enabled ecosystem. This Sustainability strategy lays the background for operationalization of Pillar 5 for the Rwanda entity.
- As a responsible financial institution, we recognize our critical role in promoting sustainable economic development, social well-being, and environmental stewardship. In alignment with national priorities such as Rwanda's Vision 2050, the National Strategy for Transformation, and the Sustainable Development Goals (SDGs), the Bank commits to the following sustainability objectives:
- Commitment 1** — Environmental Responsibility Aligned to the Sustainable Finance and Community pillars We commit to advancing environmental stewardship by embedding climate considerations into our Sustainable Finance pillar by increasing green lending, promoting renewable energy, climate-smart agriculture, and resource-efficient infrastructure, while through our Community pillar we commit to supporting local climate

resilience initiatives, tree-planting programs, and public awareness efforts that safeguard ecosystems and strengthen national environmental outcomes.

- Commitment 2** — Social Inclusion and Impact Aligned to the Community and People pillars We commit to driving inclusive growth by anchoring our work in the Community pillar by expanding financial inclusion, empowering underserved groups, and strengthening SME capacity while through the People pillar we commit to fostering diversity, equity, fair labor practices, and equal opportunity for all employees, ensuring our internal culture reflects the same social equity we promote externally.
- Commitment 3** — Good Governance and Ethics Aligned to the Governance pillar We commit to upholding the highest standards of ethical conduct and transparency by strengthening the Governance pillar by embedding ESG into risk and credit decisions, enforcing policy alignment, enhancing regulatory compliance, and ensuring robust oversight mechanisms that reinforce accountability at every level of the organization.
- Commitment 4** — Innovation and Collaboration Aligned to the Sustainable Finance and Community pillars, enabled by Governance oversight We commit to fostering innovation by expanding the Sustainable Finance pillar through the development of sustainable products, ESG-linked solutions, and digital tools that accelerate the transition to a low-carbon and socially inclusive economy. Through the Community pillar, we commit to partnering with government, development partners, and civil society to amplify impact, all under the structured governance frameworks that ensure responsible innovation and discipline collaboration.
- Commitment 5** — Continuous Improvement and Accountability Cross-cutting commitment anchored in the Governance pillar and supporting all other pillars We commit to continuous improvement by strengthening the Governance pillar with clear targets, rigorous performance measurement, annual reporting, and ESG data integrity practices, ensuring we remain accountable to our stakeholders. This commitment directly supports Sustainable Finance, People, and Community pillars through transparent monitoring, impact evaluation, and a culture of learning and adaptation.

A substantial part of the activities undertaken during the year focused on strengthening the Environmental and Social Risk Management (ESRM) procedures that prescribe the risk management process to be followed. The ESRM includes the following key components:

- Transaction Screening** – ensures the proposed transaction is within the Equity Policy and also determines the approach (with respect to roles and responsibilities and level of assessment) to be followed for the Environmental and Social Risk Due Diligence.
- Environmental and Social Risk Due Diligence (ESDD)** – involves

RISK MANAGEMENT

a systematic identification and assessment of the risk as well as proposed mitigation actions to be agreed upon with the customer.

- **Credit Process** – incorporates the E&S risk assessment into the credit process for decision making and also for contractually agreeing on the required mitigation actions with the customers.
- **Monitoring and Evaluation** – involves the effective management of the risks identified through the ESRM and assessing emerging risks that may affect the customers.

The procedures were enhanced by embedding climate risk into the ESRM to enable the computation of portfolio-level and individual borrower environmental and social risk ratings. Subsidiaries now monitor their climate risk exposure utilizing the climate risk rating which was incorporated into the ESRM procedures. Another enhancement included incorporation of an environmental and social risk rating (ESRR) into the ESRM procedures. ESRR is an assessment of the specific impact of an E&S risk on the Equity Group, considering the existing controls and mitigation, and the likelihood of the risk materializing. This risk rating is then included as part of the credit assessment for a borrower.

METRICS & TARGETS

Equity's strategy and risk management procedures are aligned to managing ESG and climate-related risks. EBR completed the baseline of its carbon footprint which will inform the future steps in setting appropriate metrics and targets. The bank is exploring the appropriate mechanisms, models and metrics to be used to determine emissions from lending activities (i.e. the impact of customers' business on climate change).

The bank has developed green products to support this sustainability agenda and reduce carbon footprint. The products in place are as follows:

- **AquaLife:** The AquaLife Loan is a specialized financing solution designed to empower individuals, businesses, and communities in securing sustainable access to clean water, promoting proper sanitation, and fostering improved hygiene practices. This unique loan product is tailored to address the critical needs of those striving to enhance their water-related infrastructure and overall well-being. These products will cover the following:
- **Water component**
 1. **Water Supply System:**
 - o Financing the construction and maintenance of water supply systems, such as Equipment for water networks, boreholes, wells, and water treatment plants.
 - o Supporting the expansion and upgrading of existing water infrastructure to provide clean and safe drinking water to underserved areas.

- o Financing the acquisition of water purifiers. Water purifiers are devices or systems designed to remove impurities, contaminants, and pathogens from water, making it safe and suitable for drinking and other uses.

2. **Water Storage Facilities:**

Providing loans for accessing water storage tanks, reservoirs, and dams to ensure a consistent and reliable water supply.

a) **Sanitation Component**

Sanitation refers to the safe and hygienic management of human excreta (waste), wastewater, and solid waste. It is a critical aspect of public health and environmental sustainability. The components of sanitation encompass various aspects of waste management, hygiene, and infrastructure. Adequate funding is essential for building and maintaining sanitation infrastructure, as well as for supporting public education and awareness campaigns. Here are the key components of sanitation to include this product:

1. **Sanitation Infrastructure:**

- Financing the construction, renovation, or upgrade of sanitation facilities, including household toilets, public toilets, and communal latrines.

2. **Septic Tanks and Sewage Systems:**

- Financing the installation of septic tanks, sewage systems, and wastewater treatment facilities to ensure the proper disposal of human waste.

3. **Solid Waste Management:**

- Financing projects related to solid waste collection, recycling, composting, and disposal, including the purchase of waste collection vehicles and equipment.

b) **Hygiene Component**

Equity Bank will play a crucial role in promoting hygiene by providing financing for various hygiene-related projects and initiatives. The components related to hygiene that can be financed by banks include:

- (a) Hygiene products' manufacturers (micro, small, medium and large manufacturers),
- (b) Hygiene products whole sellers
- (c) Hygiene products retailers
- (d) End-users.



VALUE CREATED FOR
OUR STAKEHOLDERS

VALUE CREATED FOR OUR STAKEHOLDERS

MATERIAL TOPICS

At Equity Bank Rwanda Plc, value creation is never one-dimensional. It is measured not only in the financial returns delivered to shareholders and investors, but in the opportunities unlocked for customers, the livelihoods built for employees and communities, the trust earned with regulators and development partners, and the environmental stewardship exercised on behalf of future generations. Across the country's footprint, the Bank creates, preserves, and sustains value for a diverse and interconnected stakeholder universe - and understanding what matters most to each of those stakeholders, and what the Bank's activities mean for them, is fundamental to how the Bank makes decisions and allocates capital. To ensure that its strategy, governance, and reporting remain anchored in the issues of greatest consequence, Equity applies the principle of double materiality - considering both how sustainability-related factors affect the Bank's financial performance and long-term viability, and how the Bank's operations affect the broader economic, social, and environmental systems in which it operates. This dual lens, applied through a structured materiality analysis, identified nine material topics that informed the Bank's strategic priorities, risk management, and stakeholder engagement in FY2025. The sections that follow describe each of those topics and demonstrate how Equity's engagement with its stakeholders translated the insights it gathered into actions, outcomes, and sustained value across every dimension of its integrated business model.

Steps to Establish Double Materiality

OUR MATERIALITY PROCESS



Equity conducted a materiality analysis in 2025, which identified nine material topics shown below.



Material topics and strategic response

Key:  Associated Principal Risk  Capitals Impacted  Stakeholders Impacted

CORPORATE GOVERNANCE

Associated SDGs:



Our Strategic Response

Governance is the hinge on which an organisation turns. At Equity, we take active steps towards establishing proper governance. The Bank has committed to the highest level of governance, striving to foster a culture that values and rewards exemplary ethical standards, personal and corporate integrity and respect for others.

-  Regulatory Compliance Risk
-  Human, Intellectual, Social and Relationship
-  Shareholders, Partners, and Investors, Regulators and Policymakers

CUSTOMER INCLUSIVITY

Associated SDGs:



Our Strategic Response

Equity Bank Rwanda Plc is recognised as an inclusive financial institution, committed to providing customised services and products tailored to the diverse needs of our customers. Our strategy and business model are centred on inclusivity, ensuring that our financial solutions are reliable, accessible, and scalable for all customer segments and markets.

-  Technology, Information, and Cybersecurity
-  Human, Social & Relationship, Financial
-  Shareholders, Partners, and Investors, Customers

PEOPLE, CULTURE, and DEI

Associated SDGs:



Our Strategic Response

We strive to maintain an all-inclusive work environment that emphasises health and wellness, professional development (relevant training, upskilling) and DEI institutionalisation.

-  Financial Crime Risk, Fraud Risk Management, Conduct Risk
-  Human, Social and relationship
-  Employees, Society and Communities, Customers

VALUE TO SOCIETY

Associated SDGs:



Our Strategic Response

We provide significant value to society through our Foundation, which serves as the social impact arm of our Three-Engine Model. This allows us to reach not only our customers, but also the broader community, empowering, upskilling, and developing individuals. Additionally, we have a strong focus on SMEs and are constantly evolving our product offerings to ensure they remain relevant and valuable.

-  Fraud Risk Management, Customer Protection, Reputational risk
-  Human, Social & Relationship Financial, Manufactured
-  Shareholders, Partners, Investors, Society, Customers

Material topics and strategic response

Key:  Associated Principal Risk  Capitals Impacted  Stakeholders Impacted

INNOVATION

Associated SDGs:



Our Strategic Response

As technology advances, it is essential to ensure our employees are tech savvy, and that our product offerings are competitive, securing our reputation as a leader in digital innovation.

-  Technology, Information, digital innovation
-  Intellectual, Manufactured
-  Shareholders, Partners, Investors, Employees, Customers

FOOTPRINT AND ENVIRONMENT

Associated SDGs:



Our Strategic Response

Cognisant of the environmental impacts associated with an institution of our scale, we actively monitor and manage energy use, resource consumption, waste generation, and GHG emissions across our operations. Through these interventions, we seek to minimise operational impacts while enhancing resilience and long-term sustainability.

We complement operational footprint management through climate and nature action initiatives implemented through Equity Group Foundation and sustainability programmes. These include landscape restoration through tree planting, ecosystem conservation, and promote adoption of clean energy solutions that contribute to carbon sequestration, climate resilience, and a just transition to low-carbon

-  ESG, climate, and nature risks, Operational and compliance risks, Reputational risks
-  Natural, Social and relationship, Financial, Human
-  Shareholders, Partners, Regulators, Employees, Communities, Customers

PARTNERSHIPS AND INVESTOR RELATIONS

Associated SDGs:



Our Strategic Response

Partners and investors play a critical role in the actualization of our strategy and are at the forefront of our structure and decision-making.

-  Financial Risks
-  Financial, Social and relationship
-  Shareholders, Partners, and Investors, Customers

SYSTEMIC RISK MANAGEMENT

Associated SDGs:



Our Strategic Response

We actively monitor our top risks as listed in our Enterprise Risk Management framework. We conduct a risk analysis every three months (quarterly) and employ our Three Lines Model in their management. Increasingly, we are integrating technology into our risk management and have seen great success.

-  Fraud Risk Management, Compliance Risk
-  A Financial, Social and relationship
-  Shareholders, Partners, Investors, Society, Customers

REGULATORY ENVIRONMENT

Associated SDGs:



Our Strategic Response

We track existing and emerging regulations in all our regions of operation to ensure full compliance. Regulation technology (RegTech) solutions are being adopted to continuously capture, interpret, and map new or changed regulations across global jurisdictions and ensure efficient and effective compliance.

-  Compliance Risk
-  Financial, Human
-  Shareholders, Partners, and Investors, Regulators and Policymakers

STAKEHOLDER ENGAGEMENT

Equity Bank Rwanda Plc stakeholders are not a peripheral constituency - they are the foundation of the Bank's ability to create and sustain value. Across Rwanda and a stakeholder universe spanning 1.51m customers, 1,009 employees, shareholders and development partners on four continents, regulators across multiple jurisdictions, and the communities the Bank exists to serve, Equity maintained structured, purposeful, and genuinely two-way engagement throughout FY2025. Stakeholder relationships are mapped and prioritised according to both the contributions each group makes to the Bank's strategic objectives and the extent to which the Bank's activities affect their interests - ensuring that engagement is proportionate, relevant, and accountable. Feedback, concerns, and expectations gathered through these interactions were escalated through management committees and, where material, to the Board through dedicated committee structures, translated into concrete actions, and communicated back through appropriate channels. In this way, stakeholder engagement is not a reporting exercise for Equity - it is an active mechanism through which the Bank sharpens its strategy, strengthens its governance, and builds the institutional trust that underpins long-term value creation for all who depend on it.

Building value through engagement



Shareholders, Partners and Investors

Our shareholders, partners, and investors are the providers of financial capital, and we disclose to them relevant information to make informed investment decisions.



Regulators and Policymakers

The regulators and policymakers constitute a wide spectrum of bodies and entities that regulate our industry across the various territories in which we operate.



Employees

Our employees are the motivated and skilled people who enable us to offer value to our customers and contribute materially to the communities in which they live and work.



Society and Communities

Our communities and societies are where and with whom we interact and operate. Engaging with them enables us to better understand and address societal needs and expectations.



Customers

Our customers are at the heart of our Bank, engaging with our broad portfolio of products and services and enabling our continued growth and impact.



Government

The government shapes our regulatory environment and enables our license to operate through policies, oversight, and partnerships.

STAKEHOLDER ENGAGEMENT (CONTINUED)

Shareholders, Partners, and Investors

Methods Of Engagement

-  **Global Roadshows:** Regular sessions covering performance, risk, and ESG disclosures across regional markets.
-  **Quarterly Meetings:** Equity investor forums dedicated to business and financial result discussions.
-  **Annual AGM:** Direct stakeholder communication on annual performance and strategy alignment.
-  **Sustainability Focus:** Responding to specific information requests regarding ESG metrics.
-  **Partner Solutions:** Collaborative structuring of capacity building and finance solutions.



Capitals Impacted

FINANCIAL
CAPITAL

SOCIAL and RELATED
CAPITAL

Material Matters Impacted

- Corporate Governance
- Partnerships and Investor Relations
- Systemic Risk Management

Strategic Response Alignment

CONCERN Governance and Disclosure

RESPONSE: Improved traceability of narratives to metrics and clearer articulation of sustainability governance.

CONCERN Climate Risk and Resilience

RESPONSE: Enhanced engagement on climate-smart agriculture, SME resilience, and transition finance.

VALUE CREATED and PRESERVED

- ✓ Ongoing communication with analysts and investors providing business performance clarity.
- ✓ Improved local partnership coordination.

- ✓ Record of financial performance and balance sheet in the year:

EPS (RWF)

2025 **2.32** ↑

2024 - 2.32

ROE (%)

2025 **28.9** ↓

2024 - 34.6

STAKEHOLDER ENGAGEMENT (CONTINUED)

Customers

Methods Of Engagement



Ongoing Engagement: Daily and weekly engagement through contact centres and branches.



NPS Feedback: Customer satisfaction and Net Promoter Score feedback mechanisms.



Digital Platforms: Ongoing customer feedback gathering through integrated digital platforms.



Redress Channels: Mechanisms for complaints and grievances redress.



Insight Dashboards: Quarterly formal reviews through customer insight dashboards.



Product Clinics: Dedicated sessions for SME's and sector value chains.



Capitals Impacted

SOCIAL and RELATIONSHIP CAPITAL

Material Matters Impacted

- Customer Inclusivity
- Value to society
- Innovation
- Footprint and Environment

Strategic Response Alignment

CONCERN Service and Centricity

RESPONSE: Strengthened improvement actions and root-cause management to listen to our customers.

CONCERN MSME Resilience

RESPONSE: Product refinement for MSME's and value chains, providing resilience-oriented financing.

CONCERN Digital Trust

RESPONSE: Continued reinforcement of data governance, awareness, and operational controls.

VALUE CREATED and PRESERVED

- ✓ Customer feedback taken into consideration to refine digital journeys and enhance literacy efforts.

- ✓ Improved customer satisfaction driven by technological investments and digital system enhancements.

STAKEHOLDER ENGAGEMENT (CONTINUED)

Employees

Methods Of Engagement

-  **Manager Cascades:** Ongoing alignment to meet organisational goals.
-  **Engagement Cycles:** Formal quarterly, biannual, or annual cycles.
-  **Pulse Surveys:** Periodic feedback gathering for constant improvement.
-  **Talent Reviews:** Annual bottom-up and cross-functional reviews.



Capitals Impacted

HUMAN CAPITAL

SOCIAL and RELATIONSHIP CAPITAL

FINANCIAL CAPITAL

Material Matters Impacted

- Corporate Governance
- People, Culture, and DEI
- Innovation

Strategic Response Alignment

CONCERN Wellbeing and Inclusion

RESPONSE: Strengthened policies and frameworks, including deeper integration of DEI aspects.

CONCERN Grievance Channels

RESPONSE: Arranged for on-site and online channels where staff can raise grievances and feedback.

VALUE CREATED and PRESERVED

- ✓ **Professional development and upskilling:**
 - Senior Management: ISSB, impact disclosures, climate risks.

- Staff: Knowledge gaps, Generative AI, new business.

- ✓ Feedback informs programs and improved Employee Value Proposition.

STAKEHOLDER ENGAGEMENT (CONTINUED)

Societies and Communities

Methods Of Engagement

-  **Community Forums:** Quarterly/annual forums to discuss program design, impact, and resilience.
-  **Annual Reviews:** Structured cycles to evaluate program strategy and outcomes.
-  **Beneficiary Feedback:** Highlighting progress and the real-world impact of initiatives.



Capitals Impacted

SOCIAL and RELATIONSHIP CAPITAL

FINANCIAL CAPITAL

Material Matters Impacted

- Partnerships and Investor Relations
- Customer Inclusivity
- Value to society
- Innovation
- Footprint and Environment

Strategic Response

FOCUS Climate and Safeguarding

RESPONSE: Engaged in climate resilience (vulnerability, adaptation, nature-based) via Foundation and partners.

FOCUS Program Quality

RESPONSE: Strengthened monitoring, feedback resolution, and ensuring learnings inform delivery.

VALUE CREATED and PRESERVED (THROUGH EQUITY GROUP FOUNDATION)

- ✓ **Empowering through Knowledge and Finance:**
Conducted capacity building for society members in sustainable agriculture, technology integration, entrepreneurship, and financial wellness.
- ✓ **Environmental Stewardship:**
Supported communities in clean energy transition, large-scale tree nurturing, and training farmers on sustainable, earth-friendly practices.
- ✓ **Health and Wellbeing:**
Made quality healthcare more accessible and affordable while advancing solid steps toward improved medical insurance coverage for all.

STAKEHOLDER ENGAGEMENT (CONTINUED)

Regulators and Policymakers

Methods Of Engagement



Ongoing Engagements: Constant interaction with regulators to align on policy requirements and reporting deadlines.



Capitals Impacted

SOCIAL and RELATIONSHIP CAPITAL

INTELLECTUAL CAPITAL

Material Matters Impacted

- Corporate Governance
- Partnerships and Investor Relations
- Footprint and Environment
- Systemic Risk Management
- Regulatory Environment

Concerns and Response

CONCERN Disclosure and Reporting

RESPONSE: Conducted routine regulatory submissions and provided regular updates on compliance.

CONCERN Adherence

RESPONSE: Ensured strict adherence to all regulatory requirements and evolving policies.

VALUE CREATED and PRESERVED



Building Trust through Transparency:

Our timely and transparent reporting and adherence to regulatory requirements have allowed us build trust with our regulators.



Supporting the Evolving Agenda:

Strong relationships built with the regulators help us stay up to date with new and evolving regulations to support the agenda and stay aligned.

STAKEHOLDER ENGAGEMENT (CONTINUED)

Government

Methods Of Engagement

-  **Fiscal Policy Alignment:** Regular engagement with government agencies on fiscal policy, taxation, and compliance matters.
-  **Statutory Adherence:** Timely submission of tax returns and strict adherence to all statutory deadlines.
-  **Active Consultations:** Participation in government-led forums and consultations.



Capitals Impacted

SOCIAL and RELATIONSHIP CAPITAL

FINANCIAL CAPITAL

Material Matters Impacted

- Corporate Governance
- Regulatory Environment
- Partnerships and Investor Relations

Concerns and Response

CONCERN Full compliance with tax laws and timely payment.

RESPONSE: Conducted timely and accurate tax laws and payments of all statutory obligations.

CONCERN Transparent reporting and policy support.

RESPONSE: Ensured transparent reporting of tax contributions and support for government policies and economic development initiatives.

VALUE CREATED and PRESERVED

- ✓ Consistent tax compliance reinforces our reputation as a responsible corporate citizen.
- ✓ Disciplined approach strengthens government relationships and national development.
- ✓ Proactive engagement ensures alignment with government priorities.

TOTAL TAX CONTRIBUTION

RWF 35.6 Bn ↑

vs Rwf 32.1 Bn in 2024

OUR PEOPLE

HUMAN CAPITAL PERFORMANCE

● 2025 ● 2024



SCALE and DIVERSITY

Total Employees	1,009	939
Female Employees (%)	44%	43%



STRATEGIC GROWTH

New Employees Hired	272	215
Nation-wide Promotions	94	82



CAPABILITY and STABILITY

Employee Retention Rate	86.4%	73.7%
Training Hours (Average/Staff)	40	40



INCLUSION and PIPELINE

People with Disabilities	9	7
Interns and Graduate Trainees	55	9

At Equity, our employees are the driving force behind our value creation and long-term success. Their expertise, dedication, and innovative spirit are central to achieving our strategic ambitions and delivering meaningful impact for our stakeholders. By nurturing a culture of continuous learning, collaboration, and shared values, we aim to empower our people to excel and respond effectively to the evolving needs of our customers and communities. Our ongoing investment in their development, well-being, and engagement not only enhances organisational performance and resilience but also increases our employee satisfaction and talent retention. It is through the commitment and capability of our employees that Equity Bank Rwanda continues to create lasting value across the region.

The year 2025 has been a very pivotal year for the Human Resources department at Equity Bank Rwanda Plc. We have paid a lot of attention and made substantial investments to improve our People agenda and ensure we build a future-fit workforce. Our recruitment processes have been refined to attract and select individuals who embody the Bank's core values, and the Employee Value Proposition has been enhanced to further improve employee satisfaction and retention. Equity Bank Rwanda Plc's recruitment is operated under the Talent Acquisition Engagement

Model. This model is anchored through a host of policies such as Talent Acquisition Policy, Onboarding Policy, Talent Management Policy, Remuneration Policy to ensure a transparent, fair, and effective approach to attracting, selecting, and integrating top talent at Equity.

Employee Value Proposition

Our Employee Value Proposition (EVP) comprises a wide range of workplace benefits as well as rewards offered to employees. The Bank is committed to offering a competitive EVP for attracting, engaging, and retaining the best talent. Our EVP encompasses various elements, including access to wellness programs, mental health and wellness courses, training, and development programs, promotion programs, access to sports facilities to ensure physical fitness, and Employee Stock Ownership Plan scheme for all staff.

Excluding all the mentioned benefits, our full-time employees are provided with the following: Medical Cover, Private Pension (up to 5%), Paid Leave Days, and staff loans at preferential rates. These are standard benefits we provide to our employees to make them feel secure in their wealth and health.

OUR PEOPLE (CONTINUED)

Diversity, Equality, and Inclusion (DEI)

At Equity , we value the individual and cultural differences that each employee brings, and we recognise that harnessing this diversity can create a productive and inclusive environment where everyone feels valued and their talents are fully utilised. As an equal opportunity employer, the Bank does not discriminate and is committed to upholding the principles outlined in our Justice, Equality, Diversity, and Inclusion (JEDI) Policy. We provide appropriate support for people with disabilities and ensure our practices align with global standards and UN conventions on human and workplace rights. We have set a target to achieve 50% representation of women in management positions by 2030, underscoring our dedication to gender diversity and fostering a truly inclusive workplace.

Training and Development

Equity Bank is deeply committed to the continuous learning and development of our employees, recognising that their growth is essential to delivering exceptional service, empowering our customers, and transforming lives. Through our comprehensive learning strategy, Equity Bank provides targeted training and development programs that build the skills, competencies, and knowledge required for both personal and organisational success. By facilitating practical learning solutions tailored to individual and business needs, the Bank empowers employees to realise their full potential, drive innovation, and contribute meaningfully to the Bank's long-term objectives.

DIVERSITY AND INCLUSION

2025 VS 2024 PERFORMANCE



PEOPLE WITH DISABILITIES

2025 TOTAL

9



2024

7



TOTAL FEMALE EMPLOYEES

2025 TOTAL

439



2024

403



% OF FEMALE EMPLOYEES

2025 TOTAL

44%



2024

43%



FEMALE SENIOR LEADERSHIP

2025 TOTAL

36%



2024

36%

OUR PEOPLE (CONTINUED)

CORPORATE LEARNING FRAMEWORK

CAPABILITY and DEVELOPMENT PILLARS

7 STRATEGIC TRACKS



ORGANISATION-CENTRIC

Learning about the Equity culture, values, corporate philosophies, critical success factors, execution standards, leadership DNA, and anthem.



LEADERSHIP AND MANAGEMENT

Learning supervisory and business management skills for leaders and line manager capability development.



GLOBAL CITIZENSHIP

Learning programs to champion corporate alignment to globally thematic concepts such as: ESG, Climate Risk, JEDI, SDGs, and Sustainability.



INTERNAL KNOWLEDGE

Learning about the products, processes, risk management, service charters, and market and industry developments.



FUNCTIONAL LEARNING

Learning the technical, operational, and business skills required to deliver effectively on all job assignments.



TALENT DEVELOPMENT

Specialised learning programs to nurture exceptional potential towards greater organizational responsibility.



COMPLIANCE LEARNING

Learning programs aimed at building compliance with Group policies, regulatory obligations, and legislative requirements.

Learning and Development achievements in 2025

2025



59,282 TOTAL
TRAINING HOURS



58.75
AVERAGE HOURS PER EMPLOYEE

Total
+58%



Average
+51%

2024



48,381 TOTAL
TRAINING HOURS



51.52
AVERAGE HOURS PER EMPLOYEE

Succession Planning

Succession planning is an essential pillar of Equity's Talent Management Framework, highlighting its importance for business continuity. Through regular talent assessments, the Bank creates comprehensive talent maps that identify succession cover and readiness across key positions, enabling targeted interventions to address any gaps and strengthen internal capabilities. All employees are provided with structured career pathways, aligned to job families, and supported by recommended learning pathways, empowering them to actively manage their personal development and prepare for greater responsibility within the organisation. This strategic approach ensures a strong pipeline of talent and supports the Bank's long-term growth and resilience.

REMUNERATION POLICY DISCLOSURE

1. Governance and Approval

The Board of Directors is responsible for reviewing and approving the Bank's remuneration policy, including any subsequent amendments.

The remuneration policy is developed internally. No external consultants were engaged in its drafting; however, it is aligned with:

- BNR remuneration directives
- Internal Bank policies and governance frameworks

2. Scope and Applicability

The remuneration policy applies to all employees of Equity Bank Rwanda Plc, with particular focus on senior and key decision-making roles, including:

- The Managing Director (MD)
- Members of the Executive Committee (EXCO)

All EXCO members report to the Managing Director and/or Board Committees.

3. Material Risk Takers and Senior Management

The Bank identifies the following categories as material risk takers and senior management:

- Senior Management: 13 employees
- Board Members: 9 members

These individuals have significant influence over the Bank's strategic direction and risk profile.

4. Objectives of the Remuneration Policy

The remuneration framework is designed to:

- Attract, develop, motivate, and retain qualified personnel
- Align remuneration practices across the Bank
- Ensure compliance with applicable regulatory requirements

5. Policy Review and Updates

During the financial year ended 31 December 2025, the Remuneration Committee reviewed the policy.

- On 28 February 2025, the policy was updated to fully incorporate all applicable BNR remuneration directives

6. Independence of Risk and Compliance Functions

The Bank ensures that employees in Risk and Compliance functions are remunerated independently of the business units they oversee.

This independence is maintained by limiting variable remuneration structures to:

- The Managing Director
- Senior executives reporting to the Board or Board Committees
- Senior executives reporting to the Managing Director

7. Risk Considerations in Remuneration

The Bank integrates both current and forward-looking risks into its remuneration processes, including:

- Financial risks
- Regulatory and compliance risks

Risk Measurement and Controls

- Annual internal and external audits provide assurance to the Board and Management
- Application of malus and clawback provisions where necessary

Where material risks or misstatements are identified, the Board may:

- Reduce or cancel future bonuses
- Require repayment of previously awarded compensation
- Cancel unvested variable remuneration

8. Performance Measurement Framework

The Bank adopts a structured performance management system based on both individual and team performance.

Performance Categories:

- Exceptional
- Outstanding
- Meets Expectations
- Partially Meets Expectations
- Did Not Meet Expectations

Only employees rated:

- Exceptional
- Outstanding
- Meets Expectations are eligible for variable remuneration.

9. Variable Remuneration Policy

- Variable pay is rewarded only when the Bank generates sufficient revenue
- All payouts require Board approval

The Bank shall:

- Not pay variable remuneration in the absence of profitability
- Apply malus and claw back mechanisms in cases of:
 - o Financial misstatement
 - o Regulatory breaches
 - o Risk management failures

10. Deferral of Variable Remuneration

- 30% of variable remuneration is deferred to senior management
- Applies to:
 - o Managing Director
 - o Senior executives reporting to Board/Board Committees
 - o Senior executives reporting to the MD

REMUNERATION POLICY DISCLOSURE (CONTINUED)

Deferral Terms:

- Vesting period: 3 years
- Linked to:
 - o Financial performance
 - o Regulatory compliance
 - o Individual performance

11. Claw back and Malus Trigger Events

The following events may trigger malus or claw back actions:

- Material financial restatement due to fraud, misconduct, or error
- Employee involvement in fraud, gross negligence, or misconduct
- Breach of:
 - o Non-compete agreements
 - o Non-solicitation clauses
 - o Confidentiality agreements

12. Form of Variable Remuneration

Currently, the Bank provides variable remuneration in cash form only.

13. Remuneration Committee Activity (2025)

- Number of meetings held: 4
- Total remuneration paid: RWF 420M (sitting allowances)

14. Remuneration Statistics (2025)

Variable Remuneration:

- Number of employees receiving variable pay: 730
- Total guaranteed bonuses: RWF 1,9B

Other Payments:

- Sign-on bonuses: None
- Severance payments: None

15. Deferred Remuneration

- Total outstanding deferred remuneration (cash): RWF 126M

This amount is:

- Subject to malus and claw back provisions
- Linked to future performance and risk outcomes

16. Adjustments and Reductions

- No reductions were recorded during the financial year due to ex-post adjustments.



UN Women Representative, Ms. Jennet Kenn, and Equity Bank Rwanda Plc Managing Director, Mr. Hannington Namara, exchanged an MoU to accelerate women's economic empowerment.

OUR SUSTAINABILITY
AND SOCIAL IMPACT

INTEGRATION OF SUSTAINABILITY FOR 2025

Equity Bank Rwanda Plc demonstrated a strong commitment to sustainable development throughout 2025 by embedding environmental, social, and governance principles into its core operations. The Bank continued to promote inclusive growth, climate resilience, and responsible financing while delivering measurable impact across communities, businesses, and ecosystems. This approach reflects a deliberate effort to align financial performance with long-term sustainability objectives.

During the year, significant progress was recorded across key sustainability metrics. Financing for water, sanitation, and hygiene reached over RWF 3.5 billion, benefiting more than 160 households and micro, small, and medium enterprises by improving access to clean water and sanitation services. In addition, RWF 4.5 billion was disbursed toward energy financing, supporting the adoption of renewable energy and clean technologies. Environmental stewardship efforts resulted in the planting of more than 41,000 trees nationwide, contributing to ecosystem restoration. Water Resource consumption was also monitored, with water usage recorded at 24,112.49 cubic meters and paper consumption at 19,754.28 kilograms.

The Bank made notable advancements in integrating ESG principles across its operations. Environmental and social risk management processes were strengthened through ESG due diligence conducted for 600 clients, with two applications declined due to non-compliance, demonstrating adherence to sustainability standards. The green portfolio expanded significantly from RWF 22 billion to RWF 33 billion, reflecting growing demand for sustainable finance solutions. Capacity building remained a priority, with 899 staff members, representing 89 percent of the workforce, trained on ESG and climate risk management. Clients were also supported through advisory services focused on improving resource efficiency and reducing emissions, reinforcing the Bank's commitment to responsible financing.

Innovation in sustainability was evident through the development of a dairy sector project integrating electric mobility through e-tricycles, solar-powered cooling systems, and hydroponic fodder production. These interventions are designed to improve productivity, reduce post-harvest losses, and lower emissions within the agricultural value chain. The Bank also scaled its energy, environment, and climate change initiatives by disbursing RWF 11.85 billion in green loans, representing 1.6% of the total portfolio. A total of 258 green accounts were opened, mobilizing RWF 4.6 billion, while 125 MSMEs benefited from green and WASH products. These efforts contribute to both climate mitigation and adaptation while supporting the growth of environmentally sustainable enterprises.

Looking ahead, several strategic initiatives are underway to deepen sustainability impact. A dedicated WASH loan product targeting 1,000 households is scheduled for launch in the second quarter of 2026. Solar energy pilot projects are being implemented across selected branches, alongside the expansion of productive use of energy solutions in agriculture, including irrigation, refrigeration, and aquaculture. The Bank is also strengthening partnerships with development organizations and academic institutions to enhance knowledge sharing and resource mobilization. These initiatives are expected to accelerate the transition toward a low-carbon and inclusive economy.

Environmental performance was closely monitored, with greenhouse gas emissions reported across all scopes. Scope 1 emissions were recorded at 276,322.63 tCO₂e, Scope 2 emissions at 1,178,111.21 tCO₂e, and Scope 3 emissions at 66,992.00 tCO₂e. These figures establish a baseline for future emission reduction strategies and support the development of comprehensive climate action plans.

Sustainable lending practices continued to evolve, with RWF 218.09 billion, equivalent to 28.7 percent of total loans, screened for ESG risks. Green loans accounted for RWF 11.85 billion, or 1.6 % of the portfolio, while high ESG risk exposure stood at RWF 6.21 billion. The Bank remains focused on strengthening risk identification, mitigation, and monitoring mechanisms to ensure responsible and sustainable lending practices.

Through its corporate social responsibility initiatives, the Bank invested RWF 48.2 million in environmental conservation activities, particularly tree planting efforts implemented across multiple districts. These initiatives contributed to ecological restoration while fostering community engagement and environmental awareness.

Overall, Equity Bank Rwanda Plc made substantial progress in advancing sustainability throughout 2025. The continued growth in green financing, enhanced integration of ESG principles, and impactful social and environmental initiatives underscore the Bank's commitment to sustainable development. Moving forward, the Bank aims to scale up green finance and climate-smart solutions, deepen ESG integration across all business lines, strengthen strategic partnerships, and enhance climate risk management and reporting. These efforts position the Bank to play a leading role in advancing a green and inclusive financial system while contributing meaningfully to national development priorities.

RWANDA SUBSIDIARY SUSTAINABILITY REPORT

Introduction

This Sustainability Report presents an overview of Equity Bank Rwanda Plc's environmental, social, and economic performance for 2025 financial year. It reflects our commitment to integrating sustainability principles into strategy, operations, and decision-making processes, while creating long-term value for customers and stakeholders. Equity bank Rwanda's impacts and actions aim to strengthen accountability, support informed stakeholder engagement and contribute meaningfully to the national targets with regards to global sustainable development goals.

1 NO
POVERTY



Equity Bank Rwanda Plc continues to use financial services and non-financial means to disrupt poverty by offering multiple pathways out of poverty. Equity believes the solutions lie in democratization of access to Financial Services. With financial support from the Government, Equity Bank Rwanda has thus far provided 53 thousand individuals with over Rwf 750 billion loans.

2 ZERO
HUNGER



Equity bank Rwanda, through its Agriculture Value Chain Financing Models, disbursed, through its loan products portfolio, Rwf 30.7 billion to 1,380 farmers.

A total of 23,915 Farmers were trained on financial literacy and entrepreneurship education, agribusiness skills and good agricultural practices before they are linked to various market channels to facilitate them access loans. These include farmers in cooperatives (302 Cooperatives trained) and VSLAs (166 VSLAs trained).

4 QUALITY
EDUCATION



In 2025, Under the college counseling component, 58 scholars participated actively. These scholars were supported by eight (8) senior ELP mentors currently studying at global universities. In August 2025, 34 scholars were airlifted for further studies with global scholarships. Further more 19 scholars secured admission to global universities with full funding during early decision of year 2025.

5 GENDER
EQUALITY



Women and youth empowerment has a multiplier effect and helps drive economic growth and development. Equity Bank Rwanda has empowered 12,196 women and 6,457 youth with financial literacy skills prior to working with financial institutions to economically empower themselves.

11,920 women and youth accessed finance where a cumulative loan of Rwf 38 billion were offered to them in the agriculture, manufacturing, business and other sector

6 CLEAN WATER
AND SANITATION



Equity Bank Rwanda continued to finance the WASH sector in general, including but not limited to supporting individuals and companies to connect to the water supply system, purchase and/or install water storage infrastructure, water treatment and purification systems and modern toilets. More than 160 HHs and MSMEs were reached by WASH related initiatives, totaling around Rwf 3.5 billion loans.

Additionally, EGF conducted awareness campaigns to the actors in the WASH sector, developed WASH products aimed at supporting households to connect to the water supply.

A WASH loan product specific to facilitating households connect to the water supply system through private operators has been developed and is to be launched in the first quarter of 2026 FY. It targets 1,000 HHs in the first year and 5,000HHs by 2030.

7 AFFORDABLE AND
CLEAN ENERGY



Equity Bank Rwanda has provided over 130 households with renewable energy products positively impacting the community wellbeing, the environment and reducing climate change impact. Other programmes include promotion of solar irrigation pumps, solar water heating, energy efficiency, clean cooking solutions and productive use of energy. Rwf 4.5 billion loans have been disbursed to the customers in the energy sector.

8 DECENT WORK AND
ECONOMIC GROWTH



Equity Bank Rwanda supported job creation and economic growth by providing micro, small and medium entrepreneurs [MSMEs] with capacity building, mentorship and entrepreneurship training. Under the Entrepreneurship program, a total of RWF 5.45 billion deposits were mobilized and a 3.8Bn Rwf loans disbursed to 7,177 MSMEs creating jobs to local residents, mostly youth and women.

9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



Equity Bank Rwanda has led the way in breakthrough technology and innovation becoming the leading digital bank in the region.

It focuses on financial inclusion, SME/sector financing, digital innovation, and support for economic infrastructure that aligns with the core SDG 9 targets. The bank is investing heavily in digital banking technology, promoting accessibility and efficiency. It's integrating digital channels and infrastructure improvements to enable remote, secure and inclusive digital financial services that help modernize Rwanda's financial sector.

RWANDA SUBSIDIARY SUSTAINABILITY REPORT (CONTINUED)



Equity Bank Rwanda works hand in hand with Government institutions to improve living condition through the provision of micro loans for sustainable mortgages/real estate sector as well as support to the urban mass transport by facilitating companies access loans to invest in e-mobility.

Additionally, to ensure sustainability, Equity Bank Rwanda conducts due diligence prior to project financing to ensure that the projects have no adverse impacts to the environment and and the community and comply with all applicable laws, regulations and guidelines/standards set by the government authorities.

While conducting E&S due diligence, Equity Bank Rwanda advised the clients on efficient use of natural resources and emission reduction initiatives in the production and manufacturing processes.



Equity Bank Rwanda conducted a study and developed a solar system project to light its three branches in a way to reduce electricity bill while conserving the environment. This is a pilot project to be implemented in Rwamagana, Nyamata and Muhanga branches and will be expanded upon its success.



Equity Bank, in addition to other environmental and energy initiatives, supports productive uses of energy (PUE) in areas such as water pumping for drip irrigation and cattle drinking, aeration for aquacultures, refrigeration and poultry lighting. Other areas of interest are pest control and sustainable use of agricultural inputs. The impacts of solar power on agricultural activities are increased productivity (including higher yields, lower losses, and faster production) and improved natural resource management.

Equity bank also plants trees to contribute to the government agenda of increasing forest cover and reducing stunting through fruits produced from planted trees. Trees also reduce polluter gases from the atmosphere, contributing to accessing clean air for respiration and reducing respiratory diseases. They also retain the soil avoiding erosion and contributing to catchment restoration. In 2025, more than 41,000 trees were planted across 4 provinces of the country.



Equity Bank, in collaboration with like-minded partners, have come up with innovative solutions to support communities particularly through farm-forest investment facilities that are affordable for smallholder farmers and sustainable.

Additionally, in the FY 2025 Equity Bank Rwanda planted over 41,000 trees as its contribution to the Group's 35 million tree planting campaign and the government of Rwanda's agenda of increasing forest cover.

KEY METRICS

Population in millions	14.1
Human Development Index Rank [UNDP, 2025]	159
Gross Domestic Product [GDP] in billions, US \$	14.77
Employment to population ration	57%
Agriculture, forestry, and fishing: Percentage of GDP	24.6
Literacy level [%]: [2023/24]	78.8
Total greenhouse gas emissions [MtCO2 equivalent] [2024]	9.72
Access to electricity [% of population] [2023]	63.9
Life expectancy in years: Male, Female [2025]	66.1, 70.6
Health expenditure per capita, US\$ [2022]	76.8
Health expenditure as a percentage of GDP [2022]	7.9
Poverty Index: headcount ratio at \$1.90 a day, % of population [2023]	38.6
Gini Index [2023]	39.4
Sustainable Development Goal Score [UNDP, 2025]	62.31

RWANDA SUBSIDIARY SUSTAINABILITY REPORT (CONTINUED)

Education and Leadership Development Program

In September 2025, 72 scholars (36 boys and 36 girls) were selected from communities served by Equity Bank branches to join the program. In October 2025, the scholars underwent a one-week induction before commencing a monthly branch-based internship, which also began in October 2025.

The internship is comprehensive and includes professional and career development, college counseling, exposure to global universities, and support for the establishment of university chapters.

Under the college counseling component, 58 scholars participated actively. Forty-one (41) of them sat for the SAT, while all scholars completed the Duolingo English Test (DET). The scholars were supported by eight (8) senior ELP mentors currently studying at

global universities, with each mentor guiding 7–8 scholars through the application and preparation process.

In 2025, 34 scholars from the 2024 cohort were airlifted for further studies. Additionally, 19 scholars secured admission to global universities with full funding during the year 2025, while the remaining scholars are awaiting regular decision admissions between January and early March 2026.

Regarding student leadership, three targeted university chapters in Nyagatare and Kigali City universities are yet to be established. However, approximately eight (8) chapter activities were successfully conducted, including community give-back initiatives and various mentorship sessions such as transition mindset, career guidance, and financial literacy and savings.



Equity Bank Rwanda commissioned 72 scholars under the Equity Leaders Program, promoting youth leadership development for national transformation.

Food and Agriculture

EGF Rwanda's contribution to the transformation of agriculture sector has been seen in its efforts to improving agriculture productivity and commercial practices of smallholder farmers by facilitating collaborations and development of well-functioning and open market systems. The foundation and the bank work with farmers in rural areas to enhance their financial education, agribusiness and technical skills and link them directly to financial institutions.

In 2025, 23915 farmers contained in 302 cooperatives and 166 VSLAs were trained on agri-financing, market driven agriculture and good agriculture practices.

For de-risking of agricultural loans, different partners were onboarded including BRD with AFFIL, CDAT, EGF projects and ACELI Africa with a total fund of 30.2 billion Rwf working as first loss guarantee cover and subsidized loan.

The EGF-Rwanda F&A pillar is still working with its partners to

advance agriculture productivity and reduce post-harvest loss. It is driving strong social and economic transformation by enabling 14,900 farmers to access finance, expanding financial inclusion through 45,566 mobilized accounts, and strengthening rural liquidity with RWF 104B in deposits. So far, Equity Bank Rwanda has a loan book of RWF 30.7B for agricultural loans that support farmers to increase productivity, adopt modern practices, and build climate resilience, while also expanding the bank's customer base and enhancing portfolio growth.

This is in line with NST2 goals on Economic Transformation – agriculture modernization & resilience and contributes to Agri-hubs and food security strategic targets of the Government of Rwanda.

Equity bank Rwanda, in collaboration with its partners; GIZ, UNDP, IFAD is developing a project to support dairy sector by 3-wheels electric bikes to transport the milk from farm to the milk collection centers, use of solar energy in the cooling systems to maintain milk quality and installation of hydroponic fodder to enhance animal feeds.



Training of farmers cooperatives in collaboration with Cordaid through TREPA project

RWANDA SUBSIDIARY SUSTAINABILITY REPORT (CONTINUED)

Enterprise Development and Financial Inclusion

The Enterprise development and Financial Inclusion Pillar from the Equity Group Foundation (Rwanda) stimulates job creation and economic growth by providing micro and small entrepreneurs with comprehensive advice, mentorship, and entrepreneurship training programs designed to build sustainable business ecosystems.

The pillar conducted Digital financial literacy training of trainers for 126 CNF representatives from RUHANGO, NYANZA and MUHANGA District in collaboration with National bank of Rwanda. Financial literacy training to 60 Farmers Cooperatives comprising 45000 members was delivered under SHECAN Project in collaboration with world relief Rwanda. More than 140 Farmer Field School representatives were trained in collaboration with good neighbors. More than 280 dairy farmers were trained on good agriculture practices, milk value chain and financial literacy. 60 women

representatives were trained in collaboration with UN Women in the JPRWEE program. Further, coaching sessions for 15 business owners and mentorship sessions for bank customers are being conducted on a rolling basis.



Training farmers on dairy production improvement and financial literacy

Social Protection

Equity Bank through its Social engine pillars under the Equity Group Foundation has transformed lives and livelihoods of our communities including the Refugee communities leading to financial inclusion. Equity Bank Rwanda PLC social projects focus on supporting financial inclusion of refugees and refugees host communities. Refugees and host communities are offered financial services through the Equity network of branches, ATMs, merchants, agents, digital channels among others. Beneficiaries are issued with a biometric debit card linked to multiple bank accounts. Beneficiaries are based in surrounding camps (Nyabiheke, Mahama, Kiziba, Mugombwa and Kigeme) as well as urban Refugees. In partnership with UNHCR, Equity is serving both Returnees and Refugees. The Bank has supported and partnered with UNHCR and WFP in Cash Based Transfers (CBT) activities.

A total of 250,620 Transactions have been facilitated with EBR disbursing Rwf 9 billion in 2025 in the 5 refugee camps.



EBR offered Community Health Insurance to more than 120 families in Gicumbi district

Energy, Environment and Climate change

EGF Rwanda focuses on Increasing Forest Cover & Promoting Revolutionary Energy Solutions, creating wealth while conserving the environment through innovative green finance and sustainable energy initiatives to contribute to improving water security and energy efficient technologies as smart alternatives with no negative effects on the environment. Equity bank Rwanda planted 41,100 trees in 2025 fiscal year across the country to contribute to the environmental conservation.

The substantial deposit mobilization of RWF 4.6 billion resulted from increasing awareness and commitment to environmental sustainability among the client base, while also providing Equity bank Rwanda with the capital necessary to expand the green lending portfolio and develop innovative environmental finance products. 258 new accounts were opened specifically for environmental and energy sector clients, contributing to Rwanda's growing green economy.

The impressive financial performance in our Energy, Environment, and Climate Change portfolio demonstrated the viability and growing demand for green finance solutions in Rwanda. The RWF 8 billion in loan disbursements directly supported WASH and renewable energy adoption, energy efficiency improvements and environmental conservation projects that contribute to Rwanda's climate goals and green growth strategy.

125 MSMEs were supported by WASH and Green products, 937 staff and client trained on equi-green and WASH products to raise their awareness and 121 HHs reached with EECC products in general.

To expand its initiatives, the EECC pillar under EGF-Rwanda is partnering with Water for People, Rwanda Green Fund, Energy Private Developers, United Nations Development Programme (UNDP), GIZ and higher learning institutions like University of Technology and Arts of Byumba (UTAB), Catholic University of Rwanda and African Institute of Mathematical Sciences.

RWANDA SUBSIDIARY SUSTAINABILITY REPORT (CONTINUED)

Our 2025 commitments and performance

Environmental, Social, and Governance (ESG) Performance Overview

During the reporting period, Environmental and Social Due Diligence (ESDD) assessments were conducted for 600 clients. Each assessment included the identification of potential environmental and social risks, accompanied by tailored mitigation measures aimed at correcting or reducing identified risks. In addition, practical recommendations were provided to clients, highlighting opportunities for improved sustainability performance.

Out of the clients assessed, two (2) applications were declined due to non-compliance with the institution's ESG requirements, demonstrating a firm commitment to responsible lending and adherence to ESG standards.

Sustainable Finance and Green Lending

The Bank significantly expanded its green financing portfolio during the year. The Green Loan portfolio increased from RWF 22 billion to RWF 33 billion, reflecting a strengthened commitment to financing environmentally sustainable projects and supporting the transition to a low-carbon economy.

ESG Capacity Building and Awareness

To enhance internal ESG capacity, the Bank implemented a comprehensive sustainability awareness program. As a result, at least 75% of staff were equipped with ESG training materials, with particular focus on Branch Relationship Managers, who serve as the first line of defense in identifying, assessing, and managing ESG risks at the client engagement level.



Introductory workshop on capacity building for climate and green financing and sustainability, held in partnership with the European Investment Bank (EIB). The session was attended by the Equity Group Foundation Rwanda team, led by Ms. Loyce K. Bamwine, Executive Secretary.



Tree planting in Nyagatare district, Eastern Province

TAX SUSTAINABILITY REPORT

Introduction

Taxation is a cornerstone of economic systems, influencing business operations, enabling government service delivery, and supporting societal well-being globally. It underpins macro-economic stability, drives investment, and enhances competitiveness in international trade.

As a leading financial institution, Equity Bank Rwanda Plc recognises its critical role within this ecosystem. Sustainability and Environmental, Social and Governance (ESG) principles are embedded within our leadership and governance framework and guide the manner in which our tax practices support responsible business conduct across all jurisdictions in which we operate. We acknowledge the diverse tax frameworks established by governments to support economic growth and development. In response, the Bank adopts a socially responsible tax approach, integrating tax compliance within our broader sustainability agenda. Beyond meeting statutory obligations, we regard effective tax governance as a strategic enabler of long-term financial resilience, value creation, and ethical business conduct.

Accordingly, our tax strategy balances revenue mobilisation, compliance, and sustainability, consistently delivering a transparent and defensible effective tax position aligned with regulatory expectations. This approach ensures that the Bank maintains an effective tax rate that performs favourably relative to industry benchmarks, while fully preserving regulatory integrity. This framework is underpinned by the Bank Tax Policy, which prioritises financial integrity, transparency, and meaningful societal contribution. Through robust internal controls, disciplined governance, and ethical tax management, we reinforce trust with regulators, investors, and other stakeholders, demonstrating our commitment to responsible corporate citizenship.

Our tax strategy is proactive and forward-looking. It includes regular internal tax reviews, continuous professional development for tax personnel, appropriate use of voluntary disclosure mechanisms where applicable, and open engagement with tax authorities and industry peers. This approach supports a fair, predictable, and stable tax environment across our operating markets and strengthens stakeholder confidence.

In line with this commitment, Equity Bank Rwanda remitted a total of Rwf35.6 billion in taxes for the financial year ended 31 December 2025, comprising Rwf 33.2 billion in direct

taxes and Rwf2.4 billion in indirect taxes. These obligations were discharged through 66 tax returns, reflecting the scale, complexity, and robustness of the Bank's tax compliance across all markets we operate in.

Scope and Approach

Modern tax governance extends beyond technical compliance; it is a critical pillar of corporate sustainability with direct implications for economic development, public finance, and social outcomes. Equity Bank Rwanda Plc recognises its dual role as both a tax compliant enterprise and a significant conduit for tax revenue collection on behalf of governments in the countries in which it operates.

Our tax management approach is grounded in legal compliance, ethical responsibility, and economic prudence, and is aligned with the Bank Tax Policy and the Global Reporting Initiative (GRI) Tax Standard (GRI 207). The following principles guide our approach to tax transparency, accountability, and sustainability:

- » **Compliance** - We maintain full and timely compliance with applicable tax laws, regulations, and reporting obligations in every jurisdiction. Ongoing engagement with tax authorities, accurate filings, and transparent disclosures underpin adherence to both legal and ethical standards.

- » **Transparency** - Transparency is embedded as a core principle of our tax governance framework. We provide clear and meaningful disclosures on our tax practices to regulators, investors, and other stakeholders. Our transfer pricing framework and country by country reporting comply with applicable legal requirements and recognised international best practices.

- » **Strategic and Responsible Tax Planning** - Equity Bank Rwanda's tax planning is driven by commercial substance and business purpose. All tax related arrangements are evaluated against economic reality, regulatory requirements, and evolving societal expectations, thereby safeguarding stakeholder interests and supporting long term financial sustainability.

- » **Stakeholder Engagement** - We engage deliberately and constructively with tax authorities, policymakers, and industry peers to support the development of fair, effective, and predictable tax frameworks. This includes quarterly engagements with our Tax Service Officers in Rwanda and their regional counterparts, as well as active participation through regulatory platforms, ensuring

TAX SUSTAINABILITY REPORT – EQUITY BANK RWANDA PLC

consistent contribution to tax policy dialogue and regulatory development.

» **Responsible Use of Tax Incentives** - Where governments introduce tax incentives to stimulate investment, innovation, or social impact, the Bank utilises such incentives responsibly and in line with their intended policy objectives. This reinforces our balanced approach to revenue mobilisation, compliance, and sustainability, and ensures the delivery of a transparent and defensible effective tax position aligned to regulatory expectations.

» **Risk Management and Assurance** - Tax risks are managed through annual tax audits, internal tax health checks, and continuous review of transfer pricing documentation

and tax positions. This proactive approach enables early identification of risks and ensures responsiveness to evolving tax laws and regulatory expectations across the Bank's operational footprint.

Conclusion

Equity Bank Rwanda Plc remains firmly committed to responsible and sustainable tax governance, anchored on transparency, accountability, and ethical business practices. We recognise that tax compliance is not merely a financial obligation, but a societal responsibility that strengthens trust with regulators, investors, and the communities we serve.

FINANCIAL METRIC

Total Tax Contribution

● 2025

35.6 (BN)

● 2024

32.1 (BN)

CAPITAL
IMPACTED

Financial

ASSOCIATED
MATERIAL TOPIC

Value to Society



FINANCIAL STATEMENTS

CORPORATE INFORMATION

REGISTERED OFFICE

3rd Floor, Grand Pension Plaza Building
KN 4 avenue de la Paix,
P.O. Box 494
Kigali, Rwanda

LAWYERS

FK Advocates Ltd
Frank Karemera/Manging Partner
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Monnie House, 2nd Floor
P. O. Box 6963 Kigali, Rwanda

BANKERS

National Bank of Rwanda
KN6 Av 4
P.O. Box 531
Kigali-Rwanda

AUDITOR

Ernst & Young Rwanda Limited
Certified Public Accountants
M Peace Plaza Executive Wing 6th Floor
KN 4 Avenue 72 St
P. O. Box 3638
Kigali
Rwanda

COMPANY SECRETARY

Lydia N. Ndirangu
3rd Floor, Grand Pension Plaza Building
KN 4 avenue de la Paix,
P.O. Box 494
Kigali, Rwanda

DIRECTORS' REPORT

1. DIRECTORS' REPORT

The directors submit their report together with the audited financial statements of Equity Bank Rwanda PLC for the year ended 31 December 2025.

2. PRINCIPAL ACTIVITY

Equity Bank (Rwanda) Plc (the "Bank" / "Company") is engaged in the business of banking and is licenced under the Law n° 044/2024 of 3%5/2024 governing banks.

3. RESULTS AND RECOMMENDED DIVIDEND

Profit for the year 2025 of Rwf 59,190,526 (2024: Rwf 53,952,779) has been added to retained earnings. The directors Authorised dividend payment of Rwf 20,700 million for the year 2025. (2024: 16,128 million).

4. DIRECTORS

The directors who held office during the year and to the date of this report were:

Names	Title	Nationality
Col. (Rtd) Eugene Haguma Murashi*	Board Chairperson	Rwandan
Mr. Hannington Namara**	Managing Director	Rwandan
Dr. Patrick Uwizeye***	Director	Rwandan
Amb George William Kayonga*	Director	Rwandan
Mrs. Belinda Bwiza*	Director	Rwandan
Mr. Andrew Rugege*	Director	Rwandan
Mr Camille Karamaga*	Director	Rwandan
Mrs. Arlette Rwakazina*	Director	Rwandan
Mr Emmanuel Muragijimana*	Director	Rwandan
Mr Jean Claude Nkulikiyimfura*	Director	Rwandan
Mrs. Iza Irame****	Director	Rwandan

* Non-Executive Director

** Executive Director

*** Non-Executive Director retired on 11th April 2025

**** New Director appointed on 15th July 2025

STATEMENT AS TO DISCLOSURE TO THE BANK'S AUDITORS

With respect to each director at the time this report was approved:

- There is, so far as the director is aware, no relevant audit information of which the Bank's auditor is unaware; and
- The director has taken all the steps that the director ought to have taken as a director so as to be aware of any relevant audit information and to establish that the Bank's auditor is aware of that information.

TERMS OF APPOINTMENT OF THE AUDITOR

The auditors, Ernst & Young Rwanda Limited have expressed their willingness to continue in office in accordance with the Law No. 007/2021 of 05/02/2021 Governing Companies as amended by Law No. 019/2023 of 3%3/2023.

The directors monitor the effectiveness, objectivity, and independence of the auditor. The directors also approve the annual audit engagement contract which sets out the terms of the auditor's appointment and the related fees.

By order of the Board



Lydia N Ndirangu
Company Secretary

Date: 31 March 2026

DIRECTORS' REPORT

Law No. 007/2021 of 05/02/2021 Governing Companies as amended by Law No. 019/2023 of 30/03/2023 requires the directors to prepare financial statements for each financial year that give a true and fair view of the financial position of the Bank as at the end of the financial year and of its profit or loss for that year. The directors are responsible for ensuring that the Bank keeps proper accounting records that are sufficient to show and explain the transactions of the Bank; disclose with reasonable accuracy at any time the financial position of the Bank; and that enables them to prepare financial statements of the Bank that comply with International Financial Reporting Standards and the requirements of Law No. 007/2021 of 05/02/2021 Governing Companies as amended by Law No. 019/2023 of 30/03/2023. They are also responsible for safeguarding the assets of the Bank and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors accept responsibility for the preparation and presentation of these financial statements in accordance with International Financial Reporting Standards and in the manner required by the Law No. 007/2021 of 05/02/2021 Governing Companies as amended by Law No. 019/2023 of 30/03/2023. They also accept responsibility for:

- i. Designing, implementing and maintaining internal controls as they determine necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.
- ii. Selecting suitable Summary of material accounting policies and then apply them consistently; and
- iii. Making judgements and accounting estimates that are reasonable in the circumstances.

Having made an assessment of the Bank's ability to continue as a going concern, the directors are not aware of any material uncertainties related to events or conditions that may cast doubt upon the Bank's ability to continue as a going concern.

The directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

APPROVAL OF FINANCIAL STATEMENTS

The financial statements of the Company were approved for issue by the Board of directors on 31 March 2026 and signed on its behalf by:

Hannington Namara
Managing Director

Mrs. Belinda Bwiza
Director

Camille Karamaga
Director

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF EQUITY BANK (RWANDA) PLC

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

We have audited the financial statements of Equity Bank Rwanda Plc (the "Bank"), which comprise the statement of financial position as at 31 December 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Equity Bank Rwanda Plc as at 31 December 2025 and (of) its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as issued by international accounting standards Board and the requirements of Law No. 019/2023 of 30/03/2023 governing companies as amended by Law No. 019/2023 of 30/03/2023

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 International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Rwanda, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF EQUITY BANK (RWANDA) PLC

Key audit matters (continued)

Expected credit losses on loans and advances at amortised cost	How key audit matter was addressed in the audit
As disclosed in Note 17 to the financial statements, as at 31 December 2025, the Bank had an allowance for expected credit losses (ECL) of Rwf 21,337,107 (2024: Rwf 22,372,958) charged on gross loans and advances of Rwf 737,226,000 (2024: Rwf 578,962,057). The related charge for the year to the income statement was Rwf 9,767,202 (2024: Rwf 3,006,019) as disclosed in Note 10 to the financial statements The estimation of expected credit losses requires the Bank to make significant judgements in the consideration of the following variables: • Allocation of loans to stages 1, 2 and 3 in accordance with IFRS 9 based on: • For credit exposures where there have not been significant increases in credit risk since initial recognition, an entity is required to a for 12-month ECL are allocated to stage 1.- For credit exposures where there have been significant increases in credit risk since initial recognition on an individual or collective basis, a loss allowance is required for lifetime is allocated to stage 2. • Stage 3 is allocated for credit exposures that are credit impaired and in default. Similar to stage 2 assets a loss allowance is required for lifetime ECLs, however the probability of default for these assets is presumed to be 100% less any determined recovery and cure rate. • Stratification of the loans and advances to customers under different credit portfolios on the basis of the associated credit risk. • Assessment of the Probability of Default (PD) and the Loss Given Default (LGD). • The application of historical and forward-looking information, including macro-economic factors in the assessment of the PD. • Assessment and forecasting of expected future cash flows from impaired (stage 3) loans and advances to customers including assessing the financial condition of the counterparty. • estimating recoverability of the cash flows and collateral realisation. • Consideration of the impact on default rates of correlated forward looking macroeconomic factors. • Application of additional overlay adjustments to reflect factors that are not considered in the applied expected credit loss model. The policies for estimating ECL are explained in note 2(n) of the financial statements. Due to the significance of the amounts, and the significant judgements and related estimation uncertainty involved, the assessment of ECLs on loans and advances to customers has been considered a key audit matter.	Our audit procedures included, but were not limited to: • Obtained an understanding the models, governance and controls over the model • Checked that staging of loans under Stage 1, 2 and 3 was appropriate • We examined the criteria used for segmenting the portfolio by the Bank • We test checked assumptions made by management in modelling loss rates.i.e PD,EAD and LGD » For PD we re-computed the banks marginal PDs based on the banks methodology and assessed reasonability. » For LGD assumptions and management estimates, we performed a benchmark analysis against other Banks to confirm reasonableness. » For macro-economic overlays, we assessed the reasonableness of managements methodology. » For EAD we re-computed the EAD based on the bank's methodology and assessed reasonability. • •We assessed whether the credit loss estimation models align with the measurement objectives outlined in IFRS 9. • Macro-economic overlays - we obtained the data from Fitch used by the bank on macro-economic overlays and test checked it for accuracy. • •Obtained explanation from management on selection of weightings scenarios. • We reviewed management's methodology of coming up with the macro-economic adjustment including the method of estimation and probability weights assigned. • Challenged management and macroeconomic adjustments or justification of lack thereof. Obtained and tested the data supporting assumptions relating to haircuts, CCF and time to realization for completeness, accuracy, and reasonableness

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF EQUITY BANK (RWANDA) PLC

Other information

Other information consists of the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Management is responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or 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 management and those charged with governance for the financial statements.

Management and those charged with governance are responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs accounting standards as issued by International accounting standards Board in the manner required by the Law N° 007/2021 of 05/02/2021 governing companies as amended by Law No. 019/2023 of 30 March 2023, and for such internal control as management determines is 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole 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 on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We are also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of Summary of material accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF EQUITY BANK (RWANDA) PLC

doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal requirements

As required by the Law N° 007/2021 of 05/02/2021 governing companies as amended by Law No. 019/2023 of 30 March 2023 we report to you, based on our audit, that:

- i. We have no relationship, interests and debts in the Company;
- ii. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- iii. We In our opinion, proper books of account have been kept by the group, so far as appears from our examination of those books;
- iv. We have communicated to you through the management letter, internal control weaknesses identified in the course of our audit including our recommendations with regard to those matters.



Stephen K Sang

For Ernst & Young Rwanda Limited

31 March 2026

STATEMENT OF COMPREHENSIVE INCOME

		2025	2024
	Notes	Frw'000	Frw'000
Interest income calculated using the effective interest method	5	124,897,891	104,569,840
Interest expense calculated using the effective interest method	6	(22,355,978)	(21,084,530)
Net interest income		102,541,913	83,485,310
Credit impairment losses	10	(7,329,305)	(3,596,003)
Net interest income after loan impairment provision		95,212,608	79,889,307
Fee and commission income	7 (a)	35,226,338	27,157,152
Fee and commission expense	7 (b)	(11,479,780)	(12,657,361)
Net fee and commission income		23,746,558	14,499,791
Net foreign exchange income	8	5,877,585	7,526,408
Other operating income	9	6,529,473	11,319,935
Net operating income		131,366,224	113,235,441
Employee benefits	11	(20,798,509)	(16,445,742)
Depreciation and amortisation	13	(3,880,558)	(2,425,748)
IFRS 16 Depreciation-Right Of Use Of Assets	13	(2,965,417)	(1,515,090)
Operating lease expenses	12	(9,611)	(26,238)
Other operating expenses	14	(21,183,744)	(16,014,604)
Operating expenses		(48,837,839)	(36,427,422)
Profit before income tax		82,528,385	76,808,019
Income tax expense	15	(23,337,859)	(22,855,240)
Profit for the year		59,190,526	53,952,779
Other comprehensive income			
Other comprehensive income that will be reclassified to profit or loss			
Fair value changes on investment securities designated at FVOCI			
Fair value gain(loss)	27 (c)	9,352,187	1,545,002
Deferred income tax	23	(1,249,117)	(299,510)
Total other comprehensive income for the year		8,103,070	1,245,492
Total profit after tax and other comprehensive income		67,293,596	55,198,271

The notes on pages 121 to 191 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

	Notes	2025 Frw'000'	2024 Frw'000'
Assets			
Cash, deposits and balances due from financial institutions	16	343,844,262	370,946,021
Restricted cash with Central Bank of Rwanda	16	52,227,395	49,536,929
Amortised cost investment securities	18	87,839,488	85,719,964
FVOCI investment securities	18	229,591,079	219,609,657
Due from related parties	29(c)	653,573	656,797
Loans and advances to customers	17	715,888,893	556,589,099
Other assets and prepaid expenses	19(a)	15,142,064	22,821,547
Property and equipment	21	10,978,502	9,535,429
Intangible assets	22	2,243,135	1,438,730
Right Of Use Assets	20(a)	6,303,720	4,165,156
Deferred tax assets	23	5,246,086	7,038,046
Subtotal		1,469,958,197	1,328,057,375
Non-current assets held for sale	19(b)	-	2,006,000
Total Assets		1,469,958,197	1,330,063,375
Liabilities			
Deposits from customers	24	917,023,022	911,606,918
Deposits from banks	24	132,446,769	80,134,364
Due to related parties	29(d)	2,008,850	6,145,844
Borrowed funds	26	116,119,376	72,533,800
Other liabilities and deferred income	25	47,652,844	47,401,283
Lease Liabilities	20(b)	6,467,047	4,765,696
Current Income tax liability	15	5,436,081	5,872,242
Dividend payable	30	20,736,109	26,128,725
Total Liabilities		1,247,890,098	1,154,588,872
Capital and Reserves			
Share capital	27(a)	23,301,283	23,301,283
Share premium	27(a)	18,359,844	18,359,844
FVOCI Reserve	27(b)	1,046,655	(7,056,415)
Regulatory Reserves	27(c)	-	575,419
Retained earnings		179,360,317	140,294,372
Total Equity		222,068,099	175,474,503
Total Liabilities and Equity		1,469,958,197	1,330,063,375

*Deposit from banks include deposits from related parties.

The notes on pages 121 to 191 form an integral part of these financial statements.

These financial statements were approved by the Board of Directors on 31 March 2026 and signed on its behalf by:


Hannington NAMARA
Director


Mrs. Belinda Bwiza
Director


Camille KARAMAGA
Director

STATEMENT OF CHANGES IN EQUITY

	Share capital Frw' 000'	Share premium Frw' 000'	Retained earnings Frw' 000'	FVOCI reserve Frw' 000'	Statutory reserve Frw' 000'	Total equity Frw' 000'
At 1 January 2024	23,301,283	18,359,844	100,671,234	(8,301,907)	2,374,504	136,404,958
Profit for the year	-	-	53,952,778	-	-	53,952,778
Fair value gains on FVOCI investments	-	-	-	1,545,002	-	1,545,002
Deferred tax on fair value gain on FVOCI	-	-	-	(299,510)	-	(299,510)
Dividend declared	-	-	(16,128,725)	-	-	(16,128,725)
Transfer of 2023 excess provision to Retained earnings	-	-	2,374,504	-	(2,374,504)	-
Transfer of 2024 excess provision to regulatory Reserve	-	-	(575,419)	-	575,419	-
At 31 December 2024	23,301,283	18,359,844	140,294,372	(7,056,415)	575,419	175,474,503
At 1 January 2025	23,301,283	18,359,844	140,294,372	(7,056,415)	575,419	175,474,503
Profit for the year	-	-	59,190,526	-	-	59,190,526
Fair value gains on FVOCI investments	-	-	-	9,352,187	-	9,352,187
Deferred tax on fair value gain on FVOCI	-	-	-	(1,249,117)	-	(1,249,117)
Dividend declared	-	-	(20,700,000)	-	-	(20,700,000)
Transfer of 2024 excess provision to Retained earnings	-	-	575,419	-	(575,419)	-
Transfer of 2025 excess provision to regulatory Reserve	-	-	-	-	-	-
At 31 December 2025	23,301,283	18,359,844	179,360,317	1,046,655	-	222,068,099

The notes on pages 121 to 191 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

	Notes	2025 Frw'000'	2024 Frw'000'
OPERATING ACTIVITIES			
Profit before income tax		82,528,385	76,808,019
Adjustments for:			
Depreciation on property and equipment	21	3,466,341	2,115,765
Depreciation on right of use assets	20(a)	2,965,417	1,515,090
Fair value Gain/Loss	9	(767,179)	528,388
Credit impairment on other financial assets	10	(1,417,432)	1,479,827
Amortisation of intangible assets	22	414,217	309,983
Interest expense on lease liabilities	20(b)	458,163	641,686
Gain on disposal of property and equipment	9	(187,070)	(4,066,479)
Credit impairment loss on loans and advances	10	9,767,203	8,235,357
Provision for litigation	14	2,711,540	913,347
Interest expense on term borrowings	26	6,375,150	3,965,153
Unrealised Forex (gains)/losses	8	(12,549)	65,893
Operating profit before changes in operating assets and liabilities		106,302,186	92,512,029
Movement in operating assets and operating liabilities:			
Loans and Advances	17(c)	(163,070,735)	(139,311,031)
Other assets	19(a)	7,679,483	4,322,273
Deposits and balances from customers and banks and other Financial Institutions	24	57,728,509	210,810,094
Balances with related parties	29(c&d)	(4,133,770)	4,224,857
Other liabilities	25	251,561	19,481,114
Cash Reserve Requirement	16(b)	(2,690,466)	(10,810,781)
Cash generated from operations		2,066,768	181,228,555
Income taxes paid	15	(23,231,177)	(21,689,456)
Interest paid on lease liabilities	20(b)	(430,112)	(620,190)
Interest paid on borrowed funds	26	(3,976,420)	(2,761,147)
Net cash (used in)/from operating activities		(25,570,941)	156,157,762
INVESTING ACTIVITIES			
Purchase of property and equipment	21	(5,531,144)	(5,748,770)
Purchase of intangible assets	22	(1,218,622)	(1,253,145)
Proceeds from disposal of assets		808,409	12,035,246
Net (purchase)/proceeds of investment securities	18	(10,118,259)	(13,159,879)
Proceeds from disposal of non-current assets held for sale		1,978,250	-
Net cash used in investing activities		(14,081,366)	(8,126,548)
FINANCING ACTIVITIES			
Dividend paid	30	(26,092,616)	-
Proceeds from borrowed funds	26	587,064,820	163,173,432
Repayment of borrowed funds	26	(545,877,974)	(154,201,760)
Payment of the principal portion of the leases liabilities	20(b)	(2,241,455)	(3,008,709)
Net cash generated from financing activities		12,852,775	5,962,963
Net (decrease)/increase in cash and cash equivalents		(26,799,532)	153,994,177
Movement in cash and cash equivalents			
At start of year	16(a)	371,362,483	217,328,352
Net foreign exchange difference		(639,549)	39,954
At end of year	16 (a)	343,923,402	371,362,483

The notes on pages 121 to 191 form an integral part of these financial statements.

NOTES

1. GENERAL INFORMATION

Equity Bank (Rwanda) PLC (the “Bank”) is incorporated in Rwanda in accordance with Law No. 007/2021 of 05/02/2021 Governing Companies as amended by Law No. 019/2023 of 30/03/2023. The Bank is also licensed under the Law N° 47/2017 of 23/9/2017 governing the organisation of Banking.

The Bank is domiciled in Rwanda and the address of its registered office is:

3rd Floor, Grand Pension Plaza Building

KN 4 avenue de la Paix,

P.O. Box 494

Kigali, Rwanda

2. ACCOUNTING POLICIES

2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal Summary of material accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements have been prepared in accordance with IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (IASB). The measurement basis applied is the historical cost basis, except for financial instruments at fair value through other comprehensive income investments. All amounts disclosed in these financial statements are rounded to the nearest thousand [“FRW’000”], except where otherwise indicated.

The financial statements have been prepared on the basis that the Bank will continue to operate as a going concern.

The preparation of financial statements in conformity 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. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 3

(b) Foreign currency translation

(i) Functional and Presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the “Functional currency”). The financial statements are presented in Rwanda francs in thousands (Frw’000’) which is the Bank’s Functional Currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the Functional Currency using the exchange rates prevailing at the dates of the transactions or valuations where items are re-measured. 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 the income statement.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within ‘finance income or cost’. All other foreign exchange gains and losses are presented in profit or loss within ‘other income or expenses’.

(c) Recognition of interest income and interest expense

Interest income and expense are calculated using the effective interest rate (EIR) method and are recognised within interest income or interest expense in profit or loss. Interest income and expense presented in the statement of profit or loss and other comprehensive income include:

NOTES

2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

c) Recognition of interest income and interest expense (continued)

Interest on financial assets and liabilities measured at amortised cost and debt instruments classified as FVOCI, is calculated using the effective interest rate (EIR). The calculation takes into account all of the contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses. When the recorded value of a financial asset or a group of similar financial assets has been reduced by an impairment loss, interest income continues to be recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

Interest income on credit-impaired financial assets (Stage 3) is calculated by applying the effective interest rate to the net carrying amount of the asset, being the gross carrying amount less the accumulated expected credit loss allowance, in accordance with IFRS 9.5.4.1(b).

(d) Fee and commission income and expense

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 invoiced 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.

Fee and commission income from services where performance obligations are satisfied over time.

Performance obligations satisfied over time include asset management, custody and other services, where the customer simultaneously receives and consumes the benefits provided by the Bank's performance as the Bank performs. The Bank's fee and commission income from services where performance obligations are satisfied over time include the following:

Loan commitment fees: These are fixed annual fees paid by customers for loan and other credit facilities with the Bank, but where it is unlikely that a specific lending arrangement will be entered into with the customer and the loan commitment is not measured at fair value. The Bank promises to provide a loan facility for a specified period. As the benefit of the services is transferred to the customer evenly over the period of entitlement, the fees are recognised as revenue on a straight-line basis. Payment of the fees is due and received monthly in arrears.

Interchange fees: The Bank provides its customers with credit card processing services (i.e., authorisation and settlement of transactions executed with the Bank's credit cards) where it is entitled to an interchange fee for each transaction (i.e., when a credit cardholder purchases goods and services from merchants using the Bank's credit card). The fees vary based on the number of transactions processed and are structured as either a fixed rate per transaction processed or at a fixed percentage of the underlying cardholder transaction. The variable interchange fees are allocated to each distinct day, based on the number and value of transactions processed that day, and the allocated revenue is recognised as the entity performs

Fee and commission income from providing services where performance obligations are satisfied at a point in time.

Services provided where the Bank's performance obligations are satisfied at a point in time are recognised once control of the services is transferred to the customer. This is typically on completion of the underlying transaction or service or, for fees or components of fees that are linked to a certain performance, after fulfilling the corresponding performance criteria. These include fees and commissions arising from negotiating or participating in the negotiation of a transaction for a third party, such as the arrangement/participation or negotiation of the acquisition of shares or other securities, or the purchase or sale of businesses, brokerage and underwriting fees. The Bank has a single performance obligation with respect to these services, which is to successfully complete the transaction specified in the contract.

e) Net foreign exchange income

Net foreign exchange income arises from both the sale and purchase of investment securities, margins which are achieved through market-making and customer business and from changes in fair value caused by movements in interest and exchange rates and other market variables.

Gains or losses on assets or liabilities are included in profit or loss under net foreign exchange income.

NOTES

2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(f) Leases

The Bank leases various properties. Rental contracts are typically made for fixed periods between 5 to 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and corresponding liability at the date of which the leased asset is available for use by the Bank.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable.
- variable lease payment that are based on an index or a rate.
- amounts expected to be payable by the lessee under residual value guarantees.
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the Bank's incremental borrowing rate.

Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For the building lease, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate).

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise a renewal option. Renewal options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be renewed (or not terminated).

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee. During the current financial year, the financial effect of revising lease terms to reflect the effect of exercising renewal options by 5 years has been included in the lease liability and right of use asset.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

NOTES

2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(f) Leases (continued)

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Bank is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Extension and termination options are included in a number of property and equipment leases across the Bank. These are used to maximise operational flexibility in terms of managing the assets used in the Bank's operations. The majority of extension and termination options held are exercisable only by the Bank and not by the respective lessor.

(g) Income tax expense

(i) Current income tax

The tax expense for the period comprises current and deferred income tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of the tax enacted or substantively enacted at the reporting date. The directors periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation.

It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

(ii) Deferred income tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

NOTES

2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) Income tax expense (continued)

(i) Classification and subsequent measurement

Financial assets

At initial recognition, the Bank measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issuance of the financial asset or financial liability. The Bank classifies its financial assets into three (3) principal classification categories as at year end based on the cash flow characteristics of the asset and the business model assessment:

- Measured at amortised cost and
- FVOCI
- FVTPL

Amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The Bank recognises cash, deposits and balances due from financial institutions including items in the course of collection, amounts due from related parties, loans and advances to customers, certain investment securities, and other assets as at amortised cost.

Fair Value through Other Comprehensive Income (FVOCI) – Debt

A financial asset which is a debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Bank classifies certain investments it has in government securities at FVOCI.

Fair Value through Other Comprehensive Income (FVOCI) – Equity

On initial recognition of an equity investment that is not held for trading, the Bank may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by investment basis. The Bank currently has no equity investments held at FVOCI.

Fair Value through Profit or Loss (FVTPL)

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. In addition, on initial recognition the Bank may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The Bank shall classify certain investments in government securities held for trading, derivative financial assets, and loan notes at FVTPL. As at year end, the Bank had not securities at FVTPL.

A financial asset is classified into one of these categories on initial recognition. Under IFRS 9, derivatives embedded in contracts where the host is a financial asset in the scope of IFRS 9 are not separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

NOTES

2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Financial assets and liabilities (continued)

(i) Classification and subsequent measurement (Continued)

Assessment whether contractual cash flows are Solely Payments of Principal and Interest (SPPI)

To determine whether a financial asset should be classified as measured at amortised cost or FVOCI, an entity assesses whether the cash flows from the financial asset represent, on specified dates, solely payments of principal and interest on the principal amount outstanding - i.e. the SPPI criterion. A financial asset that does not meet the SPPI criterion is always measured at FVTPL, unless it is an equity instrument for which an entity may apply the OCI election.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. The definition of principal reflects the economics of the financial asset from the perspective of the current holder. This means that an entity assesses the asset's contractual cash flow characteristics by comparing the contractual cash flows to the amount that it actually invested.

Interest' is defined as consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Bank considered the contractual terms of its financial assets. The Bank, through the Credit, Finance and Treasury departments will from time to time review the contractual terms of existing.

instruments and also review contractual terms of new products the Bank develops or invests in going forward. This includes assessing whether the financial asset contained a contractual term

that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making the assessment, the Bank shall consider:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Bank's claim to cash flows from specified assets – e.g. non-recourse asset arrangements; and
- Features that modify consideration for the time value of money – e.g. periodic reset of interest rates.

Contractual features that introduce exposure to risks or volatility in the contractual cash flows that is unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, give rise to contractual cash flows that do not meet the SPPI criterion.

Interest rates on loans made by the Bank are based on the prevailing interest rate which currently are referenced to the National Bank Rate. The prevailing rates are generally based on a National Bank rate and also include a discretionary spread (Margin). In these cases, the Bank will assess whether the discretionary feature is consistent with the SPPI criterion by considering a number of factors, including whether:

- The borrowers are able to prepay the loans without significant penalties;
- The market competition ensures that interest rates are consistent between banks; and
- Any regulatory or customer protection framework is in place that requires banks to treat customers fairly.

Some of the Bank's loans may contain prepayment features. A prepayment feature is consistent with the SPPI criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract.

In addition, a prepayment feature is treated as consistent with this criterion if a financial asset is acquired or originated at a premium or discount to its contractual amount, the prepayment amount substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination), and the fair value of the prepayment feature is insignificant on initial recognition.

NOTES

2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Financial assets and liabilities (continued)

(i) Classification and subsequent measurement (Continued)

De minimis

A contractual cash flow characteristic may not affect the classification of a financial asset if it could have only a de minimis effect on the financial asset's contractual cash flows. To make this determination, the Bank considers the possible effect of the contractual cash flow characteristic in each reporting period and cumulatively over the life of the financial asset.

Business model assessment

How the performance of the portfolio is evaluated and reported to the Bank's management.

The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed.

How managers of the business are compensated – e.g. Whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

The frequency, volume and timing of sales in prior periods, the reasons for such sales and expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Bank's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading and those that are managed and whose performance is evaluated on a fair value basis will be measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The table below summarises the key features of each type of business model and the resultant measurement category:

BUSINESS MODEL	KEY FEATURES	CATEGORY
Held to collect	The objective of the business model is to hold assets to collect contractual cash flows. Sales are incidental to the objective of the model. This model typically involves the lowest level of sales in comparison with other business models (in frequency and volume).	Amortised cost ⁽¹⁾
Both held to collect and for sale	Both held to collect and for sale Both collecting contractual cash flows and sales are integral to achieving the objective of the business model. • This model typically has more sales (in frequency and volume) than the held-to-collect business model.	FVOCI ⁽¹⁾
Other business models, including: Trading managing assets on a fair value basis maximising cash flows through sale	The business model is neither held-to-collect nor held to collect and for sale. The collection of contractual cash flows is incidental to the objective of the model.	FVTPL ⁽²⁾

Notes

1. Subject to meeting the SPPI criterion.
2. The SPPI criterion is irrelevant - i.e. assets in all business models are measured at FVTPL.

NOTES

2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Financial assets and liabilities (continued)

(i) Classification and subsequent measurement (Continued)

Financial liabilities

The Bank classifies all financial liabilities as subsequently measured at amortised cost. Deposits from customers/banks, borrowed funds, due to related entities and other liabilities are also classified at amortised cost.

Reclassification

The Bank only reclassifies financial assets when management changes the business model for managing the financial assets. In that instance all affected financial assets are reclassified. Such changes are expected to be very infrequent and are determined by the Bank's senior management as a result of external or internal changes.

De-recognition and contract modification

The Bank derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Bank is recognised as a separate asset or liability. However, when the modification of a financial instrument not measured at FVTPL does not result in de-recognition, the Bank will recalculate the gross carrying amount of the financial asset (or the amortised cost of the financial liability) by discounting the modified contractual cash flows at the original effective interest rate and recognise any resulting adjustment as a modification gain or loss in profit or loss.

The Bank derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Bank enters into transactions whereby it transfers assets recognised on its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognised from the statement of financial position. Transfers of assets with retention of all or substantially all risks and rewards include, for example, securities lending and repurchase transactions.

Write-off

The Bank write offs financial assets, in whole or 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 includes;

Ceasing enforcement activity where the Company's recovery method is foreclosing on collateral and the value of the collateral is such there is no reasonable expectation of recovering in full.

Offsetting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Bank has a legal right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted under IFRS, or for gains and losses arising from a group of similar transactions such as in the Bank's trading activity.

Modifications

When the contractual cash flows of a Purchased or Originated Credit-Impaired (POCI) asset are modified, and the modification does not result in de-recognition, the calculation of the modification gain, or loss is the difference between:

- the gross carrying amount of the asset before the modification; and
- the recalculated gross carrying amount.

The recalculated gross carrying amount is the present value of the estimated future cash payments or receipts through the expected life of the modified financial asset discounted using the credit-adjusted effective interest rate before the modification.

NOTES

2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Financial assets and liabilities (continued)

i) Impairment – financial assets, loan commitments and financial guarantee contracts

IFRS 9 applies a forward-looking 'expected credit loss' model. The new impairment model applies to the following financial instruments that are not measured at FVTPL which include loans and advances to customers, Investment in Government securities measured at amortised cost and FVOCI, balances due to group companies and other assets.

The Bank recognises loss allowance at an amount equal to either 12-month ECLs or lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument, whereas 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date. The Bank will recognise loss allowances at an amount equal to lifetime ECLs, except in the following cases, for which the amount recognised will be 12-month ECLs:

Loss allowances will always be measured at an amount equal to lifetime ECLs. The impairment requirements of IFRS 9 are complex and require management judgement, estimates and assumptions, particularly in the following areas, which are discussed in detail below: assessing whether the credit risk of an instrument has increased significantly since initial recognition; and incorporating forward-looking information into the measurement of ECLs.

Stage 1 - For credit exposures where there have not been significant increases in credit risk since initial recognition, an entity is required to provide for 12-month ECLs, i.e., the portion of lifetime ECLs that represent the ECLs that result from default events that are possible within the 12-months after the reporting date (12-month ECL as per formula below).

$$\text{ECL}_{12m} = \text{PD}_{12m} \times \text{LGD}_{12m} \times \text{EAD}_{12m} \times \text{D}_{12m}$$

Stage 2 - For credit exposures where there have been significant increases in credit risk since initial recognition on an individual or collective basis, a loss allowance is required for lifetime (LT) ECLs, i.e., ECLs that result from all possible default events over the expected life of a financial instrument (ECL LT as per formula below).

$$\text{ECL}_{LT} = \sum_{t=1}^T \text{PD}_t \times \text{LGD}_t \times \text{EAD}_t \times \text{Dt}$$

Stage 3 - For credit exposures that are credit impaired and in default. Similar to stage 2 assets a loss allowance is required for lifetime ECLs however the probability of default for these assets is presumed to be 100% less any determined recovery and cure rate.

The table below shows the link between the BNR risk classifications and the IFRS 9 stage allocation for assets.

BNR Guidelines	Days past due	Stage allocation
Normal	0-29	1
Watch	30-89	2
Substandard	90-179	3
Doubtful	180 - 364	3
Loss	Over 364 or considered uncollectible	3

NOTES

2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Financial assets and liabilities (continued)

i) Impairment – financial assets, loan commitments and financial guarantee contracts (continued)

Definition of default

The Bank will consider a financial asset to be in default when:

- The borrower is unlikely to pay their credit obligations to the Bank in full, without recourse by the Bank to actions such as realising security (if any is held); or
- The borrower is more than 90 days past due on any material credit obligation to the Bank. This will be consistent with the rebuttable criteria set out by IFRS 9 and existing practice of the Bank; or
- if it meets the definition of the local regulator of default, if in the future the local regulator prescribes the criteria of default for IFRS 9 purposes

This definition is largely consistent with the National Bank of Rwanda definition that will be used for regulatory purposes. In assessing whether a borrower is in default, the Bank will consider indicators that are:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract - e.g. a default or past-due event;
- a lender having granted a concession to the borrower - for economic or contractual reasons relating to the borrower's financial difficulty - that the lender would not otherwise consider;
- it becoming probable that the borrower will enter bankruptcy or another financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances. The Bank will not rebut the 90 Days Past Due (DPD) rule for identifying defaults.

Significant increase in credit risk (SICR)

The Bank in determining whether the credit risk (i.e. risk of default) on a financial instrument has increased significantly since initial recognition considered reasonable and supportable information that is relevant and available without undue cost or effort, including both quantitative and qualitative information and analysis based on the Bank's historical experience, expert credit assessment and forward-looking information

The Bank identifies a significant increase in credit risk where:

- exposures have a regulatory risk rating of 'WATCH';
- an exposure is greater than 30 days past due – this is in line with the IFRS 9 30 DPD rebuttable presumption;
- an exposure has been restructured in the past due to credit risk related factors or which was NPL and is now regular (subject to the regulatory cooling off period); or
- by comparing an exposures:
 - credit risk quality at the date of reporting; with
 - the credit risk quality on initial recognition of the exposure.

The assessment of significant deterioration is key in establishing the point of switching between the requirement to measure an allowance based on 12-month expected credit losses and one that is based on lifetime expected credit losses.

Credit risk classification

The Bank allocates each exposure to a credit risk classification based on the regulatory requirements of the National Bank which requires the prediction of the risk of default and applying experienced credit judgement. The Bank shall use these classifications in identifying significant increases in credit risk under IFRS 9. The risk classifications are defined using the regulator's guidance, days past due, management assessment, qualitative and quantitative factors that are indicative of the risk of default.

NOTES

2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Financial assets and liabilities (continued)

i) Impairment – financial assets, loan commitments and financial guarantee contracts (continued)

Credit risk classification (continued)

These factors may vary depending on the nature of the exposure and the type of borrower. The Bank shall undertake a thorough credit appraisal process and determine the credit quality of each exposure on initial recognition based on available information about the borrower. Exposures will be subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk classification.

Determining whether credit risk has increased significantly

The Bank has established a framework that incorporates both quantitative and qualitative information to determine whether the credit risk on a particular financial instrument has increased significantly since initial recognition. The framework aligns with the Bank's internal credit risk management process. The criteria for determining whether credit risk has increased significantly will vary by portfolio and will include a backstop based on delinquency (30 DPD presumption).

Quantitative factors

The Bank deems the credit risk of a particular exposure to have increased significantly since initial recognition based on a loan being in arrears for a period of 31 to 90 days in accordance with IFRS 9 paragraph 5.5.11. The Bank will develop an internal rating model going forward and movement in rating grades between the reporting period and initial recognition date/ the date of initial application of IFRS 9 of the loan will form the basis of significant increase in credit risk.

Qualitative factors

In certain instances, using its expert credit judgement and, where possible, relevant historical experience, the Bank may determine that an exposure has undergone a significant increase in credit risk if particular qualitative factors indicate so and those indicators may not be fully captured by its quantitative analysis on a timely basis. The management view and judgement will include the following assessments:

- Uncollateralized bullet loan: Any uncollateralized bullet repayment loan should be classified as a Stage 2 exposure.
- Classification of exposures by any other Banks and Financial institutions or local Credit Reference Bureau (CRB).
- Unavailable/inadequate financial information/financial statements.
- Qualified report by external auditors.
- Significant contingent liabilities.
- Loss of key staff in the organization.
- Increase in operational risk and higher occurrence of fraudulent activities.
- Continued delay and non-cooperation by the borrower in providing key relevant documentation.
- Deterioration in credit worthiness due to factors other than those listed above.

As a backstop, and as required by IFRS 9, the Bank will presumptively consider that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due. The Bank will determine days past due by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received.

Significant increase in credit risk at transition to IFRS 9

Under IFRS 9, assessment of Significant Increase in Credit Risk (SICR) requires comparison of Default risk at the reporting date with the risk at origination or initial recognition of the asset.

However, the standard also states that if the Bank cannot measure default risk at initial recognition for Significant Increase in Credit Risk (SICR) purposes without undue cost or effort, then it should recognize lifetime ECL on that instrument. The Bank at transition will use past due information to determine whether there have been significant increases in credit risk since initial recognition.

NOTES

2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Financial assets and liabilities (continued)

i) *Impairment – financial assets, loan commitments and financial guarantee contracts (continued)*

Backward transitions

Backward transitions define the criteria for moving a financial asset back from Stage 2 to Stage 1 or Stage 3 to Stage 2. The Bank applies the considerations of the National Bank of Rwanda prudential guidelines to determine whether a financial asset should be upgraded from Stage 3 to Stage 2 and then Stage 1. Where an account in Stage 3 is regularised (i.e., all past due principal and interest is repaid in full) it may be upgraded to Stage 2 subject to observation of the cooling off period as defined by the Prudential Guidelines. A facility which meets the above condition and has been classified as Stage 2 may be reclassified to Stage 1 if a sustained record of performance is maintained for a period of six (6) months.

Modified financial assets

The contractual terms of a loan may be modified for a number of reasons, including changing market conditions, customer retention and other factors not related to a current or potential credit deterioration of the customer. An existing loan whose terms have been modified may be.

Derecognised and the renegotiated loan recognised as a new loan at fair value. Under IFRS 9, when the terms of a financial asset are modified and the modification does not result in de-recognition, the determination of whether the asset's credit risk has increased significantly reflects comparison of the borrower's initial credit risk assessment and the current assessment at the point of modification.

Restructuring

The Bank renegotiates loans to customers in financial difficulties (referred to as 'restructuring') to maximise collection opportunities and minimise the risk of default. Under the Bank's restructuring policy, loan restructuring is granted on a selective basis if the debtor is currently in default on its debt or if there is a high risk of default, there is evidence that the debtor made all reasonable efforts to pay under the original contractual terms and the debtor is expected to be able to meet the revised terms. The revised terms usually include extending the maturity, changing the timing of interest payments and amending the terms of loan covenants. The Bank's Credit Committee regularly reviews reports on restructuring activities.

Generally, restructuring is a qualitative indicator of default and credit impairment, and expectations of restructuring are relevant to assessing whether there is a significant increase in credit risk. Following restructuring, a customer needs to demonstrate consistently good payment behaviour for at least 12 months from restructuring date before the exposure is no longer considered to be in default/credit-impaired or the PD is considered to have decreased such that the loss allowance reverts to being measured at an amount equal to 12-month ECLs.

The Bank applies the requirements of the National Bank of Rwanda prudential guidelines where an account in Doubtful or Sub-standard category (Stage 3) will be upgraded to Watch if principal and interest payments are fully regularised at the point of restructure, the account is re-classified to Watch (Stage 2) and observed for six (6) months. Where the account continues to perform appropriately for an additional six (6) months the account is upgraded to normal, and the Bank reverts to measuring 12-month ECLs. Where the account is restructured with the customer having not regularized overdue principal and interest, the account shall remain in Substandard for six (6) months or if in Doubtful category, twelve (12) months for observation. If the restructured account performs as per the new contract during the observation period, the account can be then upgraded to Watch (stage 2) and observed for another six (6) months where it can be further upgraded to Normal (stage 1) if good performance is sustained. The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation purposes, including for determining whether a significant increase in credit risk has occurred. However, the Bank also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences in the carrying amount are also recognised in profit or loss as a gain or loss on de-recognition. If the terms are not substantially different, the renegotiation or modification does not result in de-recognition, and the Bank recalculates the gross carrying amount based on the revised cash flows of the financial asset and recognises a modification gain or loss in profit or loss. The new gross carrying amount is recalculated by discounting the modified cash flows at the original EIR.

NOTES

2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Financial assets and liabilities (continued)

i) Impairment – financial assets, loan commitments and financial guarantee contracts (continued)

ECL model

Segmentation

In order to determine the ECL by modelling the PD, LGD and EAD for different loan accounts, the Bank has segmented the loan book into 13 segments namely Building and construction, Energy and water, Financial services, Food and agriculture, ICT and telecommunication, Manufacturing, Mining & quarrying, Personal household, Real estate, Tourism and hospitality, Trade, Transport and logistics. The PDs are determined at segment level, LGD at customer or segment level (based on collateral and collections respectively) and EAD at account level. Where a borrower has been in several segments historically the Bank uses the borrower's current segmentation.

In addition to the on-balance sheet facilities, the Bank considered treasury products (investment securities and placements with other banking institutions) and the off-balance sheet facilities offered by the Bank such as guarantees, letters of credit, overdrafts and credit cards where an exposure is present. The EAD for these facilities is based on whether there is a commitment by the Bank to fund a customer and the rate of conversion of such facilities (Credit Conversion Factor – CCF).

Risk parameters in measurement of ECLs

The key inputs into the measurement of ECLs are likely to be the term structures of the following variables:

- PD;
- Loss Given Default (LGD); and
- Exposure at Default (EAD).

These parameters will be derived from internally developed statistical models and other historical data that leverage regulatory models. They will be adjusted to reflect forward-looking information as described below.

Probability of default

Probability of Default ("PD") refers to the likelihood of a default occurring and is a measure of the risk of default. In order to calculate IFRS 9 PD, there is a need to develop a PD term structure for calculating ECL (forward looking and lifetime PDs). PD estimates for loans and advances are estimates at a certain date, which will be calculated based on statistical migration matrices that model the chance of an exposure transitioning to default over time and will be assessed at portfolio level for portfolios of assets that have similar characteristics. PDs will be estimated based on the theory of Markov Chain process.

The method requires information regarding transitions among credit states. Credit states are defined by rating classes. The Bank reviews and updates the portfolio PDs on an annual basis. The Bank draws a yearly transition matrix of ratings to compute a value or transaction-based PD over the one-year horizon for the past 3-5 years. (The Bank builds data to 5 years and updates every year thereafter for new data). The PDs are approved by the relevant Board committees for them to take effect. Transition probabilities are determined from the actually observed number of transitions over the observed period of time. These PDs are classified as per stage 1 and 2 which is driven by the National Bank risk classifications, management view and Days Past Due. This rating migration captures the movement of obligors into default at yearly intervals. An average default rate of 5 years is used. Based on the transitions of counterparties within the stages in value terms, the default estimation is done by the transition matrix.

PD estimates for other exposures are estimates at a certain date, which are calculated based on statistical rating tools and assessed using rating tools tailored to the various categories of counterparties and exposures. These statistical models are based on internally compiled data comprising both quantitative and qualitative factors. Where it is available, market data may also be used to derive the PD for large corporate counterparties. If a counterparty or exposure migrates between ratings classes, then this leads to a change in the estimate of the associated PD. Lifetime PDs are estimated considering the contractual maturities of exposures and estimated prepayment rates. Lifetime PDs are calculated using the Matrix Multiplication method utilising the Markov Chain method.

For industries with insufficient data, the S&P Emerging market table has been used to determine probabilities of default for these industries as a proxy. These industries are Information & Communication; Manufacturing; Real Estate Activities; and Hotel, Rest & Tourism.

Rating of 'BB' was assigned to stage 1 and 'B' to stage 2 for the facilities within information & communication and Manufacturing. For real estate S&P rating 'B' was assigned to stage 1 loans and 'CCC' to stage 2. Hotel, Rest & tourism had 'BB' rating for stage 1 loans and 'B' for stage 2.

NOTES

2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Financial assets and liabilities (continued)

i) Impairment – financial assets, loan commitments and financial guarantee contracts (continued) ECL model (continued)

Loss Given Default

LGD is the forecast of the magnitude of the likely loss if there is a default. The Bank estimates LGD parameters based on collateral available for secured debt instruments against exposures and the history of recovery rates of claims against defaulted counterparties for unsecured portfolios.

LGD by collateral. The LGD models consider the structure, collateral, seniority of the claim, counterparty industry and recovery costs of any collateral that is integral to the financial asset. The Bank considers the eligibility of collateral. Collateral is eligible if the following can be demonstrated:

- Legal certainty and enforceability
- History of enforceability and recovery

LGD estimates are calibrated for different collateral types. To reflect possible changes in property prices, the forced sale value (FSV) is considered for all collateral types.

Collateral Type

1. Cash Under Lien
2. Corporate Guarantees
3. Debenture/Land
4. Government Guarantee
5. Hire Purchase Agreement
6. Land & Buildings-Commercial
7. Land & Buildings-Residential
8. Logbooks
9. Shares
10. Treasury Bonds/Bills

LGD by Collections

For the purpose of LGD estimation on its non-collateralized portfolio, the Bank computes LGD based on actual recoveries on its defaulted portfolio over a period of at least 3- 5 years prior to the assessment date. To determine this recovery rate, the Bank identifies the point in time when accounts first go into default in half year periods, filter out any non-performing loan (NPL) accounts that cure and for the remaining accounts obtain data on amounts collected. The difference between the value of the NPL accounts that do not cure and the collections from these accounts as a percentage of the original NPL accounts (NPL accounts that cured and did not cure) is determined as the LGD.

Exposure at default (EAD)

EAD represents the expected exposure in the event of a default. The Bank derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract, including amortisation, and prepayments. The EAD of a financial asset is measured as:

$$EAD = \text{Outstanding exposure} + (CCF * \text{Undrawn portion})$$

For lending commitments and financial guarantees, the EAD considers the amount drawn, as well as potential future amounts that may be drawn or repaid under the contract, which are estimated based on behavioural study of historical patterns and forward-looking forecasts.

For revolving off-balance sheet positions, the CCF to be applied to the undrawn commitments is derived from a behavioural study of historical patterns. In the case of undrawn commitments (i.e. undrawn portions of the Bank's commitments for off-balance sheet items), if the terms of the contract clearly state that the commitment is unconditionally cancellable for any reason, the committed amounts for such arrangements were not considered as EAD.

NOTES

2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Financial assets and liabilities (continued)

i) *Impairment – financial assets, loan commitments and financial guarantee contracts (continued)* *ECL model (continued)*

Term of loan in calculating Lifetime ECL and determining the EAD

As described previously in these financial statements and subject to using a maximum of a 12-month PD for financial assets for which credit risk has not significantly increased, the Bank measures ECLs considering the risk of default over the maximum contractual period (including any borrower's extension options) over which it is exposed to credit risk, even if, for risk management purposes, the Bank will consider a longer period. The maximum contractual period extends to the date at which the Bank has the right to require repayment of an advance or terminate a loan commitment or guarantee. For overdrafts, guarantee facilities and other revolving facilities that include both a loan and an undrawn commitment component, the Bank measures ECLs over a period of one year unless the expected life of the exposure can be reasonably determined.

Forward-looking information

Under IFRS 9, the Bank incorporates forward-looking information in its measurement of ECLs. The Bank formulates a 'base case' view of the future direction of relevant economic variables and a representative range of other possible forecast scenarios based on advice from the Bank's Executive Risk Committees and economic experts and consideration of a variety of external actual and forecast information. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. External information may include economic data and forecasts published by governmental bodies and monetary authorities in East Africa, supranational organisations such as the World Bank and the International Monetary Fund and selected private sector and academic forecasters. The base case represents a most-likely outcome and be aligned with information used by the Bank for other purposes, such as strategic planning and budgeting. The other scenarios represent more optimistic and more pessimistic outcomes. The Bank has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses. These key drivers include, among others, inflation rates, GDP forecasts, balance of trade, unemployment rates and interest rates. Predicted relationships between the key indicators and default and loss rates on various portfolios of financial assets are developed based on analysing historical data over the previous 5 years. The economic scenarios used are approved by the Bank's Credit and Risk Committees.

Derivative financial assets and liabilities

The Bank uses the following derivative instruments:

Currency forwards

Forward contracts are contractual agreements to buy or sell a specified financial instrument at a specific price and date in the future. Forwards are customised contracts transacted in the over-the-counter market. The Bank has credit exposure to the counterparties of forward contracts. Forward contracts are settled gross and result in market risk exposure. During the period ending 31 December 2025, the Bank did not enter into currency forwards arrangements.

Swaps (continued)

The Bank accounts for these transactions at amortized cost where USD amounts are recorded as swap assets while the USD amount is recorded as a swap liability.

As at 31 December 2025 the carrying amount of swaps asset was Rwf 21,948,105 this was included in Money market placements on Note 16. Swap liability amounted to Rwf 94,100,184 as disclosed on Note 26 under term borrowings

Spots

Spot contracts are contractual agreements between two parties to exchange streams with immediate settlement (payment and delivery) on the spot date, which is normally two business days after the trade date. During the period ending 31 December 2025, the Bank did not enter into Spots arrangements.

NOTES

2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(i) Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, bank balances held with the National Bank of Rwanda and Balances with other banking institutions are highly liquid financial assets with original maturities of less than three months, which are subject to 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 classified as loans and receivables and carried at amortised cost in the statement of financial position.

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash and balances with banks, unrestricted balances with National Bank of Rwanda and money market placements.

(j) Property and equipment

(i) Recognition and measurement

Items of property and equipment are initially recognised at cost. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost includes any other costs directly attributable to bringing the asset to a working condition for its intended use and the present value of the estimated costs of dismantling and removing the items and restoring the site on which they are located.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. After initial recognition, property and equipment is measured at cost less.

(iii) Subsequent costs

The cost of replacing part of an item of property or equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Bank and its cost can be measured reliably. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred accumulated depreciation.

(iii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of property and equipment in order to write down the carrying amount over its useful life to its residual value. Freehold land is not depreciated.

The annual rates of depreciation (2.5% - 33.3%) in use are as follows: -

	Period	Rate
Freehold land		Nil
Leasehold improvements	Shorter of the lease term or estimated useful lives	
Motor vehicles	4	25%
Office equipment, furniture and fittings	8	12.5%
Computer hardware	3	33.3%
Software	5	20%
ATM machines and core banking hardware	5	20%

Leasehold improvements are written off over their estimated useful life or the lease period, whichever is shorter.

The assets' residual values, useful lives and methods of depreciation are reassessed at each financial year end and adjusted prospectively, as a change in an estimate, if appropriate.

Property and equipment are derecognised on disposal or when no future economic benefits are expected from its use.

Any gain or loss arising on de-recognition of an asset is recognised in other operating income in profit or loss in the year the asset is derecognised.

NOTES

2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(k) Intangible assets

The Bank's intangible assets include the value of computer software. Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Bank are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use.
- management intends to complete the software and use or sell it.
- there is an ability to use or sell the software.
- It can be demonstrated how the software will generate probable future economic benefits.
- adequate technical, financial, and other resources to complete the development and to use or sell the software are available, and
- The expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be finite or indefinite. Intangible assets with finite lives are amortised over the useful lives. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset. The intangible assets have a maximum useful life of ten years.

(l) Impairment of non-financial assets

The carrying amounts of the Bank's non-financial assets, are reviewed at each reporting date to determine whether there is any indication that an asset may be impaired. If any such indication exists, then the asset's recoverable amount is estimated. An asset's recoverable

amount is the higher of an assets or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, an appropriate valuation model is used.

Impairment losses are recognised in profit or loss in those expense categories consistent with the function of the impaired asset.

For all assets, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Bank estimates the assets or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss

NOTES

2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(m) Provisions

Provisions are recognised when the Bank has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in profit or loss net of any reimbursement.

(n) Sale and repurchase agreements

Securities purchased from the National Bank of Rwanda under agreement to resell (reverse repos), are disclosed as treasury bills as they are held to maturity after which they are resold and are not negotiable or discounted during the tenure.

(o) Deposits from customers

Deposits from customers are recognized and accounted for on receipt basis as liabilities. Interest expense is accrued on the deposits on a daily basis.

(p) Work in progress

Work-in-progress includes assets paid for but are not yet ready for the intended use and include software, computers, and equipment. These are not depreciated and are capitalized when they get in the location and condition necessary for them to be capable of operating in the manner intended by management.

(q) Comparatives

Except otherwise required, all amounts are reported or disclosed with comparative information. Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

(r) Financial guarantee contracts and loan commitments

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given banks, financial institutions, and others on behalf of customers to secure loans, overdrafts, and other banking facilities.

Financial guarantees contracts are initially measured at fair value and subsequently measured at the higher of:

The amount of loss allowance and;

The premium received on initial recognition less recognition in accordance with the principles of IFRS 15

Loan commitments provided by the Equity Bank Rwanda Plc are measured as the amount of the loss allowance. The Equity bank Rwanda Plc has not provided any commitment to provide loans at a below-market interest rate, or that can be settled net in cash or by delivering or issuing another financial instrument.

For loan commitments and financial guarantee contracts, the loss allowance is recognised as a provision. However, for contracts that include both a loan and undrawn commitment and the Equity Bank Rwanda Plc cannot separately identify the expected credit losses on the undrawn commitment component from those on the loan component, the expected credit losses on the undrawn commitment are recognised together with the loss allowance for the loan. To the extent that the combined expected credit losses exceed the gross carrying amount of the loan, the expected credit losses are recognised as a provision.

(s) Non-current assets held for sale

The entity classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

NOTES

2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(t) Non-current assets held for sale

(i) Defined contribution plans.

The Bank contributes to the Rwanda Social Security Board (RSSB), a statutory defined contribution scheme. Contributions to the RSSB are as per statutory requirements per employee. The Bank's obligations to the staff retirement schemes are charged to profit or loss as they fall due. Unpaid contributions are recorded as a liability. The Bank does not operate a defined benefit plan.

(ii) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A provision is recognised for the amount expected to be paid under short-term cash bonus and leave if the Bank has a present obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

New and amended standards and interpretations

Standards that became effective during the year

The Bank applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2025. The Bank has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The following new and amended standards were effective during the year but did not have an impact on the financial statements.

- Lack of exchangeability – Amendments to IAS 21

New and amended standards and interpretations issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of these financial statements are disclosed below.

Standards issued but not yet effective that are expected to have a material impact on the Bank's financial statements

IFRS 18 – Presentation and Disclosure in Financial Statements (Effective for annual periods on or after 1 January 2027)

In April 2024, the Board issued IFRS 18 Presentation and Disclosure in Financial Statements which replaces IAS 1. IFRS 18 introduces new categories and subtotals in the statement of profit or loss. It also requires disclosure of management-defined performance measures (as defined) and includes new requirements for the location, aggregation and disaggregation of financial information.

IFRS 18, and the consequential amendments to the other accounting standards, is effective for reporting periods beginning on or after 1 January 2027 and must be applied retrospectively. Early adoption is permitted and must be disclosed.

The Bank is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

Standards issued but not yet effective that are not expected to have a material impact on the Bank's financial statements

- Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (Effective for annual periods beginning on or after 1 January 2026)
- Annual improvements to IFRS Accounting Standards Volume 11 (Effective for annual periods beginning on or after 1 January 2026)
- Power Purchase Agreements – Amendments to IFRS 9 and IFRS 7 (Effective for annual periods beginning on or after 1 January 2026)
- IFRS19 – Subsidiaries without Public Accountability: Disclosures (Effective for annual periods beginning on or after 1 January 2027)

The Bank intends to adopt these new and amended standards and interpretations, if applicable, when they become effective. However, these pronouncements are not expected to have a material impact on the Bank's financial statements.

NOTES

3. CRITICAL ACCOUNTING ESTIMATES, JUDGEMENTS AND ASSUMPTIONS

Accounting estimates, Judgements and assumptions are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

The Bank makes accounting estimates, Judgements and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The accounting estimates, Judgements and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Measurement of expected credit loss allowance

The measurement of expected credit loss allowance for financial assets measured at amortised cost and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g., the likelihood of customers defaulting and the resulting losses).

The impairment requirements of IFRS 9 require management judgement, estimates and assumptions, particularly in the following areas:

- Determining the criteria for significant increase in credit risk
- Choosing appropriate models and assumptions for the measurement of ECL
- Establishing the number and relative weightings for a forward-looking scenario for each type of product / market and associated ECL
- Establishing groups of similar assets for the purposes of measuring ECL

The expected credit loss allowance on loans and advances is disclosed in more detail in Notes 4,10 and 17 (b).

(b) Valuation of financial assets held at fair value

As per IFRS 13, where the Bank measures a financial instrument at fair value, the fair value should represent the price that would be received to sell an asset in an orderly transaction in the principal (or most advantageous) market between market participants at the measurement date. Fair value is a market-based measurement, which uses the assumptions that market participants would use when pricing an asset or liability under current market conditions.

The Bank holds government securities that are measured at fair value through other comprehensive income. For these, fair value is determined using estimates 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 existing at the dates of the statement of financial position.

4. FINANCIAL RISK MANAGEMENT

(a) Introduction and overview

The Bank has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risks

This note presents information about the Bank's exposure to each of the above risks, the Bank's objectives, policies, and processes for measuring and managing risk, and the Bank's management of capital. There were no changes in the risk and capital management policies during the current financial period.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. The Board has established the Board Risk Management Committee,

NOTES

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

Risk management framework (Continued)

which is responsible for developing and monitoring the Bank's risk management policies in their specified areas. All Board committees have both executive and non-executive members and report regularly to the Board of Directors on their activities. The Bank's risk management policies are established to identify and analyse the risks faced by the Bank, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Bank, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

The Risk Management Committee is responsible for monitoring compliance with the Bank's risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation to the risks faced by the Bank. The Board Risk Management Committee is assisted in these functions by Risk Management Department. Internal Audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Board Risk Management Committee.

(b) Credit risk

Credit risk is the risk of financial loss to the Bank if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Bank's loans and advances to customers and other banks and investment securities. For risk management reporting purposes, the Bank considers and consolidates all elements of credit risk exposure.

Management of credit risk

The Board of Directors has delegated responsibility for the management of credit risk to the Bank's management through the Managing Director. Management has delegated this responsibility to head office and branch credit committees as prescribed in the Bank's Credit Charter. A separate Bank credit committee, reporting to the Managing Director, is responsible for oversight of the Bank's credit risk, including:

- Formulating credit policies in consultation with business units, covering collateral requirements, credit assessment, risk grading and reporting, documentary and legal procedures, and compliance with regulatory and statutory requirements.
- Establishing the authorisation structure for the approval and renewal of credit facilities. Authorisation limits are allocated to head office and branch credit committees as stipulated in the Bank's Credit Charter.
- Reviewing and assessing credit risk. The Bank Credit Committee assesses all credit exposures in excess of designated limits, prior to facilities being committed to customers by the branch concerned. Renewals and reviews of facilities are subject to the same review process.
- Limiting concentrations of exposure to counterparties, geographies, and industries (for loans and advances) and by issuer, credit rating band, market liquidity and country (for investment securities).
- Developing and maintaining the Bank's risk grading in order to categorise exposures according to the degree of risk of financial loss faced and to focus management on the attendant risks. The risk grading system is used in determining where impairment provisions may be required against specific credit exposures. The current risk grading framework consists of five grades reflecting varying degrees of risk of default and the availability of collateral or other credit risk mitigation. The responsibility for setting risk grades lies with the final approving executive / committee as appropriate. Risk grades are subject to regular reviews by Bank's credit risk department.
- Reviewing compliance of business units with agreed exposure limits, including those for selected industries, country risk and product types. Regular reports are provided to the Bank's Credit department on the credit quality of local portfolios and appropriate corrective action is taken.
- Providing advice, guidance and specialist skills to branches to promote best practice throughout the Bank in the management of credit risk.

NOTES

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (Continued)

Each branch is required to implement Bank's credit policies and procedures, with credit approval authorities delegated from the Bank's credit committee. Each branch has a credit risk manager who reports on all credit related matters to local management and the Bank's credit committee.

Each business unit is responsible for the quality and performance of its credit portfolio and for monitoring and controlling all credit risks in its portfolios, including those subjects to central approval.

Regular audits of branches and Bank's credit processes are undertaken by internal audit.

The Bank's maximum exposure to credit risk for the items of the statement of financial position at 31 December is their carrying amount as illustrated in the table below:

		2025		2024	
	Note	Frw'000'	%	Frw'000'	%
Credit exposures					
On – balance sheet items					
Balances and deposits due from financial institutions	16	351,918,933	25.36%	363,319,556	29.42%
Investment securities	18	317,430,567	22.88%	305,329,621	24.72%
Due from related parties	29(c)	653,573	0.05%	656,797	0.05%
Loans and advances to customers at amortized cost	17	715,888,893	51.59%	556,589,099	45.07%
Other assets	19(a)	1,647,392	0.12%	9,034,919	0.73%
		1,387,539,358		1,234,929,992	
Off-balance sheet items					
Guarantees and standby letters of credit	28	200,175,130	87.62%	168,168,095	89.04%
Letters of credit, acceptances and other credits	28	28,275,992	12.38%	20,704,504	10.96%
		228,451,122		188,872,599	
		1,615,990,480		1,423,802,591	

Balances and deposits due from financial institutions excludes cash at hand as disclosed under Note 16 as this does not pose a credit risk.

The credit risk on balances and deposits due from financial institutions, investment securities and derivative financial assets is limited as the counterparties are all recognised financial institutions with good reputation.

Other assets are made up of settlement and clearing accounts, refundable deposits and other receivable balances. The balances are settled no more than 12 months after the reporting date. All the balances are non-interest bearing and expected credit loss has been recognised against them at 31 December 2025.

None of the other assets and balances due from related parties are past due or impaired. Management has established a related entity risk management framework including mandatory credit checks with counter parties.

Letters of credit, acceptances, guarantees and performance bonds are issued by the Bank, on behalf of customers, to guarantee performance by customers to third parties. The Bank will only be required to meet these obligations in the event of default by the customers.

NOTES

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (Continued)

Exposure to credit risk (Loans and advances)	2025			
	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Amortised cost				
Individually and collectively impaired				
Grade 3: Substandard	-	-	11,722,819	11,722,819
Grade 4: Doubtful	-	-	6,853,503	6,853,503
Grade 5: Loss	-	-	4,475,575	4,475,575
Gross amount	-	-	23,051,897	23,051,897
Expected credit losses	-	-	12,626,747	12,626,747
Carrying amount	-	-	10,425,150	10,425,150
Grade 1: Normal	669,071,199	-	-	669,071,199
Grade 2: Watch	-	53,395,819	-	53,395,819
Gross amount	669,071,199	53,395,819	-	722,467,018
Expected credit losses	(5,743,082)	(2,967,278)	-	(8,710,360)
Carrying amount	663,328,117	50,428,541	-	713,756,658
Total gross loans	669,071,199	53,395,819	23,051,897	745,518,915
Total provision	(5,743,082)	(2,967,278)	12,626,747	21,337,107
Fair value adjustments on Low interest Loans	(8,292,915)	-	-	(8,292,915)
Total carrying amount	655,035,202	50,428,541	10,425,150	715,888,893

Grade 1 and grade 2, represent loans and advances that are not impaired. Grade 3, grade 4 and grade 5 refer to the impaired loans and advances that have been impaired as per the Bank's credit policy and internal model. These represent the loans and advances that the Bank cannot collect according to contractual terms of the loan agreements

Impaired loans

Impaired loans are loans for which the Bank determines that it is probable that it will be unable to collect all principal and interest due according to the contractual terms of the loan agreements. These loans are graded 3, 4 and 5 in the Bank's internal credit risk grading system.

Past due but not impaired loans

These are loans where contractual interest or principal payments are past due, but the Bank believes that impairment is not appropriate on the basis of the level of security / collateral available and / or the stage of collection of amounts owed to the Bank.

NOTES

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (Continued)

Exposure to credit risk (Loans and advances)	2024			
	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Amortised cost				
Individually and collectively impaired				
Grade 3: Substandard	-	-	7,022,259	7,022,259
Grade 4: Doubtful	-	-	5,776,504	5,776,504
Grade 5: Loss	-	-	7,024,882	7,024,882
Gross amount	-	-	19,823,645	19,823,645
Expected credit losses	-	-	(14,845,700)	(14,845,700)
Carrying amount	-	-	4,977,944	4,977,944
Grade 1: Normal	520,002,960	-	-	520,002,960
Grade 2: Watch	-	51,617,552	-	51,617,552
Gross amount	520,002,960	51,617,552	-	571,620,512
Expected credit losses	(2,267,874)	(5,259,384)	-	(7,527,258)
Carrying amount	517,735,086	46,358,168	-	564,093,254
Total gross loans	520,002,960	51,617,552	19,823,645	591,444,157
Total provision	(2,267,874)	(5,259,384)	(14,845,700)	(22,372,958)
Fair value adjustments on Low interest Loans	(12,482,099)	-	-	(12,482,099)
Total carrying amount	505,252,987	46,358,168	4,977,944	556,589,099

NOTES

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (Continued)

Exposure to credit risk LCs and Guarantees	2025			
	Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL	Lifetime ECL	Total
	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Amortised cost				
Individually and collectively impaired				
Grade 3: Substandard	-	-	-	-
Grade 4: Doubtful	-	-	-	-
Grade 5: Loss	-	-	-	-
Gross amount	-	-	-	-
Provision for impairment losses	-	-	-	-
Carrying amount	-	-	-	-
Grade 1: Normal	228,451,122	-	-	228,451,122
Grade 2: Watch	-	-	-	-
Gross amount	228,451,122	-	-	228,451,122
Expected credit losses	(1,089,594)	-	-	-
Carrying amount	227,361,528	-	-	227,361,528
Total off balance sheet items	228,451,122	-	-	228,451,122
Total provision	(1,089,594)	-	-	-
Total Carrying amount	227,361,528	-	-	227,361,528

Exposure to credit risk LCs and Guarantees	2024			
	Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL	Lifetime ECL	Total
	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Amortised cost				
Individually and collectively impaired				
Grade 3: Substandard	-	-	-	-
Grade 4: Doubtful	-	-	-	-
Grade 5: Loss	-	-	-	-
Gross amount	-	-	-	-
Provision for impairment losses	-	-	-	-
Carrying amount	-	-	-	-
Grade 1: Normal	188,872,599	-	-	188,872,599
Grade 2: Watch	-	-	-	-
Gross amount	188,872,599	-	-	188,872,599
Expected credit losses	(1,503,033)	-	-	(1,503,033)
Carrying amount	187,369,566	425,659	-	79,227,565
-	-	187,369,566	-	79,935,634
Total off balance sheet items	188,872,599	-	-	188,872,599
Total provision	(1,503,033)	-	-	(1,503,033)
Total Carrying amount	187,369,566	-	-	187,369,566

NOTES

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (Continued)

For balances and deposits due from financial institutions, investment securities, due from related parties, deposit due from other banks and other financial assets are graded as 1 (normal) as per the Bank's credit policy and internal model. Details of ECL staging is disclosed on the following tables.

Exposure to credit risk (Investment Securities: Amortised Cost)	Stage 1	Stage 2	Stage 3	2025	2024
	12-month ECL	Lifetime ECL	Lifetime ECL	Total	Total
	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Gross amount					
Investment securities at amortised cost	88,217,149	-	-	88,217,149	85,977,063
Total Gross amount	88,217,149	-	-	88,217,149	85,977,063
Expected credit losses	(377,661)	-	-	(377,661)	(257,099)
Net carrying amount	87,839,488	-	-	87,839,488	85,719,964

Exposure to credit risk (Investment Securities: FVOCI)	Stage 1	Stage 2	Stage 3	2025	2024
	12-month ECL	Lifetime ECL	Lifetime ECL	Total	Total
	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Gross amount					
Investment securities at FVOCI	229,633,281	-	-	229,633,281	220,987,930
Total Gross amount	229,633,281	-	-	229,633,281	220,987,930
Expected credit losses	(42,202)	-	-	(42,202)	(1,378,274)
Net carrying amount	229,591,079	-	-	229,591,079	219,609,657

Exposure to credit risk (Other Assets)	Stage 1	Stage 2	Stage 3	2025	2024
	12-month ECL	Lifetime ECL	Lifetime ECL	Total	Total
	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Gross amount					
Settlement and clearing accounts	1,045,724	-	-	1,045,724	6,354,678
Refundable deposits	391,028	-	-	391,028	469,314
Accounts receivable and sundry debtors	483,091	-	-	483,091	980,333
Other assets	1,270,273	-	-	1,270,273	2,493,375
Total Gross amount	3,190,116	-	-	3,190,116	10,297,700
Expected credit losses	(1,542,724)	-	-	(1,542,724)	(1,262,781)
Net carrying amount	1,647,392	-	-	1,647,392	9,034,919

NOTES

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (Continued)

Exposure to credit risk (Cash, Deposits and Balances Due from Financial Institutions)	Stage 1	Stage 2	Stage 3	2025	2024
	12-month ECL	Lifetime ECL	Lifetime ECL	Total	Total
	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Gross amount					
Cash in hand	44,152,724	-	-	44,152,724	57,163,394
Unrestricted cash with National Bank of Rwanda	56,094,834	-	-	56,094,834	115,464,479
Other balances with banks	221,727,739	-	-	221,727,739	156,649,392
Money market placements	21,948,105	-	-	21,948,105	42,085,218
Total Gross amount	343,923,402	-	-	343,923,402	371,362,483
Expected credit losses	(79,140)	-	-	(79,140)	(416,462)
Net carrying amount	343,844,262	-	-	343,844,262	370,946,021

Restricted Cash with National Bank of Rwanda	Stage 1	Stage 2	Stage 3	2025	2024
	12-month ECL	Lifetime ECL	Lifetime ECL	Total	Total
	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Gross amount					
Restricted cash with National Bank of Rwanda	52,227,395	-	-	52,227,395	49,681,472
Total Gross amount	52,227,395	-	-	52,227,395	49,681,472
Expected credit losses	-	-	-	-	(144,543)
Net carrying amount	52,227,395	-	-	52,227,395	49,536,929

Due from Related Parties	Stage 1	Stage 2	Stage 3	2025	2024
	12-month ECL	Lifetime ECL	Lifetime ECL	Total	Total
	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Gross amount					
Equity Bank Kenya Limited	91,914	-	-	91,914	288,444
Equity Bank Uganda Limited	294,153	-	-	294,153	1,955
Equity Bank Tanzania Limited	97,439	-	-	97,439	313,576
Equity Bank DRC Limited	169,953	-	-	169,953	15,685
Equity Bank South Sudan Limited	114	-	-	114	37,137
Total Gross amount	653,573	-	-	653,573	656,797
Expected credit losses	-	-	-	-	-
Net carrying amount	653,573	-	-	653,573	656,797

Allowances for impairment

The Bank establishes an allowance for impairment losses that represents its estimate of incurred losses in its loan portfolio. The main components of this allowance are a specific loss component that relates to individually significant 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.

NOTES

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (Continued)

Write-off policy

The Bank writes off a loan balance when the credit department determines that the loans are uncollectible. This determination is reached after considering information such as the occurrence of significant changes in the borrower's financial position such that the borrower can no longer pay the obligation or that proceeds from collateral have failed to cover the entire facility outstanding. For smaller balance standardised loans, write-off decisions are generally based on a product specific past due default history.

Collateral on loans and advances

The Bank routinely obtains collateral and security to mitigate credit risk. The Bank ensures that any collateral held is sufficiently liquid, legally effective, enforceable and regularly reassessed.

Before attaching value to collateral, business holding approved collateral must ensure that they are legally perfected devoid of any encumbrances. Security structures and legal covenants are subject to regular review, to ensure that they remain fit for purpose and remain consistent with accepted local market practice.

The principal collateral types held by the Bank 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.

Valuation of collateral taken will be within agreed parameters and will be conservative in value. The valuation is performed only on origination or in the course of enforcement actions. Collateral for impaired loans is reviewed regularly to ensure that it is still enforceable and that the impairment allowance remains appropriate given the current valuation.

The Bank will consider all relevant factors, including local market conditions and practices, before any collateral is realized.

The collateral held by the Bank against loans and advances is as below.

Other includes logbooks, cash cover, letter of comfort and government guarantees or corporate guarantees.

The Bank monitors concentration of credit risk by sector. An analysis of concentration of credit risk at the reporting date is shown below.

	2025				2024
	Collateral value	Carrying Amount	ECL allowance	Excess/ Deficit	Collateral value
	Frw'000'	Frw'000			Frw'000'
Against stage 1 Loans					
Property	1,032,350,098	648,064,125	5,210,660	384,285,973	838,355,178
Other	59,214,248	21,007,074	272,133	38,207,174	78,054,190
	1,091,564,346	669,071,199	5,482,793	422,493,147	916,409,368
Against stage 2 loans					
Property	102,871,512	52,239,343	3,178,577	50,632,169	94,485,741
Other	4,225,367	1,156,571	48,989	3,068,796	6,011,118
	107,096,879	53,395,914	3,227,566	53,700,965	100,496,859
Against Stage 3 Loans					
Property	42,148,155	22,616,241	12,201,707	19,531,914	47,983,825
Other	1,635,115	435,561	425,041	1,199,554	7,193,845
	43,783,270	23,051,802	12,626,748	20,731,468	55,177,670
Total	1,242,444,494	745,518,915	21,337,107	496,925,579	1,072,083,897

NOTES

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (Continued)

Other includes logbooks, cash cover, letter of comfort and government guarantees or corporate guarantees.

The Bank monitors concentration of credit risk by sector. An analysis of concentration of credit risk at the reporting date is shown below:

Credit risk mitigation

Equity Bank seeks to mitigate credit risk, including counterparty credit risk (CCR) to any counterparty, transaction, sector, or geographic region, so as to achieve the optimal balance between risk, cost, capital utilisation and reward. Risk mitigation may include the use of collateral, the imposition of financial or behavioural covenants, the acceptance of guarantees from parents or third parties, the recognition of parental support, and the distribution of risk. Collateral, parental guarantees, credit derivatives and on and off-balance sheet netting are widely used to mitigate credit risk.

Credit risk mitigation policies and procedures ensure that risk mitigation techniques are acceptable, consistently applied, appropriately valued, and regularly monitored, meeting operational management requirements for legal, practical and timely enforcement. Detailed processes and procedures guide each type of mitigation used.

The main types of collateral obtained by Equity Bank for its banking book exposures include mortgage bonds over residential, commercial and industrial properties, cession of book debts, bonds over plant and equipment, underlying movable assets financed under leases, and instalment sales

Concentration by sector

	2025 Frw'000'	2024 Frw'000'
Building and construction	32,067,468	32,887,064
Energy and water	35,808,991	29,038,797
Financial services	831,457	190,964
Food and agriculture	17,828,609	17,355,325
ICT and telecommunication	23,233,517	24,090,502
Manufacturing	70,687,072	26,304,345
Mining & quarrying	386,967	323,556
Personal household	198,015,548	143,491,652
Real estate	41,883,203	82,046,016
Tourism and hospitality	52,409,164	52,959,324
Trade	246,094,962	155,522,807
Transport and logistics	26,271,957	26,530,743
	745,518,915	590,741,095

(c) Liquidity risk

The definition of liquidity risk is the risk that the Bank is unable to meet its obligations as they fall due as a result of a sudden, and potentially protracted, increase in net cash outflows. Such outflows would deplete available cash resources for client lending, trading activities and investments. These outflows could be principally through customer withdrawals, wholesale counterparties removing financing, collateral posting requirements or loan drawdowns. This risk is inherent in all banking operations and can be affected by a range of Bank-specific and market-wide events which can result in: – an inability to support normal business activity; and – a failure to meet liquidity regulatory requirements.

During periods of market dislocation, the Bank's ability to manage liquidity requirements may be impacted by a reduction in the availability of wholesale term funding as well as an increase in the cost of raising wholesale funds. Asset sales, balance sheet reductions and the increasing costs of raising funding will affect the earnings of the Bank. In illiquid markets, the Bank may decide to hold assets rather than securitising, syndicating or disposing of them. This could affect the Bank's ability to

NOTES

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk (Continued)

originate new loans or support other customer transactions as both capital and liquidity are consumed by existing or legacy assets.

The efficient management of liquidity is essential to the Bank in retaining the confidence of the financial markets and ensuring that the business is sustainable. Liquidity risk is managed through the Liquidity Risk Framework, which is designed to meet the following objectives:

- Maintain liquidity resources that are sufficient in amount and quality and a funding profile that is appropriate to meet the liquidity risk framework as expressed by the Board;
- maintain market confidence in the Bank's name;
- set limits to control liquidity risk within and across lines of business;
- accurately price liquidity costs, benefits and risks and incorporate those into product pricing and performance measurement;
- set early warning indicators to identify immediately the emergence of increased liquidity risk or vulnerabilities including events that would impair access to liquidity resources.
- project fully over an appropriate set of time horizons cash flows arising from assets, liabilities and off-balance sheet items; and

Maintain a contingency funding plan ("CFP") that is comprehensive and proportionate to the nature, scale and complexity of the business and that is regularly tested to ensure that it is operationally robust.

Management of liquidity risk

The Bank's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Bank's reputation.

To limit this risk, management has arranged for diversified funding sources in addition to its core deposit base and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a daily basis. The Bank has developed internal control processes and contingency plans for managing liquidity risk.

This incorporates an assessment of expected cash flows and the availability of high-grade collateral which could be used to secure additional funding if required. 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 that it can access to meet liquidity needs.

In accordance with the Bank's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Bank. 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 stresses the importance of current accounts and savings accounts as sources of funds to finance lending to customers. They are monitored using the advances to deposit ratio, which compares loans and advances to customers as a percentage of core customer current and savings accounts, together with term funding with a remaining term to maturity in excess of one year.

Treasury maintains a portfolio of short-term liquid assets, largely made up of short-term liquid investment securities, loans and advances to banks and other inter-bank facilities, to ensure that sufficient liquidity is maintained within the bank as a whole. The daily liquidity position is monitored and regular liquidity stress testing is conducted under a variety of scenarios covering both normal and more severe market conditions. All liquidity policies and procedures are subject to review and approval by Board Risk Management Committee.

NOTES

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk (Continued)

Exposure to liquidity risk

The key measure used by the Bank for managing liquidity risk is the ratio of net liquid assets to deposits from customers.

Details of the reported Bank ratios of net liquid assets to deposits at the reporting date and during the reporting period were as follows:

	2025	2024
At 31 December		
Average for the year	307%	323%
Maximum for the year	400%	520%
Minimum for the year	216%	201%
Minimum statutory requirement	100%	100%

NOTES

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk (Continued)

Analysis of financial assets and liabilities by remaining contractual maturities

The table below summarises the maturity profile of the Bank's financial assets and the undiscounted cash flows of its financial liabilities as at 31 December.

	Less than 3 Months	3-6 Months	6-12 Months	1-5 Years	More than 5 years	Total
	Frw'000'		Frw'000'	Frw'000'	Frw'000'	Frw'000'
31-Dec-25						
Financial assets						
Cash balances and deposits in financial institu-						
tions	292,867,497	-	7,265,375	95,938,785	-	396,071,657
Loans and advances to customers	89,997,914	29,217,186	114,695,538	458,926,453	23,051,802	715,888,893
Investment securities	15,376,549	-	3,762,301	298,291,717	-	317,430,567
Due from related parties	653,573	-	-	-	-	653,573
Other assets	1,256,364	-	-	-	-	1,256,364
Total financial assets	400,151,897	29,217,186	125,723,214	853,156,955	23,051,802	1,431,301,054
Financial liabilities						
Deposits from customers and banks	1,015,003,027	2,910,086	24,625,948	8,386,183	-	1,050,925,244
Borrowed funds	24,542	267,145	5,942,558	156,036,886	-	162,271,131
Balance due to related parties	2,008,850	-	-	-	-	2,008,850
Other liabilities	36,694,223	-	-	-	-	36,694,223
Lease liabilities	-	-	1,233,932	3,244,619	4,811,167	9,289,718
Total financial liabilities	1,053,730,642	3,177,231	31,802,438	167,667,688	4,811,167	1,261,189,166
Liquidity gap 31 December 2025	(653,578,745)	26,039,955	93,920,776	685,489,267	18,240,635	170,111,888

	0 - 3 months	3 - 6 months	6 - 12 months	1 - 5 Years	Total
	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
31 December 2025					
Guarantees and standby LCs	29,233,568	24,182,832	69,502,265	105,532,458	228,451,123
LCs, acceptances and other documentary credits					
Loans approved but not disbursed	16,120,394	1,594,155	1,062,770	531,384	19,308,703
Total commitments and guarantees	45,353,962	25,776,987	70,565,035	106,063,842	247,759,826

NOTES

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk (Continued)

Analysis of financial assets and liabilities by remaining contractual maturities

The table below summarises the maturity profile of the Bank's financial assets and the undiscounted cash flows of its financial liabilities as at 31 December.

	Less than 3 Months	3-6 Months	6-12 Months	1-5 Years	More than 5 years	Total
	Frw'000'		Frw'000'	Frw'000'	Frw'000'	Frw'000'
31-Dec-24						
Financial assets						
Cash balances and deposits in financial institutions	370,946,021	-	-	-	-	370,946,021
Loans and advances to customers	84,474,547	33,053,042	35,446,530	263,704,990	139,909,990	556,589,099
Investment securities	1,500,000	1,300,000	11,773,300	61,752,500	229,003,821	305,329,621
Due from related parties	656,797	-	-	-	-	656,797
Other assets	8,565,605	-	-	-	-	8,565,605
Total financial assets	466,142,970	34,353,042	47,219,830	325,457,490	368,913,811	1,242,087,143
Financial liabilities						
Deposits from customers and banks	853,178,764	819,581	10,224,368	154,401,378	-	1,018,624,091
Borrowed funds	1,627,255	-	27,375,635	29,305,834	34,648,389	92,957,113
Balance due to related parties	6,145,844	-	-	-	-	6,145,844
Other liabilities	36,894,144	-	-	-	-	36,894,144
Lease liabilities	-	-	909,309	2,389,931	3,538,476	6,837,716
Total financial liabilities	897,846,007	819,581	38,509,312	186,097,143	38,186,865	1,161,458,908
Liquidity gap 31 December 2024	(431,703,037)	33,533,461	8,710,518	139,360,347	330,726,946	80,628,235

	0 – 3 months	3 – 6 months	6 – 12 months	1 – 5 Years	Total
	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
31 December 2024					
Guarantees and standby LCs	15,801	1,397,697	19,909,261	146,845,336	168,168,095
LCs, acceptances and other documentary credits	16,389,216	482,541	3,569,353	263,394	20,704,504
Loans approved but not disbursed	-	-	833,863	1,883,138	2,717,001
Total commitments and guarantees	16,405,017	1,880,238	24,312,477	148,991,868	191,589,600

NOTES

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk (continued)

The Bank has developed internal control processes and contingency plans for managing liquidity risk including maturity gaps that incorporates an assessment of expected cash flows. 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. In accordance with the Bank's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Bank.

(d) Market risk

Market risk is the risk that changes in market prices, such as interest rates, equity prices, foreign exchange rates and credit spreads (not relating to changes in the obligor's / issuer's credit standing) will affect the Bank's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Market risk comprises of:

Non-traded market risk

The risk of the Bank being unable to hedge the interest rate risk in the banking book, primarily in retail, business banking and corporate portfolios.

Non-traded market risk: The risk of the Bank being exposed to interest rate risk arising from loans, deposits and similar instruments held for longer term strategic purposes rather than for the purpose of profiting from changes in interest rates. Non-trading portfolios also consist of foreign exchange and price risks arising from the Bank's held-to-maturity and available-for-sale financial assets.

Management of market risk

The objective of market risk measurement is to manage and control market risk exposures within acceptable limits while optimising the return on risk. The Bank's Treasury is responsible for the development of detailed risk management policies and for day-to-day implementation of those policies.

Furthermore, it includes the protection and enhancement of the statement of financial position and statement of comprehensive income and facilitating business growth within a controlled and transparent risk management framework.

All foreign exchange risk within the Bank is managed by the treasury department. Accordingly, the foreign exchange position is treated as part of the Bank's trading portfolios for risk management purposes.

Overall authority for market risk management is vested in the Board Risk Management Committee. The finance and treasury departments in collaboration with the Risk Management department are responsible for the development of detailed risk management policies (subject to review and approval by Board Risk Management Committee) and for the day-to-day review of their implementation. The Bank does not bear any interest rate risk on off balance sheet items.

Exposure to interest rate risk – non-trading portfolios

The principal risk to which non-trading portfolios are exposed is the risk of loss from fluctuations in the future cash flows or fair values of financial instruments because of a change in market interest rates. Interest rate risk is managed principally through monitoring interest rate gaps and by having pre-approved limits for re-pricing bands. The Board Risk Management Committee is the monitoring body for compliance with these limits and is assisted by treasury back office and finance department in the day-to-day monitoring activities, while Risk Management Department carries out regular reviews. A summary of the Bank's interest rate gap position on non-trading portfolios is as follows:

NOTES

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Market risk (Continued)

Interest rate risk table

	Carrying amount	Non-interest bearing*	Less than 3 Months	3-6 Months	6-12 Months	1-5 Years	More than 5 years	Total
31-Dec-25	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Assets								
Cash and cash equivalents	343,844,262	44,152,724	299,691,538	-	-	-	-	343,844,262
Restricted cash with National Bank of Rwanda	52,227,395	52,227,395	-	-	-	-	-	52,227,395
Loans and advances to customers	715,888,893	-	89,997,914	29,217,186	114,695,538	214,208,537	267,769,718	715,888,893
Investment securities	317,430,567	-	15,376,549	-	3,762,301	131,686,830	166,604,887	317,430,567
Due from related parties	653,573	-	653,573	-	-	-	-	653,573
Other assets	1,256,364	1,256,364	-	-	-	-	-	1,256,364
	1,431,301,054	97,636,483	405,719,574	29,217,186	118,457,839	345,895,367	434,374,605	1,431,301,054
Liabilities								
Deposits from customers and banks	1,049,469,791	-	1,015,003,027	2,910,086	24,625,948	6,930,730	-	1,049,469,791
Lease liabilities	6,467,047	-	-	-	1,233,932	2,207,224	3,025,891	6,467,047
Borrowed funds	116,119,376	-	24,542	267,145	5,942,558	109,885,131	-	116,119,376
Balance due to related parties	2,008,850	-	2,008,850	-	-	-	-	2,008,850
Other liabilities	36,694,223	-	36,694,223	-	-	-	-	36,694,223
	1,210,759,287	-	1,053,730,642	3,177,231	31,802,438	119,023,085	3,025,891	1,210,759,287
Interest sensitivity gap	220,541,767	97,636,483	(648,011,068)	26,039,955	86,655,401	226,872,282	431,348,714	220,541,765

NOTES

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Market risk (Continued)

Interest rate risk table

	Carrying amount	Non-interest bearing	Less than 3 Months	3-6 Months	6-12 Months	1-5 Years	More than 5 years	Total
31 December 2024	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Assets								
Cash and cash equivalents	370,946,021	57,163,394	370,946,021	-	-	-	-	370,946,021
Restricted cash with National Bank of Rwanda	49,536,929	49,536,929	-	-	-	-	-	-
Loans and advances to cus- tomers	556,589,099	-	84,474,547	33,053,042	35,446,530	263,704,990	139,909,990	556,589,099
Investment securities	305,329,621	-	1,500,000	1,300,000	11,773,300	61,752,500	229,003,821	305,329,621
Due from related parties	656,797	656,797	-	-	-	-	-	-
Other assets	8,565,605	8,565,605	-	-	-	-	-	-
	1,291,624,072	115,922,725	456,920,568	34,353,042	47,219,830	325,457,490	368,913,811	1,232,864,741
Liabilities								
Deposits from customers and banks	991,741,282	-	906,238,305	24,721,477	60,517,375	264,125	-	991,741,282
Lease liabilities	4,765,696	-	-	-	909,309	1,626,547	2,229,840	4,765,696
Borrowed funds	72,533,800	-	1,627,255	-	27,375,635	20,700,468	22,830,442	72,533,800
Balance due to related parties	6,145,844	-	6,145,844	-	-	-	-	6,145,844
Other liabilities	36,894,144	-	36,894,144	-	-	-	-	36,894,144
	1,112,080,766	-	950,905,548	24,721,477	88,802,319	22,591,140	25,060,282	1,112,080,766
Interest sensitivity gap	179,543,306	115,922,725	(493,984,980)	9,631,565	(41,582,489)	302,866,350	343,853,529	120,783,975

Sensitivity to profit or loss is the effect of the assumed change in interest rates on interest bearing assets and liabilities. The entity closely monitors interest rate movements and seeks to limit its exposure by managing the interest rate and maturity structure of assets and liabilities carried on the statement of financial position. Assets and Liabilities Committee (ALCO) monitors compliance with the set interest rate gaps.

NOTES

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Market risk (continued)

During the year, a 2% increase / decrease (2024: 2%) of the annual interest rate with all other variables held constant, would have the following effect on the profit or loss and equity:

Period	Sensitivity	Impact on profit or loss	Impact on equity
			Frw'000'
	Increase /Decrease	Increase /Decrease	Increase /Decrease
2025	+/-2%	+/-1,650,430	+/- 1,188,310
2024	+/-2%	+1,536,160	+/-1,106,035

This is Consistent with Basel III standardized framework and international best practice for interest rate risk measurement.

Exposure to other market risks – non-trading portfolios

Credit spread risk (not relating to changes in the obligor / issuer's credit standing) on debt securities held by Treasury and price risk is subject to regular monitoring by Board Risk Management Committee. Currently, the exposure to other market risks on non-trading portfolio is not significant in relation to the overall results and financial position of the Bank.

(e) Foreign currency exposure

31-Dec-25	US\$	GBP	Euro	Others	Total
	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Assets					
Cash and cash equivalents	251,989,575	1,595,790	22,085,847	485,265	276,156,477
Loans and advances to customers	114,917,363	135	845	-	114,918,343
Investment securities	68,514,175	-	-	-	68,514,175
Due from group companies	641,025	-	-	4,854	645,879
Other assets	887,900	298	-	-	888,198
Total assets	436,950,038	1,596,223	22,086,692	490,119	461,123,072
Liabilities					
Customer deposits	429,974,345	1,299,797	21,699,809	-	452,973,951
Due to group companies	1,794,837	-	-	162,535	1,957,372
Other liabilities	1,475,924	217,241	953	2,290	1,696,408
Total liabilities	(433,245,106)	(1,517,038)	(21,700,762)	(164,825)	(456,627,731)
Net exposure position	3,704,932	79,185	385,930	325,294	4,495,341
Off Balance sheets	141,724,552	-	2,093,430	-	143,817,982

NOTES

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Foreign currency exposure (Continued)

31-Dec-24	US\$	GBP	Euro	Others	Total
	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Assets					
Cash and cash equivalents	112,152,337	210,993	15,217,253	288,770	127,869,353
Loans and advances to customers	54,275,887	-	-	-	54,275,887
Investment securities	105,314,895	-	-	-	105,314,895
Due from group companies	648,902	-	-	3,742	652,644
Other assets	5,974,706	160,234	215,026	5,310,187	11,660,153
Total assets	278,366,727	371,227	15,432,279	5,602,699	299,772,932
Liabilities					
Customer deposits	422,057,706	624,525	17,288,593	-	439,970,824
Due to group companies	5,685,245	-	-	407,383	6,092,628
Other liabilities	1,886,776	158,739	16,044	43,975	2,105,535
Total liabilities	(429,629,727)	(783,264)	(17,304,637)	(451,358)	(448,168,986)
Net exposure position	(151,263,000)	(412,037)	(1,872,358)	5,151,341	(148,396,054)

The analysis below calculates the effect of a reasonably possible movement of the foreign currency rates against the Rwandan Francs (all other variables being constant) on the Bank's profit or loss and equity. The Bank takes on exposure to the effects of fluctuations in the prevailing foreign exchange rates on its financial position and cash flows. The Board of directors sets limit on the level of exposure by currency and in aggregate for both overnight and intraday positions through treasury department, which are monitored daily. The table indicates the extent to which the bank was exposed to currency risk as at 31 December on its monetary assets and liabilities denominated in foreign currency. It shows the sensitivity analysis for each currency to which the bank has significant exposure and the effect of the change in exchange rate on the income statement. Percentage exchange rate changes represent the average change of the 12 months of the year. The sources of sensitivity drivers are derived from monthly publications. The National Bank of Rwanda publishes monthly exchange rates and yearly average historical rates for each currency. Sensitivity has been calculated using historical monthly rates from the National Bank of Rwanda

Changes in foreign currencies will result to the below exposure

	2025			2024		
	Change in currency	Effect on profit before income tax	Effect on equity	Change in currency	Effect on profit before tax	Effect on equity
		Frw'000'	Frw'000'		Frw'000'	Frw'000'
USD	+/- 8%	310,350	223,452	+/- 14%	(20,599,783)	(14,831,844)
GBP	+/- 12%	9,359	6,738	+/- 17%	(68,947)	(49,642)
EUR	+/- 13%	51,013	36,729	+/- 14%	(255,598)	(184,031)
Others	+/- 13%	41,776	30,079	+/- 11%	587,530	423,021

(f) Capital management

Capital risk is the risk that the Bank is unable to maintain adequate levels of capital which could lead to an inability to:

- support business activity.
- a failure to meet regulatory requirements; and
- changes to credit ratings, which could also result in increased costs or reduced capacity to raise funding.

NOTES

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Foreign currency exposure (Continued)

The primary objectives of the Bank's capital management policy are to ensure that the Bank complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value. This is done by the Board of Directors. The Bank's Board manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Bank Board may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities.

Primary objectives are:

- Meet minimum regulatory requirements;
- The National Bank of Rwanda sets and monitors capital requirements for the banking industry as a whole.
- In implementing current capital requirements, The National Bank of Rwanda requires the Bank to maintain a prescribed ratio of total capital to total risk-weighted assets.
- The Bank's regulatory capital is analysed into two tiers:
- Tier 1 capital, which includes ordinary share capital, share premium, retained earnings, after deductions for goodwill and intangible assets, and other regulatory adjustments relating to items that are included in equity but are treated differently for capital adequacy purposes.
- Tier 2 capital, which includes qualifying subordinated liabilities, collective impairment allowances and the element of the fair value reserve relating to unrealised gains on equity instruments classified as available-for-sale.
- Various limits are applied to elements of the capital base; qualifying tier 2 capital cannot exceed tier 1 capital; there are also restrictions on the amount of collective impairment allowances that may be included as part of tier 2 capital.
- The Bank's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The impact of the level of capital on shareholders' return is also recognised and the Bank recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position.
- The Bank has complied with all externally imposed capital requirements throughout the year.
- The Bank's regulatory capital position at 31 December was as follows:
- Provide a viable and sustainable business offering by maintaining adequate capital to cover the Bank's current and forecast business needs and associated risks;

Core practices are:

- Ensure the Bank maintains adequate capital to withstand the impact of the risks that may arise under the stressed conditions.
- Perform internal and regulatory stress tests;
- Maintain capital buffers over regulatory minimum;
- Develop contingency plans for severe (stress management actions) to support the Bank's growth and strategic options; and
- Maintain a capital plan on a short-term and medium-term basis aligned with strategic objectives

	2025	2024
	Frw'000'	Frw'000'
Tier 1 capital		
Ordinary share capital (Note 27)	23,301,283	23,301,283
Share premium (note 27)	18,359,844	18,359,844
Retained earnings	179,360,317	140,294,372
Regulatory Reserve	-	575,419
Unrealized loss on financial assets at FVOCI	1,046,655	(7,056,415)
Total	222,068,099	175,474,503
Collective impairment provisions and regulatory reserves (include Max 1.25% of RWA)	13,889,518	12,419,618
Total regulatory capital	248,050,135	187,894,121
Total risk-weighted assets	1,175,673,548	993,569,480

NOTES

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Foreign currency exposure (Continued)

	Minimum regulatory requirement	2025	2024
Total tier 1 capital expressed as a percentage of total risk-weighted assets	12.50%	17.72%	16.81%
Total tier 2 capital expressed as a percentage of total risk-weighted assets	15.00%	18.97%	18.06%

(g) Financial assets and liabilities

The fair value of financial instruments is included at 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, or in its absence, the most advantageous market to which the Bank has access at that date. The fair value of a liability reflects its non-performance risk. The fair value of cash and cash equivalents, loans and advances, customer deposits and borrowed funds are evaluated by the Bank based on parameters such as interest rates, specific country factors and individual creditworthiness of the customer. The valuation is performed on a discounted cash flow basis. Based on this evaluation, allowances are taken to account for the expected losses of the receivables.

(i) Valuation methods and assumptions

The following methods and assumptions were used to estimate the fair values. The fair values of the quoted notes and bonds are based on price quotations at the reporting date. The fair values of loans and advances, borrowings and other financial liabilities, are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The fair values of remaining available for sale financial assets are derived from quoted market prices in active markets. There have been no transfers between Level 1 and Level 2 during the year ended 31 December 2025 (2024: Nil). The table below shows certain financial assets and financial liabilities that have been measured at either fair value, or for which fair value has been disclosed in the financial statements, analysed by the level of valuation method.

Level 2	Valuation technique	Significant observable inputs	Range (Weighted average)
Investment securities - FVOCI	Fair value at closing rate	Quoted yields	7.2%-8.8%
Investment securities - amortised cost	Fair value at closing rate	Quoted yields	10.95%-13.25%

Level 3	Valuation technique	Significant unobservable inputs	Range (Weighted average)
Currency swaps and forwards	Forward pricing model	Interest curve	2%
Financial liabilities			
Deposits from customers-fixed deposits	Discounted cash flow	Fixed rate and fixed time	2.67%-12%
Borrowed funds	Discounted cash flow	Expected cash flows	2%- 8%

At 31 December 2025	Level 1 Frw'000'	Level 2 Frw'000'	Level 3 Frw'000'	Total Frw'000'
FVOCI investment securities	-	229,591,079	-	229,591,079
Total financial assets at fair value	-	229,591,079	--	229,591,079

NOTES

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Foreign currency exposure (Continued)

	Level 1	Level 2	Level 3	Total
At 31 December 2024	Frw'000'	Frw'000'	Frw'000'	Frw'000'
FVOCI investment securities	-	219,609,657	-	219,609,657
Total financial assets at fair value	-	219,609,657	-	219,609,657

The following summarises the fair value hierarchy of those assets and liabilities not held at fair value.

	Carrying amount	Fair value	Level 1	Level 2	Level 3
At 31 December 2025	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Cash, balances and deposits in financial institutions	343,844,262	343,844,262	343,844,262	-	-
Restricted cash with National Bank of Rwanda	52,227,395	52,227,395	52,227,395	-	-
Amortised investment securities	87,839,488	87,839,488	-	87,839,488	-
Loans and advances at amortised cost	715,888,893	715,888,893	-	-	715,888,893
Due from related parties	653,573	653,573	-	-	653,573
Other assets	15,142,064	15,142,064	-	-	15,142,064
Total financial assets	1,215,595,675	1,215,595,675	396,071,657	87,839,488	731,684,530

Deposits from customers	1,049,469,791	1,049,469,791	1,049,469,791	-	1,049,469,791
Borrowed funds	116,119,376	116,119,376	116,119,376	-	116,119,376
Due to related parties	2,008,850	2,008,850	-	-	2,008,850
Other liabilities	47,652,844	47,652,844	-	-	47,652,844
Total liabilities	1,215,250,861	1,215,250,861	1,165,589,167	-	1,215,250,861

	Carrying amount	Fair value	Level 1	Level 2	Level 3
At 31 December 2024	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Cash, balances and deposits in financial institutions	371,362,483	371,362,483	371,362,483	-	-
Restricted cash with National Bank of Rwanda	49,681,472	49,681,472	49,681,472	-	-
Amortised investment securities	85,719,964	85,719,964	-	85,719,964	-
Loans and advances at amortised cost	556,589,099	556,589,099	-	-	556,589,099
Due from related parties	656,797	656,797	-	-	656,797
Other assets	22,821,547	22,821,547	-	-	22,821,547
Total financial assets	1,086,831,362	1,086,831,362	421,043,955	85,719,964	580,067,443

Deposits from customers	991,741,282	991,741,282	991,741,282	-	991,741,282
Borrowed funds	72,533,800	72,533,800	72,533,801	-	72,533,801
Due to related parties	6,145,844	6,145,844	-	-	6,145,844
Other liabilities	47,401,283	47,401,283	-	-	47,401,283
Total liabilities	1,117,822,209	1,117,822,209	1,064,275,083	-	1,117,822,210

Gains or losses on valuation of FVOCI assets 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.

NOTES

For the purpose of fair value disclosures, the Bank has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above. For the financials assets and liabilities measured at amortized costs, their carrying amount approximate their fair value.

5. INTEREST INCOME

	2025	2024
	Frw'000'	Frw'000'
Loans and advances to customers	86,436,245	68,486,773
Deposits and balances due from financial institutions	4,981,151	4,772,801
Amortised investment securities	90,049	1,402,509
FVOCI investment securities	33,390,446	29,907,757
	124,897,891	104,569,840

6. INTEREST EXPENSE

Deposit from customers	15,522,665	16,477,691
Borrowed funds	6,375,150	3,965,153
Interest expense on lease liabilities	458,163	641,686
	22,355,978	21,084,530

Interest income and expenses are calculated using effective interest rate (EIR) method.

7. NET FEES AND COMMISSION INCOME

(a) Fees and commission income

	2025	2024
	Frw'000'	Frw'000'
Commissions on financing commitments to customers	1,891,176	1,954,891
Commissions on account keeping	2,968,929	2,511,182
Commissions on payment facilities	28,742,264	21,847,776
Other fees on rendered services	1,623,969	843,303
	35,226,338	27,157,152

(b) Fee and commission expense

Fee and commission expense	11,479,780	12,657,361
Net fee and commission income	23,746,558	14,499,791

8. NET FOREIGN EXCHANGE INCOME

	2025	2024
	Frw'000'	Frw'000'
Realized translation gain/(losses)	5,260,773	6,462,724
Realised foreign exchange gain/(losses) from trading	604,263	1,129,577
Total Realized gain/(losses)	5,865,036	7,592,301
Unrealised foreign exchange (loss)/gain	12,549	(65,893)
	5,877,585	7,526,408

9. OTHER OPERATING INCOME

	2025	2024
	Frw'000'	Frw'000'
Realized securities trading gain/(loss)	136,023	13,891
Profit on disposal of property and equipment	187,070	4,066,479
Rental Income	395,687	659,833
Fair value Gain/Loss	767,179	(528,388)
Miscellaneous income	5,043,514	7,108,120
	6,529,473	11,319,935

NOTES

* Miscellaneous income comprises various line items, mainly including creditors written back, loan reversals, and other income lines

10. CREDIT IMPAIRMENT LOSSES

	2025	2024
	Frw'000'	Frw'000'
Increase / (decrease) in stage 1 & 2	1,424,893	4,380,370
Increase in stage 3	8,949,717	3,716,685
Increase /Decrease in off-balance sheet (Note 25)	(607,407)	138,302
Total ECL charge	9,767,203	8,235,357
Loan written off recoveries	(1,020,466)	(6,119,181)
Subtotal	8,746,737	2,116,176
Investment securities, cash and placements and other assets		
Increase/(Decrease) in money market (Note 16 a&b)	(481,865)	385,470
Increase/(Decrease) in investment securities (Note 18)	(1,215,510)	504,373
Increase in other financial assets (Note 19 a)	279,943	589,984
Subtotal	(1,417,432)	1,479,827
Credit impairment loss charged to P/L	7,329,305	3,596,003

For the purposes of the statement of cash flows the total ECL amount adjusted excludes the impact of the recoveries since these were actual cash flows during the period.

11. EMPLOYEE BENEFITS

	2025	2024
	Frw'000'	Frw'000'
Salaries and wages	17,789,305	13,332,330
Pension scheme contribution	-	882,046
Other benefits	3,009,204	3,211,214
	20,798,509	17,425,590

*Other benefits include staff medical costs, staff training, staff bonus, staff welfare and staff insurance and pension.
The average number of staff in the Bank for the year was 1010 (2024:910)

12. SHORT TERM OPERATING LEASE EXPENSES

	2025	2024
	Frw'000'	Frw'000'
Short term leases and Low value leases	9,611	26,238

The Bank leases a number of branch and office premises under operating lease. The leases typically run for a period of one to ten years, with an option to renew the lease after that period. Lease payments are increased accordingly to reflect market forces. From 1 January 2023, the Bank has recognised right-of-use assets and lease liabilities (disclosed on Note 20([a] and [b])) for leases except for short-term and low-value leases.

The Short-term lease is related to lease for ATM space outside of branch premises, lease for marketing space and rent for expatriates.

NOTES

13. DEPRECIATION AND AMORTISATION

	2025	2024
	Frw'000'	Frw'000'
Depreciation on property and equipment (Note 21)	3,466,341	2,115,765
Amortisation of intangible assets (Note 22)	414,217	309,983
Depreciation of right-of-use assets (Note 20)	2,965,417	1,515,090
	6,845,975	3,940,838

14. OTHER OPERATING EXPENSES

	2025	2024
	Frw'000'	Frw'000'
Software and other IT related costs	3,614,531	570,728
Electricity, water and repairs and maintenance	1,683,202	1,669,215
Marketing, advertising, and sponsorship	952,276	1,382,421
Travel and accommodation	1,442,294	1,346,166
Consultancy, legal and professional fees	898,031	809,780
Publications, stationery, and communications	2,746,992	2,559,030
Auditor's remuneration	161,322	160,931
Shared services recharge	3,326,474	3,305,072
Provision for ligations	2,711,540	913,347
Other expenses*	3,647,082	3,297,914
	21,183,744	16,014,604

* Other expenses are various costs which include field officers costs, director emoluments, board and office expenses, insurance property expenses, insurance motor vehicle expenses, general insurance expenses, security services, parking charges, subscriptions, banking charges, credit guarantee fees, meals, water and sewerage, cash in transit charges, debtors written off, deposit protection fund contribution, debt collection, operational loss, conference fees, and publication & documentation expenses and many others

15. INCOME TAX EXPENSE

	2025	2024
	Frw'000'	Frw'000'
Recognised in profit or loss:		
Current income tax charge	22,795,016	23,369,222
Deferred income tax charge/(credit) (Note 23)	542,843	(513,982)
	23,337,859	22,855,240

The tax on the Bank's profit before income tax differs from the theoretical amount that would arise using the basic tax rate of 29.403% as follows:

	2025	2024
	Frw'000'	Frw'000'
Profit before income tax	82,528,385	76,808,019
Income tax using the enacted corporation tax rate 28%	23,107,948	21,506,245
Tax effect of:		
Non-Allowable expenses and income Adjustments	(312,932)	1,862,977
Adjustment in respect to deferred tax	542,843	(513,982)
	23,337,859	22,855,240

NOTES

15. INCOME TAX EXPENSE (CONTINUED)

Recognised in the statement of financial position	2025	2024
	Frw'000'	Frw'000'
Current income tax liability at end of year		
At start of year	(5,872,242)	(4,192,476)
Current year income tax expense	(22,795,016)	(23,369,222)
Paid during the year	23,231,177	21,689,456
At end of year – tax payable	(5,436,081)	(5,872,242)

16. (a) CASH, DEPOSITS, AND BALANCES DUE FROM FINANCIAL INSTITUTIONS

	2025	2024
	Frw'000'	Frw'000'
Cash in hand	44,152,724	57,163,394
Unrestricted cash with National Bank of Rwanda	56,094,834	115,464,479
Other balances with banks	221,727,739	156,649,392
	321,975,297	329,277,265
Money market placements	21,948,105	42,085,218
12-month ECL:		
At 1 January	(416,462)	(416,462)
Decrease in ECL provision for the year	337,322	-
At 31 December	(79,140)	(416,462)
Cash, deposits, and balances due from financial institutions	343,844,262	370,946,021
(b) Restricted cash with National Bank of Rwanda	38,870,691	31,649,636
12-month ECL:		
At 1 January	(144,543)	(144,543)
Decrease in ECL provision for the year	144,543	-
At 31 December	-	(144,543)
Net Restricted cash with National Bank of Rwanda	52,227,395	49,536,929
Movement in restricted balances:		
At 1 January	49,536,929	38,726,148
Movement during the year	2,690,466	10,810,781
At 31 December	52,227,395	49,536,929
Total Cash and Bank Balances	396,071,657	420,482,950

The cash reserve ratio (relating to restricted funds with the National Bank of Rwanda) is non-interest earning and is based on a percentage of value of deposits as periodically adjusted by National Bank of Rwanda. These funds (cash reserve ratio) are not available for use by the Bank in its day-to-day operations.

NOTES

16. (a) CASH, DEPOSITS, AND BALANCES DUE FROM FINANCIAL INSTITUTIONS (CONTINUED)

Net cash position reconciliation

This section sets out an analysis of Net cash position and the movements in Net cash position for each of the periods presented.

	2025	2024
	Frw'000'	Frw'000'
Cash, deposits, and balances due from financial institutions		
Cash, deposits, and Balances due from financial institutions (Notes 16[a])	396,071,657	421,043,955
Liquid investments:		
FVOCI investment securities	229,591,079	219,609,657
Borrowed funds	(116,119,376)	(72,533,800)
Net Cash Position	509,543,360	568,119,812
Cash and liquid investments	625,662,736	640,653,612
Gross debt - fixed interest rates	(116,119,376)	(72,533,800)
Net cash position	509,543,360	568,119,812

	Liquid assets		Borrowed funds		Total
	Cash and cash equivalents	FVOCI investment securities	Due within 1 year	Due after 1 year	
	Frw'000'	Frw'000'	Frw'000's	Frw'000'	Frw'000'
Year ended 31 December 2025					
Net cash position as at start of year	420,482,950	219,609,655	(1,627,255)	(70,906,545)	567,558,805
Cash flows	(24,411,293)	9,981,424	(4,606,990)	(38,978,586)	(58,015,445)
Net cash position at end of year	396,071,657	229,591,079	(6,234,245)	(109,885,131)	509,543,360

	Frw'000'	Frw'000'	Frw'000's	Frw'000'	Frw'000'
	Liquid assets		Borrowed funds		Total
	Cash and cash equivalents	FVOCI investment securities	Due within 1 year	Due after 1 year	
Year ended 31 December 2024					
Net cash position as at start of year	255,638,038	194,168,707	(1,398,969)	(60,959,153)	387,448,623
Cash flows	164,844,912	25,440,948	(228,286)	(9,947,392)	87,170,287
Net cash position at end of year	420,482,950	219,609,655	(1,627,255)	(70,906,545)	474,618,910

17. (a) LOANS AND ADVANCES TO CUSTOMERS

	2025	2024
	Frw'000'	Frw'000'
Gross loans and advances to customers	737,226,000	578,962,057
Stage 1 impairment	5,743,082	2,267,874
Stage 2 impairment	2,967,278	5,259,384
Stage 3 impairment	12,626,747	14,845,700
	21,337,107	22,372,958
Current portion	237,349,498	160,224,124
Non-current portion	478,539,395	396,364,975
Net loans and advances to customers	715,888,893	556,589,099

NOTES

17. LOANS AND ADVANCES TO CUSTOMERS(CONTINUED)

(b) Provision for impairment of loans and advances

	Stage 1	Stage 2	Stage 3	Total
	12 month ECL	Lifetime ECL	Lifetime ECL	
Year ended 31 December 2025	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Balance at 1 January	2,267,874	5,259,384	14,845,700	22,372,958
Movements during the year:				
Transfer to 12 months ECL	1,394,716	(583,813)	(810,903)	-
Transfer to lifetime ECL not credit impaired	(57,215)	367,843	(310,628)	-
Transfer to lifetime ECL credit impaired	(28,951)	(97,773)	126,724	-
Net re-measurements of loss allowance	483,868	(2,709,431)	7,161,109	4,935,546
Net financial assets originated	2,591,309	1,365,235	8,151,297	12,107,841
Financial assets derecognized	(908,519)	(634,167)	(6,549,183)	(8,091,869)
Write-offs	-	-	(9,987,369)	(9,987,369)
Loss allowance as at 31 December	5,743,082	2,967,278	12,626,747	21,337,107

	Stage 1	Stage 2	Stage 3	Total
	12 month ECL	Lifetime ECL	Lifetime ECL	
Year ended 31 December 2024	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Balance at 1 January	5,314,460	1,500,709	14,154,440	20,969,609
Movements during the year:				-
Transfer to 12 months ECL	1,158,755	(751,147)	(407,608)	-
Transfer to lifetime ECL not credit impaired	(1,034,983)	1,381,505	(346,522)	-
Transfer to lifetime ECL credit impaired	(58,679)	(512,987)	571,666	-
Net re-measurements of loss allowance	(4,429,500)	354,154	1,912,821	(2,162,525)
Net financial assets originated	566,702	1,668,252	2,841,385	5,076,339
Financial assets derecognized	(506,885)	(148,521)	(855,059)	(1,510,465)
Loss allowance as at 31 December	1,009,870	3,491,965	17,871,123	22,372,958

(c) Provision for impairment for off balance sheet facilities.

	Stage 1	Stage 2	Stage 3	Total
	12 month ECL	Lifetime ECL	Lifetime ECL	
Year ended 31 December 2025	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Loss allowance as at 1 January	1,503,033	-	-	1,503,033
Transfer to 12 months ECL	-	-	-	-
Transfer to lifetime ECL not credit	-	-	-	-
Net re-measurement of Loss allowance	(278,182)	-	-	(278,182)
Net financial assets originated	313,834	-	-	313,834
Financial assets derecognised	(449,091)	-	-	(449,091)
Loss allowance as at 31 December	1,089,594	-	-	1,089,594

NOTES

17. A) LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

(c) Provision for impairment for off balance sheet facilities. (Continued)

	Stage 1	Stage 2	Stage 3	Total
	12 month ECL	Lifetime ECL	Lifetime ECL	
Year ended 31 December 2024	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Loss allowance as at 1 January	1,364,731	-	-	1,364,731
Transfer to 12 months ECL	-	-	-	-
Transfer to lifetime ECL not credit	-	-	-	-
Net re-measurement of Loss allowance	59,873	-	-	59,873
Net financial assets originated	589,638	-	-	589,638
Financial assets derecognised	(511,209)	-	-	(511,209)
Loss allowance as at 31 December	1,503,033	-	-	1,503,033

The following table further explains changes in gross carrying amount of the portfolio to help explain their significance to the changes in the loss allowance:

	Stage 1	Stage 2	Stage 3	Total
	12 month ECL	Lifetime ECL	Lifetime ECL	
Year ended 31 December 2025	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Gross carrying amount as at 1 January	514,511,252	52,179,419	23,918,060	590,608,731
Movements during the year				
Transfer to 12 months ECL	21,986,229	(20,282,875)	(1,703,354)	-
Transfer to lifetime ECL not credit	(12,464,058)	13,126,187	(662,129)	-
Transfer to lifetime ECL credit impaired	(6,009,098)	(3,813,455)	9,822,553	-
Net re-measurements of loss allowance	(64,742,905)	(7,844,920)	(1,610,395)	(74,198,220)
Net financial assets originate	417,082,381	34,720,909	8,293,130	460,096,420
Financial assets derecognised	(201,292,590)	(14,689,445)	(15,005,981)	(230,988,016)
Gross amount as at 31 December	669,071,211	53,395,820	23,051,884	745,518,915

The amount of Frw 745.5 billion includes the fair value of economic recovery fund loans and the fair value of staff loans. The gross loans and advances net of fair value, amount to 737.2 billion stated in Note 17 (a).

Movements in loans and advances to customers per the statement of financial position includes non-cash accounting adjustments arising from fair value remeasurement, expected credit loss allowances, interest accruals and foreign exchange translation. In preparing the statement of cash flows, such non-cash movements are excluded in line with IAS 7, such that only actual cash disbursements to, and repayments from, customers are reflected within operating cash flows.

	Stage 1	Stage 2	Stage 3	Total
	12 month ECL	Lifetime ECL	Lifetime ECL	
Year ended 31 December 2024	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Gross carrying amount as at 1 January	373,078,281	57,102,081	21,249,702	451,430,064
Movements during the year				
Transfer to 12 months ECL	29,007,352	(28,095,363)	(911,989)	-
Transfer to lifetime ECL not credit	(38,999,498)	40,380,666	(1,381,168)	-
Transfer to lifetime ECL credit impaired	(6,005,033)	(6,333,304)	12,338,337	-
Net re-measurements of loss allowance	(26,499,100)	(8,805,512)	(3,475,470)	(38,780,082)
Net financial assets originate	321,820,390	10,448,897	5,002,304	337,271,591
Financial assets derecognised	(136,908,644)	(13,321,425)	(8,950,409)	(159,180,478)
Gross amount as at 31 December	515,493,748	51,376,040	23,871,307	590,741,095

NOTES

17. A) LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

(c) Provision for impairment for off balance sheet facilities. (Continued)

The terms and conditions normally provided for the loans and advances to customers are as follows:

Digital/Eazzy loans - These are interest bearing term loans given to the customers through the mobile phone, online platform or such other mode as shall from time to time be made available by the Bank and in such amounts as shall be determined by the Bank in its absolute discretion after an Account holder makes a formal application. There is no collateral requirement however These loans are charged processing fees.

Consumer, agriculture and micro enterprises - These are interest bearing facilities to retail customers. The loans are designed to meet requirements for customers in employment, in agriculture and those running Micro- Enterprises. These facilities are secured by salary and chattels. These loans are charged processing fees.

Small and medium enterprises - These are loans to small and medium customers, and they are all interest bearing. Collateral is a requirement for all facilities. These loans are charged processing fees.

Corporate enterprises- These are interest bearing facilities to businesses specifically to a buy building, working capital, equipment etc, rather than to a person. Collateral is a requirement for all facilities. These loans are charged processing fees.

Mortgage loans- These are interest bearing facilities for commercial and personal purposes. These facilities are secured against the borrower's property.

Concentration by sector	Gross carrying amount as at	Movements during 2025	Gross carrying amount as at
	31 December 2025		31 December 2024
Building and construction	32,067,468	(819,596)	32,887,064
Energy and water	35,808,991	6,770,194	29,038,797
Financial services	831,457	640,493	190,964
Food and agriculture	17,828,609	473,284	17,355,325
ICT and telecommunication	23,233,517	(856,985)	24,090,502
Manufacturing	70,687,072	44,382,727	26,304,345
Mining & quarrying	386,967	63,411	323,556
Personal household	198,015,548	54,523,896	143,491,652
Real estate	41,883,203	(40,162,813)	82,046,016
Tourism and hospitality	52,409,164	(550,160)	52,959,324
Trade	246,094,962	90,572,155	155,522,807
Transport and logistics	26,271,957	(258,786)	26,530,743
	745,518,915	154,777,820	590,741,095

Expected Credit loss by sector	Gross carrying amount as at	Movements during 2025	Gross carrying amount as at
	31-Dec-25		31 December 2024
Building and construction	1,976,085	1,588,440	387,645
Energy and water	62,523	45,001	17,522
Financial services	6,086	5,710	376
Food and agriculture	944,150	(1,061,864)	2,006,014
ICT and telecommunication	1,217	(12,331)	13,548
Manufacturing	1,664,926	1,368,808	296,118
Mining & quarrying	425	(8,762)	9,187
Personal household	7,594,600	(3,894,957)	11,489,557
Real estate	1,232,367	(122,396)	1,354,763
Tourism and hospitality	136,139	(117,161)	253,300
Trade	7,293,282	1,639,914	5,653,368
Transport and logistics	425,307	(466,253)	891,560
	21,337,107	(1,035,850)	22,372,958

NOTES

17. A) LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

(b) Provision for impairment of loans and advances (Continued)

	Building and construction				Energy and water				Financial services			
	Stage1	Stage2	Stage3	Total	Stage1	Stage2	Stage3	Total	Stage1	Stage2	Stage3	Total
	12 month ECL	Lifetime ECL	Lifetime ECL		12 month ECL	Lifetime ECL	Lifetime ECL		12 month ECL	Lifetime ECL	Lifetime ECL	
	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Year ended 31 December 2025												
Opening Balance Gross carrying amount as at 1 January	28,976,718	3,604,672	305,674	32,887,064	28,490,613	492,007	56,177	29,038,797	190,964	-	-	190,964
Transfer to 12 months ECL	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Lifetime ECL not credit impaired	(610,728)	610,728	-	-	-	-	-	-	-	-	-	-
Transfer to Lifetime ECL credit impaired	(692,279)	(139,403)	831,682	-	-	-	-	-	-	-	-	-
Net remeasurement of Loss allowance	(1,926,584)	(518,596)	(212,174)	(2,657,354)	(1,447,562)	-	-	(1,447,562)	-	-	-	-
New financial assets originated or purchased	13,556,579	3,960,586	300,865	17,818,030	22,368,022	8,603,467	252,061	31,223,550	831,457	-	-	831,457
Financial assets derecognised	(10,611,190)	(5,299,106)	(69,976)	(15,980,272)	(22,460,555)	(489,062)	(56,177)	(23,005,794)	(190,964)	-	-	(190,964)
Gross carrying amount as at 31 December 2025	28,692,516	2,218,881	1,156,071	32,067,468	26,950,518	8,606,412	252,061	35,808,991	831,457	-	-	831,457
Loss allowance as at 1 January	34,697	278,415	74,532	387,644	12,927	4,594	-	17,521	376	-	-	376
Transfer to 12 months ECL	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Lifetime ECL not credit impaired	(299)	299	-	-	-	-	-	-	-	-	-	-
Transfer to Lifetime ECL credit impaired	(407)	(146)	553	-	-	-	-	-	-	-	-	-
Net remeasurement of Loss allowance	152,186	1,039	645,047	798,272	(2,912)	-	-	(2,912)	-	-	-	-
New financial assets originated or purchased	599,757	31,643	547,100	1,178,500	24,066	51,021	-	75,087	5,710	-	-	5,710
Financial assets derecognised	(21,787)	(244,242)	(2,606)	(268,635)	(25,384)	(1,789)	-	(27,173)	-	-	-	-
Write-Offs	-	-	(119,696)	(119,696)	-	-	-	-	-	-	-	-
Loss allowance as at 31 December 2025	764,147	67,008	1,144,930	1,976,085	8,697	53,826	-	62,523	6,086	-	-	6,086
Net loans and advances	27,928,369	2,151,873	11,141	30,091,383	26,941,821	8,552,586	252,061	35,746,468	825,371	-	-	825,371

NOTES

17. A) LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

(c) Provision for impairment for off balance sheet facilities. (Continued)

	Food and agriculture				Information and Communication				Manufacturing			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12 month ECL	Lifetime ECL	Lifetime ECL		12 month ECL	Lifetime ECL	Lifetime ECL		12 month ECL	Lifetime ECL	Lifetime ECL	
	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Year ended 31 December 2025												
Opening Balance Gross carrying amount as at 1 January	11,108,671	5,484,907	761,748	17,355,326	23,796,333	294,169	-	24,090,502	23,748,884	1,867,317	688,144	26,304,345
Transfer to 12 months ECL	234,422	(220,330)	(14,092)	-	167,232	(167,232)	-	-	350,422	(287,185)	(63,237)	-
Transfer to Lifetime ECL not credit impaired	(294,916)	370,572	(75,656)	-	-	-	-	-	(689,422)	689,422	-	-
Transfer to Lifetime ECL credit impaired	(198,992)	(210,097)	409,089	-	-	-	-	-	(813,889)	(113,236)	927,125	-
Net remeasurement of Loss allowance	(932,781)	(310,199)	(42,551)	(1,285,531)	(1,977,396)	-	-	(1,977,396)	5,287,932	(213,444)	(186,168)	4,888,320
New financial assets originated or purchased	8,641,761	444,101	262,856	9,348,718	15,548,034	-	-	15,548,034	46,894,277	3,635,798	411,869	50,941,944
Financial assets derecognised	(6,259,667)	(864,005)	(466,232)	(7,589,904)	(14,301,789)	(125,834)	-	(14,427,623)	(9,987,573)	(906,392)	(553,572)	(11,447,537)
Gross carrying amount as at 31 December 2025	12,298,498	4,694,949	835,162	17,828,609	23,232,414	1,103	-	23,233,517	64,790,631	4,672,280	1,224,161	70,687,072
Loss allowance as at 1 January	57,974	1,791,133	158,164	2,007,271	6,087	7,462	-	13,549	24,682	10,776	260,660	296,118
Transfer to 12 months ECL	23,115	(23,115)	-	-	2,317	(2,317)	-	-	25,814	(25,814)	-	-
Transfer to Lifetime ECL not credit impaired	(5,177)	75,590	(70,413)	-	-	-	-	-	(6,921)	6,921	-	-
Transfer to Lifetime ECL credit impaired	(2,987)	(9,113)	12,100	-	-	-	-	-	(9,246)	(2,165)	11,411	-
Net remeasurement of Loss allowance	129,103	(1,579,808)	340,289	(1,110,416)	(7,358)	-	-	(7,358)	(62,679)	(533)	611,228	548,016
New financial assets originated or purchased	91,405	14,340	196,172	301,917	492	-	-	492	624,816	213,038	234,904	1,072,758
Financial assets derecognised	(96,490)	(41,300)	(38,337)	(176,127)	(321)	(5,145)	-	(5,466)	(60,385)	(11,949)	(179,632)	(251,966)
Write-Offs	-	-	(78,495)	(78,495)	-	-	-	-	-	-	-	-
Loss allowance as at 31 December 2025	196,943	227,727	519,480	944,150	1,217	-	-	1,217	536,081	190,274	938,571	1,664,926
Net loans and advances	12,101,555	4,467,222	315,682	16,884,459	23,231,197	1,103	-	23,232,300	64,254,550	4,482,006	285,590	69,022,146

NOTES

17. LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

	Mining Quarrying				Personal household				Real estate activities			
	Stage1	Stage2	Stage3	Total	Stage1	Stage2	Stage3	Total	Stage1	Stage2	Stage3	Total
	12month ECL	Lifetime ECL	Lifetime ECL		12month ECL	Lifetime ECL	Lifetime ECL		12month ECL	Lifetime ECL	Lifetime ECL	
	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Year ended 31 December 2025												
Opening Balance Gross carrying amount as at 1 January	248,975	58,829	15,752	323,556	126,559,676	8,249,329	8,550,283	143,359,288	62,329,435	19,387,150	329,431	82,046,016
Transfer to 12 months ECL	39,073	(39,073)	-	-	2,145,258	(1,436,338)	(708,920)	-	18,076,703	(18,076,703)	-	-
Transfer to Lifetime ECL not credit impaired		-	-	-	-	(3,381,481)	3,573,230	(191,749)	-	(454,408)	454,408	-
Transfer to Lifetime ECL credit impaired	-	-	-	-	(2,275,664)	(1,238,243)	3,513,907	-	-	(640,449)	640,449	-
Net remeasurement of Loss allowance	(18,723)	-	-	(18,723)	(16,159,287)	(632,921)	194,498	(16,597,710)	(32,093,172)	(98,453)	40,742	(32,150,883)
New financial assets originated or purchased	298,913	-	-	298,913	107,890,353	3,611,735	1,968,853	113,470,941	13,683,253	555,264	2,740	14,241,257
Financial assets derecognised	(181,679)	(19,448)	(15,652)	(216,779)	(36,829,610)	(1,430,463)	(3,956,898)	(42,216,971)	(21,716,663)	(209,802)	(326,722)	(22,253,187)
Gross carrying amount as at 31 December 2025	386,559	308	100	386,967	177,949,245	10,696,329	9,369,974	198,015,548	39,825,148	1,371,415	686,640	41,883,203
Loss allowance as at 1 January	535	8,653	-	9,188	1,455,270	178,208	7,642,148	9,275,626	61,090	1,027,848	267,541	1,356,479
Transfer to 12 months ECL	3,155	(3,155)	-	-	445,658	(3,462)	(442,196)	-	376,003	(376,003)	-	-
Transfer to Lifetime ECL not credit impaired	-	-	-	-	(4,362)	62,685	(58,323)	-	(1,802)	1,802	-	-
Transfer to Lifetime ECL credit impaired		-	-	-	-	(4,530)	(3,682)	8,212	-	-	(16,238)	16,238
Net remeasurement of Loss allowance	(3,393)	-	-	(3,393)	(195,934)	104,723	2,355,483	2,264,272	(22,106)	(606,075)	651,931	23,750
New financial assets originated or purchased	140	-	-	140	464,820	261,427	786,630	1,512,877	108,632	4,800	2,739	116,171
Financial assets derecognised	(12)	(5,498)	-	(5,510)	(58,837)	(10,964)	(2,498,131)	(2,567,932)	(60,416)	(6,923)	(196,694)	(264,033)
Write-Offs	-	-	-	-	-	-	<u>(2,890,243)</u>	<u>(2,890,243)</u>	-	-	-	-
Loss allowance as at 31 December 2025	425	-	-	425	2,102,085	588,935	4,903,580	7,594,600	461,401	29,211	741,755	1,232,367
Net loans and advances	386,134	308	100	386,542	175,847,160	10,107,394	4,466,394	190,420,948	39,363,747	1,342,204	(55,115)	40,650,836

NOTES

17. LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

Movements per sector	Tourism and Hospitality				Trade				Transport and logistics			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12 month ECL	Lifetime ECL	Lifetime ECL		12 month ECL	Lifetime ECL	Lifetime ECL		12 month ECL	Lifetime ECL	Lifetime ECL	
	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Year ended 31 December 2024												
Opening Balance Gross carrying amount as at 1 January	51,489,982	954,930	514,411	52,959,323	137,935,693	10,055,960	7,531,154	155,522,807	19,635,308	1,730,149	5,165,286	26,530,743
Transfer to 12 months ECL	466,628	(466,628)	-	-	2,156,149	(1,223,611)	(932,538)	-	880,544	(880,544)	-	-
Transfer to Lifetime ECL not credit impaired	(989,008)	989,008	-	-	(5,439,761)	5,834,484	(394,723)	-	(604,335)	604,335	-	-
Transfer to Lifetime ECL credit impaired	-	-	-	-	(1,836,280)	(1,343,261)	3,179,541	-	(51,575)	-	51,575	-
Net remeasurement of Loss allowance	(3,498,423)	(188,547)	(10,799)	(3,697,769)	(10,919,901)	(2,031,748)	(1,246,557)	(14,198,206)	(4,662,366)	(441,259)	(4,448)	(5,108,073)
New financial assets originated or purchased	6,846,723	268,511	5,541	7,120,775	169,683,056	11,092,435	4,743,450	185,518,941	10,839,953	2,549,011	397,565	13,786,529
Financial assets derecognised	(3,552,278)	(291,291)	(129,596)	(3,973,165)	(71,941,030)	(4,526,436)	(4,281,114)	(80,748,580)	(3,259,592)	(527,607)	(5,150,043)	(8,937,242)
Gross carrying amount as at 31 December 2025	50,763,624	1,265,983	379,557	52,409,164	219,637,926	17,857,823	8,599,213	246,094,962	22,777,937	3,034,085	459,935	26,271,957
Loss allowance as at 1 January	183,040	32,286	37,973	253,299	404,983	1,906,166	3,948,981	6,260,130	26,215	13,841	2,455,702	2,495,758
Transfer to 12 months ECL	3,552	(3,552)	-	-	512,776	(144,070)	(368,706)	-	2,325	(2,325)	-	-
Transfer to Lifetime ECL not credit impaired	(3,427)	3,427	-	-	(33,336)	215,228	(181,892)	-	(1,891)	1,891	-	-
Transfer to Lifetime ECL credit impaired	-	-	-	-	(11,744)	(66,429)	78,173	-	(37)	-	37	-
Net remeasurement of Loss allowance	(48,130)	(14,442)	(10,022)	(72,594)	589,491	(627,572)	2,567,189	2,529,108	(44,402)	13,239	(37)	(31,200)
New financial assets originated or purchased	10,093	1,464	24	11,581	595,165	555,865	1,771,767	2,922,797	66,212	231,636	4,610,930	4,908,778
Financial assets derecognised	(22,919)	(5,310)	(27,918)	(56,147)	(556,758)	(299,127)	(1,800,455)	(2,656,340)	(5,209)	(1,921)	(1,805,410)	(1,812,540)
Write-Offs	-	-	-	-	-	-	(1,762,413)	(1,762,413)	-	-	(5,135,489)	(5,135,489)
Loss allowance as at 31 December 2025	122,209	13,873	57	136,139	1,500,577	1,540,061	4,252,644	7,293,282	43,213	256,361	125,733	425,307
Net loans and advances	50,641,415	1,252,110	379,500	52,273,025	218,137,349	16,317,762	4,346,569	238,801,680	22,734,724	2,777,724	334,202	25,846,650

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17. LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

Movements per sector:2024	Building And Construction				Energy And Water				Financial Services			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12 month ECL	Lifetime ECL	Lifetime ECL		12 month ECL	Lifetime ECL	Lifetime ECL		12 month ECL	Lifetime ECL	Lifetime ECL	
	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Year ended 31 December 2024												
Opening Balance Gross carrying amount as at 1 January	34,548,263	901,005	1,715,317	37,164,585	11,458,227	5,397	-	11,463,624	-	-	-	-
Transfer to 12 months ECL	377,925	(377,925)	-	-	-	-	-	-	-	-	-	-
Transfer to Lifetime ECL not credit impaired	(7,272,417)	7,428,305	(155,888)	-	(51,529)	51,529	-	-	-	-	-	-
Transfer to Lifetime ECL credit impaired	-	(226,877)	226,877	-	(99,581)	-	99,581	-	-	-	-	-
Net remeasurement of Loss allowance	(1,174,795)	(2,376,946)	46,534	(3,505,207)	(4,648,010)	(25,452)	(43,404)	(4,716,867)	-	-	-	-
New financial assets originated or purchased	15,332,275	1,125,341	41,013	16,498,630	21,831,571	465,930	-	22,297,501	190,964	-	-	190,964
Financial assets derecognized	(12,834,532)	(2,868,231)	(1,568,180)	(17,270,944)	(65)	(5,397)	-	(5,461)	-	-	-	-
Gross carrying amount as at 31 December 2024	28,976,718	3,604,672	305,674	32,887,064	28,490,613	492,007	56,177	29,038,797	190,964	-	-	190,964
Loss allowance as at 1 January	1,163,804	7,320	341,535	1,512,659	7,729	43	-	7,772	-	-	-	-
Transfer to 12 months ECL	1,494	(1,494)	-	-	-	-	-	-	-	-	-	-
Transfer to Lifetime ECL not credit impaired	(272,849)	272,849	(167,036)	(167,036)	(8)	8	-	-	-	-	-	-
Transfer to Lifetime ECL credit impaired	-	(1,344)	1,344	-	(16)	-	16	-	-	-	-	-
Net remeasurement of Loss allowance	(524,857)	4,131	65,194	(455,532)	(4,226)	2,878	(16)	(1,364)	-	-	-	-
New financial assets originated or purchased	19,629	6,362	2,532	28,523	9,448	1,708	-	11,156	376	-	-	376
Financial assets derecognized	(352,524)	(9,409)	(169,037)	(530,970)	-	(43)	-	(43)	-	-	-	-
Write-Offs	-	-	-	-	-	-	-	-	-	-	-	-
Loss allowance as at 31 December 2024	34,697	278,415	74,532	387,644	12,927	4,594	-	17,521	376	-	-	376
Net loans and advances	28,942,021	3,326,257	231,142	32,499,420	28,477,686	487,413	56,177	29,021,276	190,588	-	-	190,588

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17. LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

Movements per sector	Food And Agriculture				Information and Communication				Manufacturing			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12 month ECL	Lifetime ECL	Lifetime ECL		12 month ECL	Lifetime ECL	Lifetime ECL		12 month ECL	Lifetime ECL	Lifetime ECL	
	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Year ended 31 December 2024												
Year ended 31 December 2024	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Opening Balance Gross carrying amount as at 1 January	5,528,624	5,406,354	545,745	11,480,723	10,640,333	33,195	-	10,673,528	13,237,164	3,267,711	74	16,504,949
Transfer to 12 months ECL	444,125	(444,039)	(86)	-	-	-	-	-	-	-	-	-
Transfer to Lifetime ECL not credit impaired	(371,919)	398,655	(26,736)	-	(173,768)	173,768	-	-	(495,380)	495,380	-	-
Transfer to Lifetime ECL credit impaired	(262,314)	(366,567)	628,881	-	-	-	-	-	-	(2,511,359)	2,511,359	-
Net remeasurement of Loss allowance	(1,019,905)	(96,119)	(54,858)	(1,170,881)	(3,060,942)	(24,666)	-	(3,085,608)	(4,594,369)	(81,311)	(2,228,028)	(6,903,708)
New financial assets originated or purchased	8,635,594	816,490	2,345	9,454,429	16,792,843	111,872	-	16,904,714	21,427,919	649,870	358,047	22,435,836
Financial assets derecognized	(1,845,535)	(229,866)	(333,545)	(2,408,945)	(402,133)	-	-	(402,133)	(4,976,320)	(756,352)	(60)	(5,732,732)
Gross carrying amount as at 31 December	11,108,671	5,484,907	761,748	17,355,325	23,796,333	294,169	-	24,090,502	24,599,014	1,063,940	641,392	26,304,345
Loss allowance as at 1 January	64,521	518,333	116,661	699,515	3,323	946	-	4,269	135,078	108,023	74	243,175
Transfer to 12 months ECL	69,771	(69,771)	-	-	-	-	-	-	-	-	-	-
Transfer to Lifetime ECL not credit impaired	(1,805)	10,834	(9,029)	-	(88)	88	-	-	(1,458)	1,458	-	-
Transfer to Lifetime ECL credit impaired	(1,355)	(116,575)	117,930	-	-	-	-	-	-	(82,501)	82,501	-
Net remeasurement of Loss allowance	(103,034)	338,927	(6,359)	229,534	692	1,349	-	2,041	(96,201)	(623)	(81,893)	(178,717)
New financial assets originated or purchased	47,564	1,142,234	162,711	1,352,509	2,284	5,079	-	7,363	6,739	3,363	260,206	270,308
Financial assets derecognized	(17,688)	(32,849)	(62,723)	(113,260)	(124)	-	-	(124)	(19,476)	(18,944)	(60)	(38,480)
Write-Offs	-	-	(161,027)	(161,027)	-	-	-	-	-	-	(168)	(168)
Loss allowance as at 31 December 2024	57,974	1,791,133	158,164	2,007,271	6,087	7,462	-	13,548	24,682	10,776	260,660	296,118
Net loans and advances	11,050,697	3,693,774	603,584	15,348,054	23,790,246	286,707	-	24,076,953	24,574,332	1,053,164	380,732	26,008,227

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17. LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

Movements per sector

	Mining Quarrying				Personal household				Real estate activities			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12 month ECL	Lifetime ECL	Lifetime ECL		12 month ECL	Lifetime ECL	Lifetime ECL		12 month ECL	Lifetime ECL	Lifetime ECL	
	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Year ended 31 December 2024												
Opening Balance Gross carrying amount as at 1 January	371,307	78,376	13,777	463,460	114,530,392	5,936,725	5,918,025	126,385,142	40,331,772	4,368,695	1,018,546	45,719,013
Transfer to 12 months ECL	-	-	-	-	1,132,817	(854,822)	(277,996)	-	4,002,529	(3,697,294)	(305,235)	-
Transfer to Lifetime ECL not credit impaired	(23,634)	23,634	-	-	(4,198,527)	4,540,627	(342,100)	-	(19,559,647)	19,799,007	(239,361)	-
Transfer to Lifetime ECL credit impaired	-	-	-	-	(2,983,614)	(1,063,103)	4,046,717	-	(68,750)	-	68,750	-
Net remeasurement of Loss allowance	(82,889)	(4,176)	1,975	(85,090)	(12,933,865)	(975,875)	42,429	(13,867,312)	11,301,972	(1,492,189)	8,419	9,818,202
New financial assets originated or purchased	220,685	39,371	-	260,056	70,125,131	1,850,500	1,854,777	73,830,408	39,935,110	643,136	194,177	40,772,424
Financial assets derecognized	(236,494)	(78,376)	-	(314,871)	(38,980,294)	(1,184,723)	(2,691,569)	(42,856,586)	(13,613,551)	(234,206)	(415,866)	(14,263,623)
Gross carrying amount as at 31 December 2024	248,975	58,829	15,752	323,556	126,559,676	8,249,329	8,550,283	143,491,652	62,329,435	19,387,150	329,431	82,046,016
Loss allowance as at 1 January	2,523	1,803	360	4,686	3,824,207	276,120	3,762,678	7,863,005	1,260,001	379,635	470,440	2,110,076
Transfer to 12 months ECL	-	-	-	-	258,108	(65,859)	(192,249)	-	501,671	(363,076)	(138,595)	-
Transfer to Lifetime ECL not credit impaired	(24)	24	-	-	(39,020)	192,215	(153,195)	-	(676,987)	682,384	(5,397)	-
Transfer to Lifetime ECL credit impaired	-	-	-	-	(29,801)	(110,393)	140,194	-	(450)	-	450	-
Net remeasurement of Loss allowance	(150)	191	(360)	(318)	(2,511,770)	(61,775)	4,468,219	1,894,674	(837,303)	321,623	1,558,279	1,042,599
New financial assets originated or purchased	388	8,438	-	8,826	220,578	13,118	1,392,249	1,625,945	36,812	16,244	178,626	231,682
Financial assets derecognized	(2,202)	(1,803)	-	(4,005)	(267,032)	(65,218)	499,656	167,406	(222,654)	(8,962)	(242,066)	(473,682)
Write-Offs	-	-	-	-	-	-	(2,275,404)	(2,275,404)	-	-	(1,554,196)	(1,554,196)
Loss allowance as at 31 December 2024	535	8,653	-	9,189	1,455,270	178,208	7,642,148	9,275,626	61,090	1,027,848	267,541	1,356,479
Net loans and advances	248,440	50,176	15,751	314,367	125,104,406	8,071,121	908,135	134,216,026	62,268,345	18,359,302	61,890	80,689,537

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17. LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

Movements per sector

	Tourism and Hospitality				Trade				Transport and logistics			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12 month ECL	Lifetime ECL	Lifetime ECL		12 month ECL	Lifetime ECL	Lifetime ECL		12 month ECL	Lifetime ECL	Lifetime ECL	
	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Year ended 31 December 2024												
Opening Balance Gross carrying amount as at 1 January	19,560,899	23,776,836	1,010,016	44,347,751	105,263,988	7,466,922	5,914,734	118,645,644	17,607,312	5,860,865	5,113,469	28,581,646
Transfer to 12 months ECL	21,246,386	(21,231,058)	(15,328)	-	1,181,770	(897,461)	(284,309)	-	621,801	(592,765)	(29,036)	-
Transfer to Lifetime ECL not credit impaired	(1,024,386)	1,062,563	(38,177)	-	(4,978,853)	5,557,760	(578,907)	-	(849,440)	849,440	-	-
Transfer to Lifetime ECL credit impaired	(15,353)	(103,765)	119,118	-	(2,520,923)	(1,626,665)	4,147,587	-	(54,500)	(434,967)	489,467	-
Net remeasurement of Loss allowance	(2,501,183)	(156,245)	(64,761)	(2,722,189)	(8,420,122)	(2,705,290)	(839,395)	(11,964,806)	635,009	(867,244)	(344,381)	(576,616)
New financial assets originated or purchased	19,540,707	14,112	358,775	19,913,594	99,346,458	4,732,190	2,192,595	106,271,243	8,441,133	85	573	8,441,791
Financial assets derecognized	(5,317,088)	(2,407,512)	(855,232)	(8,579,832)	(51,936,626)	(2,471,497)	(3,021,151)	(57,429,274)	(6,766,007)	(3,085,265)	(64,806)	(9,916,078)
Gross carrying amount as at 31 December 2024	51,489,982	954,930	514,411	52,959,324	137,935,693	10,055,960	7,531,154	155,522,807	19,635,308	1,730,149	5,165,286	26,530,743
Loss allowance as at 1 January	33,090	156,301	475,355	664,746	964,875	768,583	2,252,926	3,986,384	16,255	148,080	3,708,986	3,873,321
Transfer to 12 months ECL	154,036	(154,036)	-	-	168,438	(91,675)	(76,764)	-	5,237	(5,237)	-	-
Transfer to Lifetime ECL not credit impaired	(1,558)	1,558	-	-	(40,171)	219,072	(178,900)	-	(1,014)	1,014	-	-
Transfer to Lifetime ECL credit impaired	(15)	(135)	150	-	(27,001)	(189,389)	216,390	-	(42)	(12,650)	12,692	-
Net remeasurement of Loss allowance	52,072	10,748	(37,990)	24,830	(430,064)	(261,217)	2,753,658	2,062,377	24,964	(2,077)	(1,204,476)	(1,181,589)
New financial assets originated or purchased	(46,287)	19,777	10,313	(16,197)	249,222	451,928	834,253	1,535,403	20,325	-	494	20,819
Financial assets derecognized	(8,298)	(1,927)	(403,192)	(413,417)	(480,316)	1,008,864	(277,207)	251,341	(39,510)	(115,289)	(33,391)	(188,190)
Write-Offs	-	-	(6,663)	(6,663)	-	-	(1,575,375)	(1,575,375)	-	-	(28,603)	(28,603)
Loss allowance as at 31 December	183,040	32,286	37,973	253,300	404,983	1,906,166	3,948,981	6,260,130	26,215	13,841	2,455,702	2,495,758
Net loans and advances	51,306,942	922,644	476,438	52,706,025	137,530,710	8,149,794	3,582,173	149,262,677	19,609,093	1,716,308	2,709,584	24,034,985

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17. LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

There are some loans and advances assets classified as Stage 3 are subject to collateral arrangements that fully mitigate credit risk exposure. Consequently, no loss allowance has been recognised for these instruments, as the collateral held is sufficient to cover the expected shortfall. The entity monitors the valuation and enforceability of collateral to ensure that coverage remains adequate

18. INVESTMENT SECURITIES

	2025	2024
	Frw'000'	Frw'000'
Amortised cost		
At start of year	85,977,063	97,817,184
New investment securities	9,333,300	91,346,300
Maturity of securities	(7,093,214)	(103,186,421)
At end of year	88,217,149	85,977,063
12-month ECL:		
At 1 January.	(257,099)	(216,162)
Additional charge for the year	(120,562)	(40,936)
At 31 December	(377,661)	(257,099)
Net carrying amount	87,839,488	85,719,964
FVOCI		
At start of year	220,987,930	195,487,969
New investment securities	26,225,811	25,000,000
Sale of investment securities	(18,347,638)	-
Gain/ (loss)on fair valuation	767,178	499,961
	229,633,281	220,987,930
At 1 January	(1,378,274)	(1,319,262)
Decrease in ECL provision for the year	1,336,072	(59,012)
At 31 December	(42,202)	(1,378,274)
At end of year	229,591,079	219,609,657
	317,430,567	305,329,621

The entity presents purchases and proceeds from investment securities on a net basis in the statement of cash flows

The weighted average effective interest rate on investment securities at 31 December 2025 was 12.2% (2024: 12%)

19. (a) OTHER ASSETS AND PREPAID EXPENSES

	2025	2024
	Frw'000'	Frw'000'
Financial assets	Frw'000'	Frw'000'
Settlement and clearing accounts	1,045,724	6,354,678
Refundable deposits	391,028	469,314
Accounts receivable and sundry debtors	483,091	980,333
Other assets*	1,270,273	2,493,375
	3,190,116	10,297,700
Expected credit loss for other assets	(1,542,724)	(1,262,781)
	1,647,392	9,034,919
Non-financial assets		
Prepaid expenses and other prepayments	13,494,672	13,786,628
	15,142,064	22,821,547

*Other assets namely MTN money float, commission receivable are settled no more than 12 months after the reporting date. All the balances are non-interest bearing.

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19. (b) NON-CURRENT ASSETS HELD FOR SALE

	2025	2024
	Frw'000'	Frw'000'
As at 1st January	2,006,000	3,981,484
Disposal	(1,856,000)	(875,984)
Impairment loss	(150,000)	(1,099,500)
	-	2,006,000

The assets held as non-current assets held for sale is Umurage enterprise building. The bank has identified all non-current assets as non-essential to its operations. Therefore, management has decided to sell these assets and it plans to engage a bailiff and execute the sale through a public auction within the next 12 months.

20. (a) RIGHT OF USE ASSETS (ROUA)

Right of use assets are made up of the following:

	2025	2024
	Frw'000'	Frw'000'
Cost		
Initial cost as at 1 Jan	9,484,395	11,449,977
Additions (new and lease modifications accounted for as a separate lease)	3,914,755	1,194,632
Disposals	(2,572,503)	(3,160,214)
Total	10,826,647	9,484,395
Accumulated depreciation		
Beginning balance at 1st January	5,319,239	5,335,390
Current period depreciation	2,965,417	1,515,090
Disposals	(3,761,729)	(1,531,241)
Ending balance 31st December	4,522,927	5,319,239
Net book value	6,303,720	4,165,156

During 2024, the Bank did not have any right-of-use assets that would meet the definition of investment property

Extension and termination options:

Extension and termination options are included in a number of property and equipment leases. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Bank and not by the respective lessor.

20. (B) LEASE LIABILITIES

Movement in lease liabilities is as follows:

	2025	2024
	Frw'000'	Frw'000'
Balance as at 1 January	4,765,696	6,558,277
Additions (new and lease modifications accounted for as a separate lease)	3,914,755	1,194,632
Principal payment during the period	(2,241,455)	(3,008,709)
Finance expenses during the period	458,163	641,686
Finance expenses paid	(430,112)	(620,190)
Finance expenses paid	6,467,047	4,765,696
Balance as at 31 December	6,558,277	3,610,685

Interest expense on lease liabilities paid during the period was amounting 430,112 (Frw '000') for all assets qualifying for IFRS 16. Include interest expense on provision for restoration cost.

	2025	2024
	Frw'000'	Frw'000'
Amounts recognised in the statement of profit or loss		
Depreciation charge of right-of-use assets - buildings	2,965,417	1,515,090
Interest expense	458,163	641,686

NOTES

21. (a) PROPERTY AND EQUIPMENT

	Building Investment Property	Leasehold improvements	Motor vehicles	Equipment, furniture & fittings	Computers	ATM	Total
	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000's	Frw'000's	Frw'000'
Year ended 31 December 2025							
Cost							
At start of year	1,533,379	9,012,392	427,867	8,719,118	6,970,703	1,821,838	28,485,297
Additions	184,000	1,344,753	235,447	572,935	3,124,916	69,093	5,531,144
Transfers	-	-	-	3,869	-	(3,869)	-
Adjustment*	-	1,131	-	-	-	-	1,131
Disposals	(600,000)	(349,778)	-	(318,612)	(79,882)	(57,504)	(1,405,776)
At end of year	1,117,379	10,008,498	663,314	8,977,310	10,015,737	1,829,558	32,611,796
Accumulated depreciation							
At start of year	262,888	6,526,813	426,858	6,413,087	3,970,021	1,350,592	18,950,259
Charge for the year	29,722	692,957	49,470	478,182	2,074,037	141,972	3,466,341
Transfers	-	-	-	838	-	(838)	-
Adjustment*	-	1,131	-	-	-	-	1,131
Disposals	(5,510)	(330,138)	-	(313,205)	(78,080)	(57,503)	(784,436)
At end of year	287,100	6,890,763	476,328	6,578,902	5,965,978	1,434,223	21,633,294
Net book value at end of year	830,279	3,117,735	186,986	2,398,016	4,050,151	395,335	10,978,502

*Note: The adjustments are results of merger with Ex-Cogebanque Fixed assets in the books of Equity Bank Rwanda Plc to align the financial records of the amalgamated entity.

21. (b) PROPERTY AND EQUIPMENT

	Building Investment Property	Leasehold improvements	Motor vehicles	Equipment, furniture & fittings	Computers	ATM	Total
	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000's	Frw'000's	Frw'000'
Year ended 31 December 2024							
Cost							
At start of year	13,501,618	5,414,526	1,277,275	8,322,222	5,410,253	793,137	34,719,031
Additions	600,000	1,083,380	309	1,092,714	2,510,134	462,234	5,748,770
Transfers	(3,628,078)	3,629,611	-	42,730	(616,422)	571,768	-
Adjustment*	-	-	-	(69,375)	69,375	-	-
Disposals	(8,940,161)	(1,115,125)	(849,717)	(669,173)	(402,635)	(5,301)	(11,982,112)
At end of year	1,533,379	9,012,392	427,867	8,719,118	6,970,703	1,821,838	28,485,688
Accumulated depreciation							
At start of year	3,981,237	4,115,029	1,232,658	6,924,569	3,899,546	694,800	20,847,839
Charge for the year	82,586	743,214	41,698	389,086	840,309	103,733	2,200,626
Depreciation adjustment*	(2,736,338)	2,700,729	(1,847)	(236,524)	(368,241)	557,360	(84,861)
Disposals	(1,064,597)	(1,032,159)	(845,651)	(664,044)	(401,593)	(5,301)	(4,013,345)
At end of year	262,888	6,526,813	426,858	6,413,087	3,970,021	1,350,592	18,950,259
Net book value at end of year	1,270,491	2,485,579	1,009	2,306,031	3,000,682	471,246	9,535,429

*Note: The transfers and depreciation adjustments are following merger with Ex-Cogebanque Fixed assets in the books of Equity Bank Rwanda Plc to align the financial records of the amalgamated entity.

NOTES

22. INTANGIBLES

	Software	Total
	Frw'000'	Frw'000'
Year ended 31 December 2025		
Cost		
At start of year	2,504,845	2,504,845
Acquisitions	1,218,622	1,218,622
At end of year	3,723,467	3,723,467
Amortisation and impairment losses		
At start of year	1,066,115	1,066,115
Charge for the period	414,217	414,217
At end of year	1,480,332	1,480,332
Net book value at end of year	2,243,135	2,243,135
Year ended 31 December 2024		
Cost		
At start of year	1,251,700	1,251,700
Acquisitions	<u>1,253,145</u>	<u>1,253,145</u>
At end of year	2,504,845	2,504,845
Amortisation and impairment losses		
At start of year	756,132	756,132
Charge for the period	<u>309,983</u>	<u>309,983</u>
At end of year	1,066,115	1,066,115
Net book value at end of year	1,438,730	1,438,730

The Bank's intangible assets include the value of acquired computer software. Costs incurred for the purchase and implementation of software are capitalised as intangible assets when it is probable that future economic benefits will flow to the Bank and the costs can be reliably measured. Amortisation is applied over the estimated useful life of the software. Acquisitions relate to software addition during the year.

NOTES

23. DEFERRED INCOME TAX

The net deferred tax movement computed at the enacted rate of 28% (2024:28%), as per Law No. 051/2023, which amends provisions in the existing Income Tax Law No 027/2022, was gazetted on 14 September 2023 and immediately came into effect.

23. Deferred income tax	At 1 January	Recognised in profit or loss	Recognised in OCI	At 31 December
	Frw'000'	Frw'000'	Frw'000'	Frw'000'
31 December 2025				
Property, equipment, software and right of use assets	12,534	90,264	-	102,798
Allowances for credit losses	3,173,782	438,716	-	3,612,498
bad debts recoveries	1,646,772	(1,209,762)	-	437,010
Provision for accrued bonus	-	35,272	-	35,272
Provision for accrued leave	255,214	(44,951)	-	210,263
Unrealised foreign exchange Gains and Losses	57,811	147,618	-	205,429
FVOCI investment securities	1,891,933	-	(1,249,117)	642,816
31 December 2025	7,038,046	(542,843)	(1,249,117)	5,246,086
31 December 2024				
Property, equipment, software and right of use assets	(634,198)	646,732	-	12,534
Allowances for credit losses	2,938,684	235,098	-	3,173,782
bad debts recoveries	1,599,666	47,106	-	1,646,772
Provision for accrued bonus	201,256	(201,256)	-	-
Provision for accrued leave	306,702	(51,488)	-	255,214
Unrealised foreign exchange Gains and Losses	220,021	(162,210)	-	57,811
FVOCI investment securities	2,191,443	-	(299,510)	1,891,933
31 December 2024	6,823,574	513,982	(299,510)	7,038,046

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority on either the same entity or different taxable entities where there is an intention to settle the balances on a net basis.

The Bank has concluded that the deferred income tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets for the Bank. The Bank is expected to continue generating taxable income.

24. DEPOSITS FROM CUSTOMERS AND BANKS

	2025	2024
	Frw'000'	Frw'000'
Term deposits	58,866,534	110,513,478
Current deposits	729,478,680	668,101,602
Savings deposit	261,124,577	213,126,202
	1,049,469,791	991,741,282
Deposits from customers	917,023,022	911,606,918
Deposits from Banks	132,446,769	80,134,364
	1,049,469,791	991,741,282

NOTES

24. DEPOSITS FROM CUSTOMERS AND BANKS (CONTINUED)

Deposits from related parties banks	2025	2024
	Frw'000'	Frw'000'
Equity Bank Kenya Limited	820,318	624,005
Equity Bank Uganda Limited	882,861	1,236,637
Equity Bank Tanzania Limited	26,900	21,234
Equity Group Holding Plc escrow	1,730,079	1,881,876

The weighted average effective interest rate on interest bearing customer deposits at 31 December 2025 was 3.9% (2024: 3.9 %). The carrying value of customer deposits approximates their fair value, as customers have the contractual right to withdraw funds at the recorded balance without penalty. For deposits that accrue interest, such as term and savings deposits, the time value of money and interest obligations are also considered when assessing fair value.

The summary of terms and conditions for the various categories of deposits are below:

(a) Term deposits - These are high interest-bearing accounts that are opened for a specific period of time at a fixed rate of interest. Funds are fixed on the account for specified term periods of time. Interest is calculated daily and paid only on maturity of the deposits. Interest rates are offered at competitive and attractive rates.

(b) Current accounts - These are non-interest-bearing accounts that are due on demand. They are operated by both individuals and institutions with the use of a cheque book. They are subject to transaction activity fees and/or monthly maintenance charges.

(c-) Savings deposits - This is a deposit account designed for the average income earner that enables one to save some money and earn interest. The more one saves, the higher the interest. Interest on minimum monthly balances is paid into the account bi-annually.

(d) Transaction deposits - These are non-interest-bearing accounts that can be used directly as cash without withdrawal limits or restrictions.

25. OTHER LIABILITIES AND ACCRUED EXPENSES

	2025	2024
	Frw'000'	Frw'000'
Settlement and clearing accounts.	4,613,815	4,612,318
Accounts payable and sundry creditors	15,600,031	20,315,566
Accrued expenses	14,534,348	8,777,970
Deferred income	10,958,621	10,507,139
Off Balance sheet provision*	1,169,991	1,777,398
Other liabilities	758,338	1,410,892
	47,652,844	47,401,283

*The movement in Expected credit losses for the two years are as follows:

Provision for off balance sheet items	2025	2024
	Frw'000'	Frw'000'
01st January	1,777,398	1,639,096
(Release)/Additional charge of the year	(607,407)	138,302
31st December	1,169,991	1,777,398

NOTES

26. BORROWED FUNDS

	2025	2024
	Frw'000'	Frw'000'
National Bank of Rwanda (Term borrowings)	94,100,184	45,016,822
National Bank of Rwanda (economic recovery fund)	16,049,094	22,293,265
Access Bank	-	3,800,000
Interest payable	5,970,098	1,423,713
	116,119,376	72,533,800
Movement during the year		
At 1 January	72,533,800	62,358,122
Proceeds from borrowed funds	587,064,820	163,173,432
Repayment of borrowed funds	(545,877,974)	(154,201,760)
Interest charged on borrowed funds	6,375,150	3,965,153
Interest paid on borrowed funds	(3,976,420)	(2,761,147)
	116,119,376	72,533,800

Year ended 31 December 2025

Lender	Type of loan	Loan balance Frw '000	Currency	Interest rate	Maturity date	Finance cost recognised in the year Frw '000
BNR	SWAP	5,932,142	RWF	8%	17/08/2026	474,570
BNR	SWAP	17,050,835	RWF	8%	21/02/2027	1,364,067
BNR	SWAP	29,018,000	RWF	8%	19/11/2027	200,894
BNR	SWAP	42,099,208	RWF	8%	21/02/2028	2,928,234
BNR	COVID 19 ERF	23,328	RWF	0%	11/01/2026	-
BNR	COVID 19 ERF	13,672	RWF	0%	12/01/2026	-
BNR	COVID 19 ERF	66,650	RWF	0%	18/01/2026	-
BNR	COVID 19 ERF	17,944	RWF	0%	16/02/2026	-
BNR	COVID 19 ERF	11,484	RWF	0%	17/02/2026	-
BNR	COVID 19 ERF	15,381	RWF	0%	01/03/2026	-
BNR	COVID 19 ERF	12,561	RWF	4%	17/03/2026	1,809
BNR	COVID 19 ERF	12,662	RWF	4%	23/04/2026	1,824
BNR	COVID 19 ERF	756,308	RWF	4%	23/04/2026	108,927
BNR	COVID 19 ERF	64,531	RWF	4%	30/04/2026	9,294
BNR	COVID 19 ERF	23,071	RWF	4%	04/06/2026	3,323
BNR	COVID 19 ERF	9,228	RWF	4%	15/06/2026	1,329
BNR	COVID 19 ERF	10,254	RWF	0%	30/08/2026	-
BNR	COVID 19 ERF	18,799	RWF	2%	15/10/2026	2,707
BNR	COVID 19 ERF	11,108	RWF	0%	25/01/2027	-
BNR	COVID 19 ERF	33,146	RWF	2%	13/08/2035	4,774
BNR	COVID 19 ERF	222,880	RWF	0%	14/08/2035	-
BNR	COVID 19 ERF	320,048	RWF	2%	21/08/2035	46,095
BNR	COVID 19 ERF	413,510	RWF	2%	26/08/2035	59,555
BNR	COVID 19 ERF	158,549	RWF	2%	14/10/2035	22,835
BNR	COVID 19 ERF	1,237,800	RWF	2%	16/10/2035	178,273
BNR	COVID 19 ERF	4,887,111	RWF	0%	02/11/2035	-
BNR	COVID 19 ERF	3,520,226	RWF	2%	12/07/2036	506,998
BNR	COVID 19 ERF	962,717	RWF	0%	16/12/2036	-
BNR	COVID 19 ERF	52,669	RWF	2%	17/03/2037	7,586
BNR	COVID 19 ERF	1,695,320	RWF	0%	17/03/2037	-
BNR	COVID 19 ERF	2,876,404	RWF	0%	16/12/2025	-
AFIRR	COVID 19 ERF	1,342,848	RWF	0%	24/10/2025	-
AFIRR	COVID 19 ERF	429,596	RWF	2%	15/12/2025	61,872

NOTES

26. BORROWED FUNDS (CONTINUED)

Lender	Type of loan	Loan balance Frw '000	Currency	Interest rate	Maturity date	Finance cost recognised in the year Frw '000
AFIRR	COVID 19 ERF	333,831	RWF	2%	28/02/2025	48,080
AFIRR	COVID 19 ERF	604,896	RWF	2%	28/02/2025	342,104
AFIRR	COVID 19 ERF	90,234	RWF	0%	16/10/2035	-
Fair value adjustment ERF Borrowing	COVID 19 ERF	1,770,425				
		116,119,376	RWF	8%	19/11/2027	6,375,150

Year ended 31 December 2024

Lender	Type of loan	Loan balance Frw '000	Currency	Interest rate	Maturity date	Finance cost recognised in the year Frw '000
ACCESSBANK	OVERNIGHT	3,800,000	RWF	8%	03/01/2025	420,438.79
GT Bank	OVERNIGHT	4,000,000	RWF	8%	03/01/2025	290,691.82
GT Bank	OVERNIGHT	3,000,000	RWF	8%	03/01/2025	1,305,161.08
NCBA	SWAP	2,000,000	RWF	8%	03/01/2025	695,261.11
BNR	SWAP	11,864,282	RWF	8%	17/08/2026	357,761.11
BNR	SWAP	25,576,253	RWF	8%	21/02/2027	190,011.11
BRD	OVERNIGHT	1,000,000.00	RWF	0%	17/05/2028	0.00
BRD	OVERNIGHT	1,000,000.00	RWF	2%	02/07/2029	28,111.11
BRD	OVERNIGHT	800,000.00	RWF	2%	19/08/2031	29,311.11
BNR	COVID 19 ERF	8,333.34	RWF	2%	21/01/2025	26,111.11
BNR	COVID 19 ERF	9,499.99	RWF	0%	06/09/2025	0.00
BNR	COVID 19 ERF	55,208.35	RWF	2%	23/10/2025	24,771.11
BNR	COVID 19 ERF	62,500.00	RWF	2%	23/10/2025	25,211.11
BNR	COVID 19 ERF	46,979.18	RWF	2%	05/11/2025	25,511.11
BNR	COVID 19 ERF	68,750.00	RWF	2%	11/11/2025	112,925.09
BNR	COVID 19 ERF	3,966.26	RWF	0%	16/12/2025	0.00
BNR	COVID 19 ERF	28,437.50	RWF	0%	11/01/2026	0.00
BNR	COVID 19 ERF	16,666.66	RWF	0%	12/01/2026	0.00
BNR	COVID 19 ERF	81,250.00	RWF	0%	18/01/2026	0.00
BNR	COVID 19 ERF	21,875.00	RWF	0%	16/02/2026	0.00
BNR	COVID 19 ERF	14,000.00	RWF	0%	17/02/2026	0.00
BNR	COVID 19 ERF	18,750.00	RWF	0%	01/03/2026	0.00
BNR	COVID 19 ERF	15,312.51	RWF	4%	17/03/2026	64,011.11
BNR	COVID 19 ERF	15,435.30	RWF	4%	23/04/2026	56,011.11
BNR	COVID 19 ERF	921,977.37	RWF	4%	23/04/2026	81,306.11
BNR	COVID 19 ERF	78,666.65	RWF	4%	30/04/2026	42,340.61
BNR	COVID 19 ERF	28,125.00	RWF	4%	04/06/2026	38,254.62
BNR	COVID 19 ERF	11,250.00	RWF	4%	15/06/2026	0.00
BNR	COVID 19 ERF	12,500.00	RWF	0%	30/08/2026	0.00
BNR	COVID 19 ERF	22,916.66	RWF	2%	15/10/2026	0.00
BNR	COVID 19 ERF	13,541.66	RWF	0%	25/01/2027	0.00
BNR	COVID 19 ERF	40,406.21	RWF	2%	13/08/2035	0.00
BNR	COVID 19 ERF	271,702.60	RWF	0%	14/08/2035	0.00
BNR	COVID 19 ERF	390,154.37	RWF	2%	21/08/2035	24,411.94
BNR	COVID 19 ERF	504,089.79	RWF	2%	26/08/2035	24,792.36
BNR	COVID 19 ERF	193,279.43	RWF	2%	14/10/2035	24,111.11
BNR	COVID 19 ERF	1,508,941.15	RWF	2%	16/10/2035	0.00
BNR	COVID 19 ERF	5,957,637.44	RWF	0%	02/11/2035	0.00

NOTES

26. BORROWED FUNDS (CONTINUED)

Lender	Type of loan	Loan balance Frw '000	Currency	Interest rate	Maturity date	Finance cost recognised in the year Frw '000
BNR	COVID 19 ERF	4,291,334.37	RWF	2%	12/07/2036	0.00
BNR	COVID 19 ERF	1,173,600.92	RWF	0%	16/12/2036	0.00
BNR	COVID 19 ERF	64,206.25	RWF	2%	17/03/2037	0.00
BNR	COVID 19 ERF	2,066,681.46	RWF	0%	17/03/2037	0.00
BNR	COVID 19 ERF	3,506,483.54	RWF	0%	16/12/2025	0.00
AFIRR	COVID 19 ERF	1,637,000.00	RWF	0%	24/10/2025	0.00
AFIRR	COVID 19 ERF	523,700.00	RWF	2%	15/12/2025	27,136.11
AFIRR	COVID 19 ERF	406,957.46	RWF	2%	28/02/2025	24,740.28
AFIRR	COVID 19 ERF	737,398.90	RWF	2%	28/02/2025	0.00
AFIRR	COVID 19 ERF	110,000.00	RWF	0%	16/10/2035	0.00
Fair value adjustment ERF Borrowing	COVID 19 ERF	(5,446,250.39)	RWF	2%	30/04/2026	26,761.11
		72,533,800				3,965,153

** BNR: Banque Nationale Du Rwanda (National Bank of Rwanda), AFIRR: Access to Finance for Recovery & Resilience project, BRD: Banque Rwandaise Du Development (Development Bank of Rwanda).

27. SHARE CAPITAL AND RESERVES

(a) Share capital	Share capital	Share premium	Total
	Frw'000'	Frw'000'	Frw'000
Balance as at 1 January 2025	23,301,283	18,359,844	41,661,127
At 31 December 2025	23,301,283	18,359,844	41,661,127
Balance as at 1 January 2024	23,301,283	18,359,844	41,661,127
At 31 December 2024	23,301,283	18,359,844	41,661,127

(b) FVOCI reserve	Balance as at 1 January 2025	Movement during the year	Deferred tax	Balance as 31 December 2025
	Frw'000'	Frw'000'	Frw'000'	Frw'000
	(7,056,415)	9,352,187	(1,249,117)	1,046,655

	Balance as at 1 January 2024	Movement during the year	Deferred tax	Balance as 31 December 2024
	Frw'000'	Frw'000'	Frw'000'	Frw'000
	(8,301,907)	1,545,002	(229,510)	(7,056,415)

The fair value through other comprehensive income (FVOCI) is attributable to marking to market of investment securities classified under the FVOCI category. All unrealised gains and losses are recognised in other comprehensive income and credited to FVOCI reserve until the investment is derecognised at which time the cumulative gain or loss is recognised in profit or loss, or the investment is determined to be impaired, when the cumulative loss is reclassified from the FVOCI reserve to profit or loss. For further details for financial instruments at FVOC, refer to Note 18.

c) Regulatory reserve

National Bank of Rwanda regulation on credit classification and Provisioning Article 26 requires creation of regulatory Reserve where loan loss provisions determined using IFRS's are lower than provisions determined using this regulation, the difference is to be treated as an appropriation from retained earnings and placed in a non-distributable reserve.

Regulatory Reserve was created during 2024 to appropriate balances from retained earnings, During the current the period there was no balances appropriated from retained earnings as IFRS 9 provision was greater than regulatory provision:

NOTES

27.SHARE CAPITAL AND RESERVES (CONTINUED)

Regulatory reserve

For the year ended December 2025

Provisions held	IFRS's provisions Frw'000'	Regulatory provisions Frw'000'	Appropriation to regulatory reserve Frw'000'
Stage 1	5,743,082	6,752,466	(1,009,384)
Stage 2	2,967,278	2,381,870	585,408
Stage 3	12,626,747	7,968,304	4,658,443
Total	21,337,107	17,102,640	4,234,467
Off balance sheet	1,089,594	2,656,939	(1,567,345)
Totals	22,426,701	19,759,579	2,667,122

For the year ended December 2024

Provisions held	IFRS's provisions Frw'000'	Regulatory provisions Frw'000'	Appropriation to regulatory reserve Frw'000'
Stage 1	2,267,874	11,068,679	(8,800,805)
Stage 2	5,259,384	-	5,259,384
Stage 3	14,845,700	11,497,065	3,348,636
Total	22,372,958	22,565,744	(192,785)
Off balance sheet	1,503,033	1,885,667	(382,634)
Totals	23,875,991	24,451,411	(575,419)

28. OFF-BALANCE SHEET CONTINGENT LIABILITIES AND COMMITMENTS

In the ordinary course of business, the Bank conducts business involving guarantees, acceptances and performance bonds. These facilities are offset by corresponding obligations of third parties. At the year-end, the contingent liabilities were as follows:

	2025 Frw'000'	2024 Frw'000'
Guarantees and standby letters of credit	200,175,130	168,168,095
Letters of credit, acceptances, and other credits	28,275,992	20,704,504
	228,451,122	188,872,599

	2023 Frw'000'	2022 Frw'000'
Capital commitments	-	-
Loans approved but not disbursed	19,308,703	2,717,001
	19,308,703	2,717,001

NOTES

28. OFF-BALANCE SHEET CONTINGENT LIABILITIES AND COMMITMENTS (CONTINUED)

Commitments

Commitments contracted for at the reporting date but not recognised in the financial statements were as follows:

The table below shows the contractual expiry by maturity of the Bank's contingent liabilities and commitments. Each undrawn loan commitment is included in the time band containing the earliest date it can be drawn down

	0 - 3 months	3 - 6 months	6 - 12 months	1 - 5 Years	Total
	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
31 December 2025					
Guarantees and standby LCs	29,233,568	24,182,832	69,502,265	105,532,457	228,451,122
LCs, acceptances and other documentary credits					
Loans approved but not disbursed	16,120,394	1,594,154	1,062,770	531,385	19,308,703
Total commitments and guarantees	45,353,962	25,776,986	70,565,035	106,063,842	247,759,825
31 December 2024					
Guarantees and standby LCs	15,801	1,397,697	19,909,261	146,845,336	168,168,095
LCs, acceptances and other documentary credits	16,389,216	482,541	3,569,353	263,394	20,704,504
Loans approved but not disbursed	-	-	833,862	1,883,139	2,717,001
Total commitments and guarantees	16,405,017	1,880,238	24,312,476	148,991,869	191,589,600

29. RELATED PARTIES AND RELATED PARTY TRANSACTIONS

The Bank enters transactions, arrangements and agreements involving directors, senior management and their related parties in the ordinary course of business.

(a) Loans to key management personnel

	2025	2024
	Frw'000'	Frw'000'
At 1 January	909,813	663,688
Interest charged	153,032	62,983
Loans disbursed	160,000	358,946
Repayments	(655,252)	(175,804)
At 31 December	567,593	909,813

(b) Loans to employees

At 1 January	11,629,620	7,309,015
Interest charged	1,141,266	441,993
Loans disbursed	2,686,129	6,134,074
Repayments	(5,431,751)	(2,255,462)
At 31 December	10,025,264	11,629,620

Key management loans with security are secured by property mortgage while the unsecured have no security against them and all the loans are repayable in a period less than 20 years at an average interest rate of 8% per annum.

Interest earned on transactions with banking subsidiaries 1,812,781 2,041,135

Other balances mainly relate to expenses paid on behalf of the other entities by the Bank.

NOTES

29. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

Key management personnel compensation

Remuneration to key management	2,155,705	2,107,724
Post-employment benefits	175,127	100,087
	2,330,832	2,207,811

Directors' emoluments

Directors' emoluments	451,223	551,998
	451,223	551,998

These are companies which are related to Equity Bank (Rwanda) Plc through common shareholding of Equity Group Holding Plc. A number of banking transactions are entered into with related parties in the normal course of business. These include deposits and foreign currency transactions. The related party transactions and outstanding balances at the year-end are as follows:

(c) Amount due from related parties

	2025	2024
	Frw'000'	Frw'000'
Equity Bank Kenya Limited	820,318	624,005
Equity Bank Uganda Limited	882,861	1,236,637
Equity Bank Tanzania Limited	26,900	21,234
	1,730,079	1,881,876

(d) Amounts due to related parties

Equity Bank Kenya Limited	91,914	288,444
Equity Bank Uganda Limited	294,153	1,955
Equity Bank Tanzania Limited	97,439	313,576
Equity Bank DRC Limited	169,953	15,685
Equity Bank South Sudan Limited	114	37,137
	653,573	656,797

(e) Amounts due to related parties

Equity Bank Kenya Limited	879,802	6,087,211
Equity Bank Uganda Limited	698,744	3,139
Equity Bank Sudan Limited	45,852	975
Equity Bank Tanzania Limited	342,973	1,303
Equity Bank DRC Limited	41,479	53,216
	2,008,850	6,145,844

Outstanding balances at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 December 2025, Equity bank Rwanda Plc has not recorded any impairment of receivables relating to amounts owed by related parties (2024: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. As at the reporting date, Equity Bank Rwanda Plc was ultimately controlled by Equity Group Holdings Plc. The other companies are related by virtue of common shareholding and directorship..

NOTES

29. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

30. DIVIDEND PAYABLE

Description	2025	2024
	Frw'000'	Frw'000'
Opening balance	26,128,725	10,000,000
Dividends declared	20,700,000	16,128,725
Dividends paid	(26,092,616)	-
Closing balance (Dividends payable)	20,736,109	26,128,725

31. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities presented according to when they are expected to be recovered or settled. Trading assets and liabilities including derivatives have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities of the products. With regard to loans and advances to customers, the Bank uses the same basis of expected repayment behaviour that was used for estimating the EIR..

As at 31 December 2025	Within 12 months Frw'000'	After 12 months Frw'000'	Total Frw'000'
Assets			
Cash, deposits and balances due from financial institutions	343,844,262	-	343,844,262
Restricted cash with Central Bank of Rwanda	52,227,395	-	52,227,395
Amortised cost investment securities	3,762,301	84,077,187	87,839,488
FVOCI investment securities	15,376,549	214,214,530	229,591,079
Due from related parties	653,573	-	653,573
Loans and advances to customers	237,349,498	478,539,395	715,888,893
Other assets and prepaid expenses	15,142,064	-	15,142,064
Property and equipment	-	10,978,502	10,978,502
Intangible assets	-	2,243,135	2,243,135
Right Of Use Assets	-	6,303,720	6,303,720
Deferred tax assets	-	5,246,086	5,246,086
Total assets	668,355,642	801,602,555	1,469,958,197
Liabilities			
Deposits from customers	882,556,258	34,466,764	917,023,022
Deposits from banks	132,446,769	-	132,446,769
Due to related parties	2,008,850	-	2,008,850
Borrowed funds	6,234,245	109,885,131	116,119,376
Other liabilities and deferred income	36,694,223	10,958,621	47,652,844
Lease Liabilities	1,293,409	5,173,638	6,467,047
Current Income tax liability	5,436,081	-	5,436,081
Dividend payable	20,736,109	-	20,736,109
Total liabilities	1,087,405,945	160,484,154	1,247,890,098
Net	(419,050,303)	641,118,401	222,068,099

NOTES

29. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

As at 31 December 2024	Within 12 months Frw'000'	After 12 months Frw'000'	Total Frw'000'
Assets			
Cash, deposits and balances due from financial institutions	370,946,021	-	370,946,021
Restricted cash with Central Bank of Rwanda	49,536,929	-	49,536,929
Amortised cost investment securities	2,800,000	82,919,964	85,719,964
FVOCI investment securities	11,773,300	207,836,357	219,609,657
Due from related parties	656,797	-	656,797
Loans and advances to customers	160,224,124	396,364,975	556,589,099
Other assets and prepaid expenses	22,821,547	-	22,821,547
Property and equipment	-	9,535,429	9,535,429
Intangible assets	-	1,438,730	1,438,730
Right Of Use Assets	-	4,165,156	4,165,156
Deferred tax assets	-	7,038,046	7,038,046
Total assets	618,758,718	709,298,657	1,328,057,375
Liabilities			
Deposits from customers	826,103,941	85,502,977	911,606,918
Deposits from banks	80,134,364	-	80,134,364
Due to related parties	6,145,844	-	6,145,844
Borrowed funds	29,002,889	43,530,911	72,533,800
Other liabilities and deferred income	36,894,144	10,507,139	47,401,283
Lease Liabilities	1,191,424	3,574,272	4,765,696
Current Income tax liability	5,872,242	-	5,872,242
Dividend payable	26,128,725	-	26,128,725
Total liabilities	1,011,473,573	143,115,299	1,154,588,872
Net	(392,714,855)	566,183,359	173,468,503

NOTES

OTHER DISCLOSURES
FOR THE YEAR ENDED 31 DECEMBER 2025

AUDITED BY EXTERNAL AUDITORS	31st Dec 2025 Frw 000 Amount/ Ratio/Num- ber
APPENDIX: OTHER INFORMATION	
I. CAPITAL STRENGTH	
1.Core Capital (Tier 1)	214,003,458
2.Supplementary Capital (Tier 2)	15,100,022
3.Total Capital	229,103,480
4.Total Risk Weighted Assets	1,208,001,766
5.Core Capital/ Total Risk Weighted Assets Ratio (Tier 1 Ratio)	17.72%
6.Tier 2 Ratio	1.25%
7.Total Capital/Total Risk Weighted Assets Ratio	18.97%
8.Leverage Ratio	12%
II.CREDIT RISK	
1.Total gross credit risk exposures: after accounting offsets and without taking into account credit risk mitigation;	745,518,915
2. Average gross credit exposures, broken down by major types of credit exposure:	
(a) Loans, commitments and other non-derivative off-balance sheet exposures;	
• Building and construction	32,067,468
• Energy and water	35,808,991
• Financial services	831,457
• Food and agriculture	17,828,609
• ICT and telecommunication	23,233,517
• Manufacturing	70,687,072
• Mining & quarrying	386,967
• Personal household	198,015,548
• Real estate	41,883,203
• Tourism and hospitality	52,409,164
• Trade	246,094,962
• Transport and logistics	26,271,957
b) Debt securities;	317,430,567
c) OTC derivatives;	-
3. Regional or geographic distribution of gross exposures, broken down in significant areas by major types of credit exposure:	
(a) Kigali	561,568,040
(b) Southern	43,452,524
(c) Western	19,293,376
(d) Northern	38,604,110
(e) Eastern	82,600,865
4.Sector distribution of exposures, broken down by major types of credit exposure and aggregated in the following areas:	
a) Government	96,025,886
b) Financial	831,457
c) Manufacturing	50,324,272
d) Infrastructure and construction	71,258,850
e) Services and commerce	349,075,435
f) Others	178,003,015
5. OFF- BALANCE SHEET ITEMS	
a) Guarantees issued outward	200,175,130
b) Outward letter of credit contra	28,275,992

NOTES

OTHER DISCLOSURES FOR THE YEAR ENDED 31 DECEMBER 2025

AUDITED BY EXTERNAL AUDITORS		31st Dec 2025
		Frw 000
APPENDIX: OTHER INFORMATION		Amount/ Ratio/Num-ber
6. NON-PERFORMING LOANS INDICATORS		
a) Non-performing loans (NPL)		23,051,897
b) NPL ratio		3.09%
7. RELATED PARTIES		
a) Loans to directors, shareholders, and subsidiaries		567,593
b) Loan to employees		10,935,078
8. RESTRUCTURED LOANS		
a. No. of borrowers		250
b. Amount outstanding		54,704,041
c. Regulatory Provision thereon		2,941,627
d. Restructured loans as % of gross loans		7%
III. LIQUIDITY RISK		
1) Liquidity Coverage Ratio (LCR)		351%
2) Net Stable Funding Ratio (NSFR)		161%
IV. OPERATIONAL RISK		
Number and types of frauds and their corresponding amount		
	Type	Number
		Amount
		(000)
	Fraud	14
		106,791
V. MARKET RISK		
1. Interest rate risk		248,480,592
2. Equity position risk		-
3. Foreign exchange risk % of Core Capital (NOP)		5.20%
VI. COUNTRY RISK		
1. Credit exposures abroad		-
2. Other assets held abroad		122,434,281
3. Liabilities to abroad		2,008,850
VII. MANAGEMENT AND BOARD COMPOSITION		
1. Number of Board members		10
2. Number of independent directors		9
3. Number of non-independent directors		1
4. Number of female directors		3
5. Number of male directors		7
6. Number of Senior Managers		12
7. Number of females senior managers		5
8. Number of males senior managers		7

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These financial statements and other disclosures
can be accessed on the institution's website
www.rw.equitybankgroup.com. They may also be
accessed at the institutions head office located at
Grand pension plaza 2nd floor Kigali Rwanda.

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INTEGRATED REPORT
AND FINANCIAL STATEMENTS

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