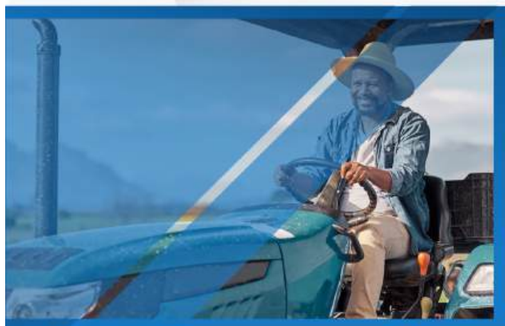
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INTEGRATED & STATUTORY REPORT 2025



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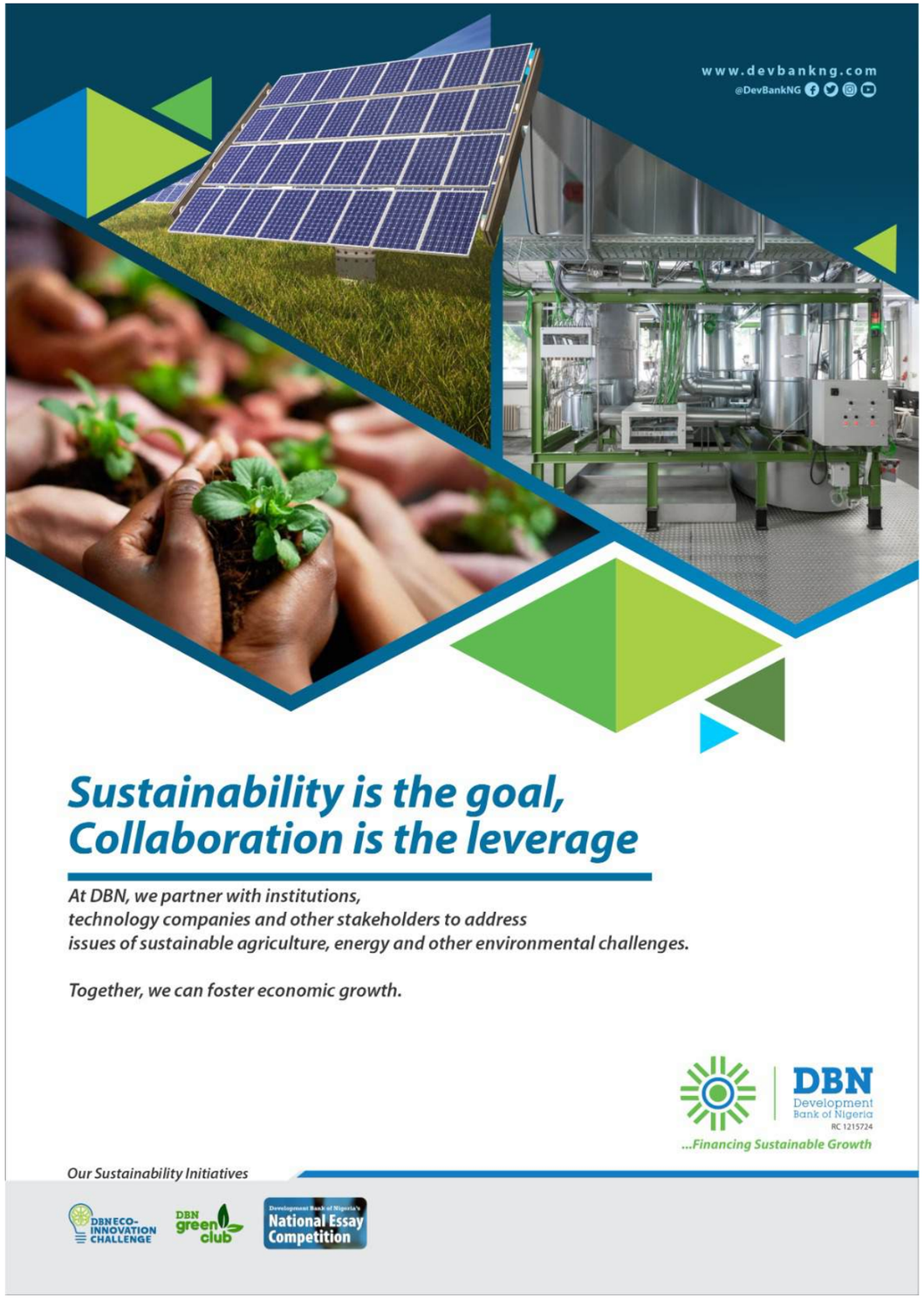
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Sustainability is the goal, Collaboration is the leverage

At DBN, we partner with institutions, technology companies and other stakeholders to address issues of sustainable agriculture, energy and other environmental challenges.

Together, we can foster economic growth.

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Our Sustainability Initiatives

DBN ECO-INNOVATION CHALLENGE
DBN green club
Development Bank of Nigeria's National Essay Competition

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ABOUT THIS REPORT



Scope & Boundary

This Report covers the financial year from 1 January 2025 to 31 December 2025. Issued by Development Bank of Nigeria Plc ("DBN" or "the Bank"), it provides stakeholders with a transparent and comprehensive overview of our financial performance, non-financial outcomes, and development impact for the period.

At its core, the report highlights how DBN's business and delivery models, anchored in the provision of wholesale funding, partial credit guarantees, and targeted technical assistance to eligible Participating Financial Institutions (PFIs), translate strategic intent into measurable outcomes. This enables sustainable On-lending to Micro, Small, and Medium Enterprises (MSMEs), fostering inclusive economic growth, job creation, and resilience across Nigeria.

The report further addresses the material matters that defined our operating context, the strategic priorities that guided our capital allocation decisions, the governance structures that underpin our institutional integrity, and the risk management frameworks that safeguard long-term value. Taken together, these disclosures demonstrate how DBN creates, preserves, and distributes shared value across the short, medium, and long terms while advancing sustainable development impact.

Materiality

Our material issues are informed by the expectations and concerns of our stakeholders, and the social, economic and environmental context in which we operate. They are linked to our value drivers to direct the focus of our strategic objectives and management approach. We view the materiality determination process as a critical aid that facilitates integrated thinking.

How we determined our material issues

- Generated a list of material issues following a review of internal reports, stakeholder expectations, external research reports and peer benchmarking.
- Engaged with stakeholders to test the completeness of the list of material issues.
- Mapped the list of material issues to strategic objectives and development outcomes.
- Developed a final list of material issues and obtained Board buy-in.

The results of our 2025 materiality assessment, including the prioritised material matters and how we arrived at them, are presented on *page 84.*

Our Approach to Integrated Reporting

This Report is prepared using an integrated thinking approach that draws on contributions from across the Bank. The process is coordinated through collaboration between management, key functions, and governance structures to ensure alignment between strategy, performance, risk, and impact.

Information presented in this report is drawn from Board and Management deliberations, internal performance and risk reports, stakeholder engagements, materiality assessments, and management data. Members of the Management Committee oversee the reporting process, guide the structure and key themes of the report, and review disclosures to ensure their accuracy and completeness.

Reporting Frameworks

This Integrated Report has been prepared in alignment with the principles of the International Integrated Reporting Framework, reflecting the Bank's approach to integrated thinking and long-term value creation.

Sustainability-related disclosures draw reference, where relevant, from the Global Reporting Initiative Standards, and the United Nations Sustainable Development Goals, taking into account the Bank's mandate and operating context. The Report also aligns with applicable Nigerian regulatory guidance, including the Central Bank of Nigeria's Nigerian Sustainable Banking Principles.

Forward Looking Statements

This Integrated Report includes certain forward-looking statements regarding the Bank's strategy, future performance, operations, development impact, and the broader operating environment, including macroeconomic conditions, geopolitical developments, regulatory changes, and Nigeria's economic outlook. These statements are based on current expectations, assumptions, and projections as of the date of this report.

Forward-looking statements inherently involve risks and uncertainties, as they depend on future events and circumstances that may be difficult to predict or beyond the Bank's control. Factors such as economic volatility, inflation trends, foreign exchange fluctuations, policy shifts, credit risks in on-lending to MSMEs through participating financial institutions, funding availability, and external shocks could cause actual results, achievements, or development outcomes to differ materially from those expressed or implied in these statements. Accordingly, readers are cautioned not to place undue reliance on them.

The Bank undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by applicable laws or regulations.

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DBN OVERVIEW

Who We Are

Development Bank of Nigeria (DBN) was established by the Federal Government of Nigeria (FGN) in collaboration with global development partners to address the major financing challenges facing Micro, Small, and Medium-sized enterprises (MSMEs) in Nigeria. Our main objective is to alleviate financing constraints faced by MSMEs and small corporates in Nigeria, we do this by providing financing and partial credit guarantees to eligible financial intermediaries on a market-conforming, fully financially sustainable basis.

We directly contribute to alleviating specific financing constraints that hamper the growth of domestic production and commerce by providing targeted wholesale funding to address identified enterprise financing gaps in the MSME segment.

In addition, we play a focal and catalytic role in providing funding and risk-sharing facilities by incentivising financial institutions, predominantly deposit-money and microfinance banks.

Our Vision

To be Nigeria's primary development finance institution, promoting growth and sustainability.

Our Mission

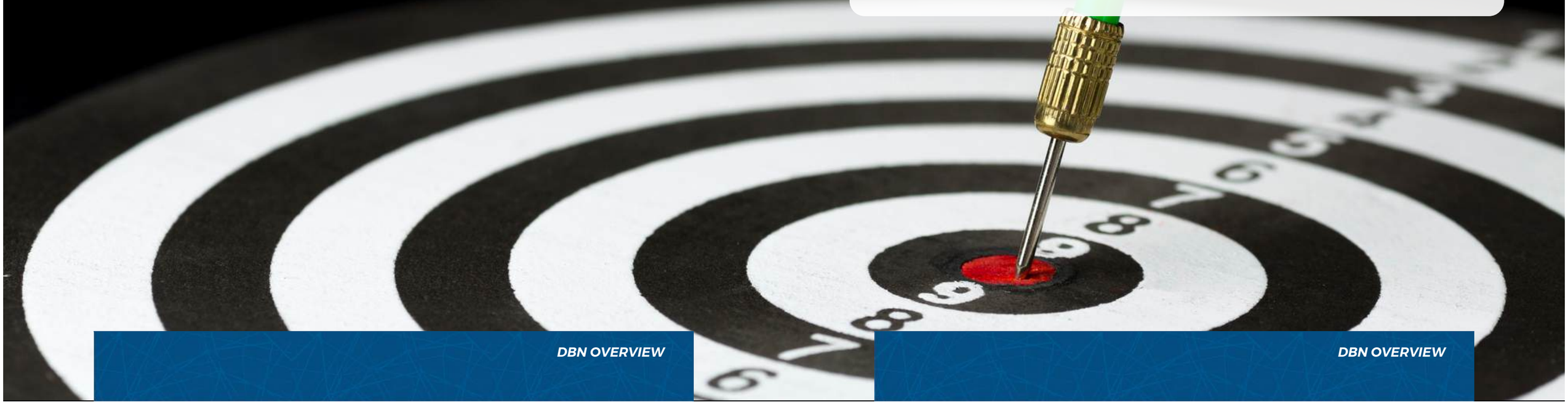
To facilitate sustainable socio-economic development through the provision of finance to Nigeria's underserved MSMEs through eligible financial intermediaries.

Our Core Values

- **S** Sustainability
- **T** Transparency
- **E** Excellence
- **D** Diversity
- **I** Innovation

5-Year Strategic Pillars

- **A** Advocacy
- **M** MSME Capacity Building
- **P** Propositions for impact
- **L** Lending Reach
- **I** Integrated Risk Sharing
- **F** Financial Sustainability
- **I** Innovative Ventures



Our Mandates

On-lending

Facilitate lending through PFIs to MSMEs

Partial Credit Guarantee Risk Sharing

Risk Sharing with PFIs up to 60% and 75% for specialised products.

Capacity Building/ Technical Assistance

Upscale the capacity of PFIs to lend to MSMEs. Build the capacity of MSMEs to access and use debt efficiently.

Our Development Partners

- Federal Government of Nigeria
- African Development Bank (AfDB)
- European Investment Bank (EIB)
- THE WORLD BANK
- AFD AGENCE FRANÇAISE DE DEVELOPPEMENT
- KFW

OUR JOURNEY SO FAR

8 years

of value creation

2017-2020

- Achieved First Disbursement of N200m
- Secured First TA Grant of $12m USD from World Bank
- Rolled out first Technical Assistance programme to five (5) Partner Financial Institutions (PFIs).
- Commenced the READI Strategic Cycle (2019–2023) to drive institutional growth and impact.
- Maintained CBN supervisory rating of "Low" and "Stable" for four (4) consecutive years.
- Rated "AAA", the highest credit rating by both Agusto & Co. and GCR.
- Awarded World Bank's Best Project in Nigeria



2021-2023

- Rolled out Post-Covid MSME Funding Scheme.
- Awarded 1st Position in the Transparency and Integrity Index (TII) – Years 2022 & 2023.
- Achieved Level Five SSCI Accreditation (Highest Rating for Financial Institutions on a Global Scale).
- Awarded Model DFI in the international community.
- Awarded Prince Talal International Prize for Human Development (AGFUND) 1st Prize.
- Awarded SME Financier of the Year - Platinum (under the Global DFI category).
- Awarded SME Financier of the Year - Silver (under the Africa Category).



2024

- Commenced the AMPLIFI Strategic Cycle (2024–2028), anchoring DBN's long-term development agenda.
- Achieved first green disbursement, marking DBN's entry into sustainable finance.
- Achieved first Livestock Productivity and Resilience Support Project (LPRES) disbursement.
- Accredited as the first Direct Access Entity (DAE) to the Green Climate Fund (GCF) in Nigeria.
- Achieved first Non-Interest Bank (NIB) Lending.

2024

- Achieved N1 trillion in cumulative disbursements of MSME loans since inception.
- Secured the Sanitation and Hygiene Fund (SHF) Grant for Technical Assistance and Capacity Building.



2025

- Secured $500 million World Bank FINCLUDE Fund to expand financial inclusion.
- Secured the International Climate Initiative (IKI) Small Grant to advance climate-resilient MSME financing.
- Secured the Green Climate Fund (GCF) Readiness Grant.
- Secured the Climate Investment Fund/AfDB Technical Support Grant.

2025

- Secured approval to establish Nigeria YEIB Investment Fund (N-YIF)
- Convened the DBN Executive Roundtable on Mainstreaming Green and Climate Finance in Nigeria.
- Achieved the milestone of one (1) million end-beneficiary loans disbursed.
- Launched DBN's first Innovation Hub, fostering entrepreneurship and digital solutions for MSMEs.

DBN AT A GLANCE

Over 1.4 trn
Disbursed

Over One Million
End-Beneficiary Loans

774,933
loans extended to Women-owned MSMEs

282,655
loans disbursed to youth-owned MSMEs

Over 300
green loans totaling about 70 billion naira

132,225
loans provided to startups

84
on-boarded PFIs

Over N108bn
disbursed to more than 132,000 MSMEs in economical disadvantaged regions such as Borno, Adamawa, Katsina, Yobe Zamfara etc.

Shareholders Funds
of 312 billion naira

69
full time Employees

Head Office
The Clan Place,
Plot 1386A Tigris Cres, Maitama,
Abuja 904101,
Federal Capital Territory

Over 512bn
loan amount guaranteed

About 48,000
MSMEs trained

More than 1.6 million
jobs created and sustained

Liason Office
Plot 952, 953 Idejo St, Victoria Island,
Lagos 106104, Lagos

RATINGS & AWARD

- Agusto&Co. reaffirm DBN'S highest Credit AAA June 2025 rating with a stable outlook
- GCR reaffirm DBN'S highest Credit AAA May 2025 rating with a stable outlook
- Finalist - 2025 Global SME Finance Awards
- Award of Excellence from the National Association of Microfinance Banks



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Customer Satisfaction Highlights

DBN's Customer satisfaction survey captures honest, structured feedback from its Participating Financial Institutions on the Bank's products, service delivery, and day-to-day engagement, turning that insight into targeted actions that improve the customer experience and feed directly into DBN's 2025 corporate performance assessment. Feedback from the 2025 CSS indicates a strong, positive experience with the Bank.

The survey recorded an overall satisfaction rate of 87% and a net promoter score of 90%, with all respondents rating their experience as either good or excellent. Stakeholder advocacy remained robust during the year, with a high willingness among PFIs to recommend DBN to MSMEs and other financial institutions. This reflects sustained confidence in DBN's mandate, relevance, and long-term developmental impact.While satisfaction levels remain strong, the feedback also points to evolving stakeholder expectations as DBN's scale and activities expand. The insights from the survey are being actively leveraged to strengthen service delivery, enhance operational efficiency, and deepen relationship management, ensuring continuous improvement in line with DBN's strategic objectives.

87%
Overall Satisfaction Rate

90%
Net Promoter Score

HIGH
Stakeholder Advocacy





Non-Independent Director's Statement



Mr. Kyari Bukar
Independent Non-Executive Director

While 2025 brought some relief with eased inflation and stabilized financial systems, the global economic landscape remained complex, characterized by notable trade tensions, policy unpredictability, high sovereign debt in developing countries, and continued pressure on the cost of living.

Global growth was subdued yet resilient, with the IMF projecting a slowdown from 3.3% in 2024 to 3.2% in 2025. Advanced economies are expected to grow by around 1.5%, supported by the successful completion of several trade agreements and the private sector's efforts to reroute trade flows. Emerging and developing economies are now expected to grow just above 4.0%, following an upward revision from 3.7% by the IMF. The lift in the growth projection was driven by frontloading and a more positive view of China. Inflation remains a key global challenge as high prices continue to weigh on real incomes. Global inflation moderated to 4.2% in 2025, though variations persist across markets. In the U.S., inflation is expected to remain above target in 2025, averaging about 2.7%. In the Eurozone, inflation came in at 2.3% in 2025, while the U.K. inflation rate ended the year slightly elevated at about 3.8%. The impact of tariffs and supply chain disruptions has been limited, owing to front-loaded shipments and trade rerouting. As inflation continues to trend down, monetary tightening is expected to ease in 2026 to support economic activity.

According to the Central Bank of Nigeria (CBN), the Nigerian economy expanded by an estimated 3.89% in 2025. The CBN attributed the growth to gains from its economic reform drive and rising business confidence. Inflation moderated for most of 2025, closing the year at 15.15% in December.

This noteworthy achievement would not have been possible without the CBN's continued tough but necessary hawkish stance, effective fiscal and monetary policy coordination, and stabilisation of the exchange rate market. With inflation trending down, we anticipate a slow easing of the monetary policy rate in 2026 to further stimulate growth. The Federal Government's continued implementation of well-coordinated policies aimed at restoring macroeconomic stability received a boost when S&P Global Ratings upgraded Nigeria's outlook from "stable" to "positive" in November. Similarly, Fitch Ratings and Moody's upgraded Nigeria's credit rating from B- to B with a stable outlook, and from Caa1 to B3 with a stable outlook in April and May 2025, respectively.

Nigeria's external reserves crossed the $45 billion mark in 2025, marking the first time in six years that the country has achieved such a level of foreign currency buffers. This significant improvement was underpinned by a combination of factors, including stronger capital inflows,

> ***"Nigeria's economic recovery is gaining traction, anchored on reform and resilience.***

crude oil export revenues, and a notable uptick in non-oil export performance. Consequently, the Nigerian naira appreciated by about 7 per cent against the US dollar over the year, closing at N1429/$ at the end of 2025, compared with N1538/$ at the start of the year. The naira's appreciation reflects stronger foreign-exchange market fundamentals, increased investor confidence, and improved market liquidity.

Overall, the Nigerian economy is increasingly viewed as stable following a period of volatility driven by macroeconomic headwinds and the unintended consequences of recent policy reforms. While these policies initially exerted pressure on inflation, exchange rates, and consumer purchasing power, they have also laid the groundwork for longer-term structural improvements. The government continues to pursue economic stabilisation and growth with clear intent. Notably, measurable progress is being made towards diversifying the economy away from crude oil through increased focus on agriculture, manufacturing, technology, creative economy, and services, as well as investments in critical infrastructure such as power, transportation, and digital connectivity that are essential for inclusive and sustainable growth.

> ***"DBN remains committed to catalysing sustainable economic development through MSMEs.***

Micro, Small, and Medium Enterprises (MSMEs) remain the backbone and primary driver of growth for the Nigerian economy. According to the National Bureau of Statistics (NBS) and the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) MSME Survey Report (2021), MSMEs contribute approximately 46.32% to national GDP, account for 6.21% of total exports, represent about 96.9% of all businesses in the country, and provide employment for nearly 87.9% of the population.However, despite their importance, MSMEs continue to face structural challenges, including limited access to finance, inadequate infrastructure, regulatory bottlenecks, and vulnerability to macroeconomic shocks. It is therefore imperative that MSMEs receive all the necessary support to succeed, as the success of our economy largely depends on their performance.

> ***"Depening financial inclusion is central to DBN's long-term impact.***

> ***"The future of Nigeria's economy will be built on the strength of its MSMEs."***

We applaud the Federal Government's continued efforts to support MSMEs nationwide. Notable government initiatives for the MSME segment include: the Investment in Digital and Creative Enterprises (iDICE) initiative, a US$700 million programme; a Memorandum of Understanding (MoU) signed between the Securities and Exchange Commission (SEC) and SMEDAN to facilitate alternative financing options for MSMEs through the Nigerian Capital Market; and the launch of the National Credit Guarantee Company (NCGC), which aims to unlock more affordable financing for Nigeria's MSMEs. The NCGC will complement DBN's efforts to provide guarantees to unlock finance for MSMEs, currently delivered through DBN's wholly owned subsidiary, Impact Credit Guarantee Limited (ICGL).

As we look ahead, DBN remains firmly committed to fulfilling its mandate to catalyse sustainable economic development by empowering MSMEs. The Bank will continue to play a pivotal role in providing accessible financial support, strengthening institutional and entrepreneurial capacity, and advocating for policies and initiatives that enable MSMEs to thrive across Nigeria. Our focus will centre on deepening financial inclusion by expanding credit to underserved segments, especially women and youth-led businesses operating in underserved regions. The Bank will also intensify its outreach and continue to foster strategic partnerships with financial institutions, development partners, and the private sector to drive innovation, scalability, and long-term resilience within the MSME ecosystem.



Mr Kyari Bukar
Independent Non-Executive Director
Development Bank of Nigeria Plc.

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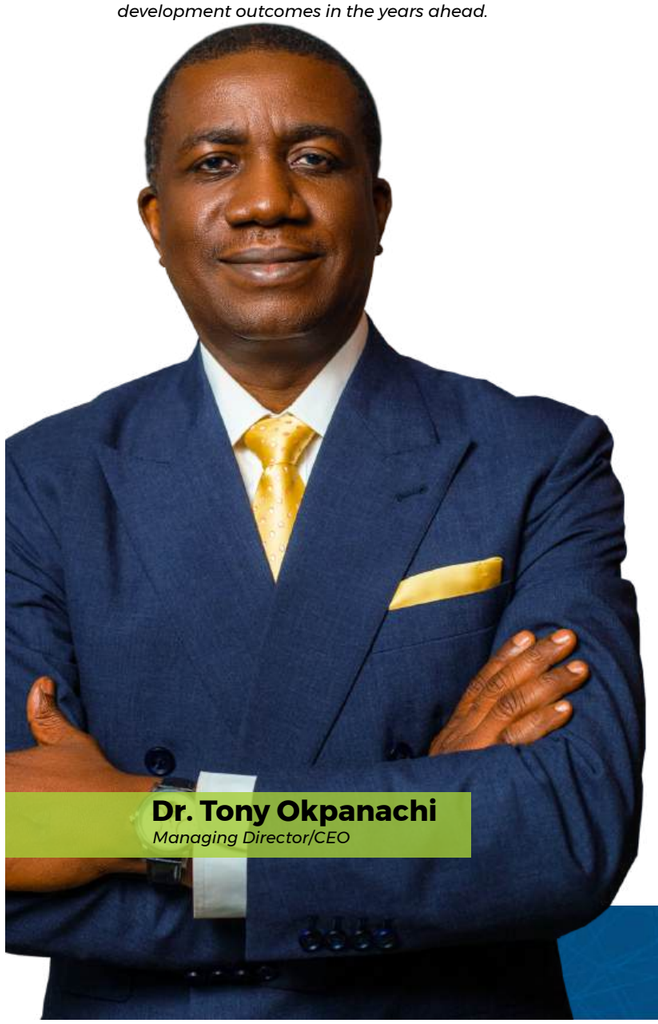
STRATEGIC CONTEXT

Q&A WITH THE MD/CEO

Q Looking ahead, how will DBN deepen development impact and prioritise sectors that drive inclusive economic growth?

As DBN transitions into 2026, the Bank remains focused on strengthening execution capacity and deepening development impact, with particular emphasis on expanding access to finance for youth owned MSMEs. Increasingly, the Bank will place greater emphasis on measurable outcomes, ensuring that financing interventions translate into tangible economic impact.

Central to this approach is DBN's HEARTBEAT sectoral framework, which prioritises Healthcare, Education, Agriculture, Renewable Energy and Green Sectors, Transport and Logistics, Banking and Financial Services, Enterprises in Manufacturing, Arts and Creative Industries, and Technology. Guided by its impact financing pillars and the HEARTBEAT approach embedded within the Bank's operational strategy, DBN is well positioned to deliver stronger and more sustainable development outcomes in the years ahead.



Dr. Tony Okpanachi
Managing Director/CEO

Q Climate finance is increasingly central to development finance institutions. How is DBN strengthening its readiness to mobilise and deploy green financing?

During the year, DBN continued to strengthen its climate finance readiness. The approval of the Bank's Green Climate Fund (GCF) Readiness Programme represents an important step towards enhancing institutional capacity to access and deploy climate finance effectively. This initiative supports DBN's sustainability agenda and contributes to Nigeria's transition towards a more climate resilient and environmentally sustainable economy.

Q Recognising that MSME needs extend beyond financing, what deliberate initiatives did DBN implement during the year to strengthen entrepreneurial capacity and shape the broader ecosystem?

DBN continued to invest in entrepreneurship development and ecosystem strengthening, recognising that access to finance must be complemented by capacity and market development. Through initiatives such as the 3MTT–DBN Entrepreneurship Training Programme, regional capacity building efforts, and partnerships with organisations including Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) and the Sanitation and Hygiene Fund, the Bank supported MSMEs with the skills and knowledge required for sustainable growth.

DBN also strengthened its convening and thought leadership role through platforms such as the 6th DBN Annual Lecture, Techpreneur Summit 4.0, and the Executive Roundtable on Mainstreaming Green and Climate Finance. These engagements reinforce DBN's position not only as a financier, but also as a catalyst for dialogue, collaboration, and market development. The recognition of DBN as MSME Growth Engine of the Year at the 2025 BAFI Awards further affirmed this role.

> ***"The $500 million World Bank supported FINCLUDE Programme, approved in 2025, positions DBN to expand access to affordable long term MSME financing.***

Q DBN surpassed a significant milestone in 2025. What does crossing the one million MSME loans mark represent for the Bank and for Nigeria's MSME ecosystem?

Since inception, the Development Bank of Nigeria (DBN) has remained focused on strengthening Nigeria's micro, small, and medium enterprise (MSME) ecosystem. In 2025, the Bank surpassed one million MSME loans, with cumulative disbursements of ₦1.4 trillion across diverse sectors and regions of the country. This milestone reflects DBN's sustained commitment to expanding access to finance, enabling business growth, and supporting employment generation. It also underscores the scale at which the Bank is contributing to financial inclusion and economic resilience across Nigeria.

> ***"DBN surpassed one million MSME loans, with cumulative disbursements of ₦1.4 trillion across sectors and regions.***

Q Sustainable development financing requires strong and diversified funding partnerships. How did DBN strengthen its funding base during the year?

In line with the AMPLIFI strategic framework, DBN made notable progress in strengthening and diversifying its funding base. A key development was the establishment of a €200 million funding window with the European Union through the European Investment Bank (EIB), targeted at youth owned businesses, women led enterprises, and green businesses. The Bank also expanded its bilateral partnerships through the establishment of a gender financing line with Agence Française de Développement (AFD) and an approved funding line with the Arab Bank for Economic Development in Africa (BADEA). These partnerships enhance DBN's capacity to deliver inclusive and sustainable financing at scale.

> ***"Strong institutional partnerships remain central to effective MSME financing delivery.***

Q Against the backdrop of inflationary pressures, elevated interest rates, and growing climate related risks, how did DBN navigate a challenging operating environment while continuing to support MSMEs?

The operating environment in 2025 remained complex, shaped by persistent inflationary pressures, elevated interest rates, evolving regulatory expectations, and increasing climate related risks. These conditions continued to constrain MSMEs, particularly in accessing fit for purpose long term financing. Within this context, DBN remained focused on its mandate by ensuring that viable businesses could access sustainable financing through its network of Participating Financial Institutions (PFIs), enabling them to sustain operations, create jobs, and contribute to economic activity.

Q As a wholesale development finance institution, how did DBN leverage its PFI network to scale development impact across the economy?

DBN continued to deliver impact through its network of Participating Financial Institutions, which serve as the Bank's primary channel for on lending to MSMEs. Through targeted interventions and strong institutional partnerships, the Bank supported enterprises across key sectors of the economy, reinforcing its role as a catalyst for financial inclusion. The consistency of this delivery reflects the strength of DBN's institutional framework, the quality of its partnerships, and the dedication of its people.

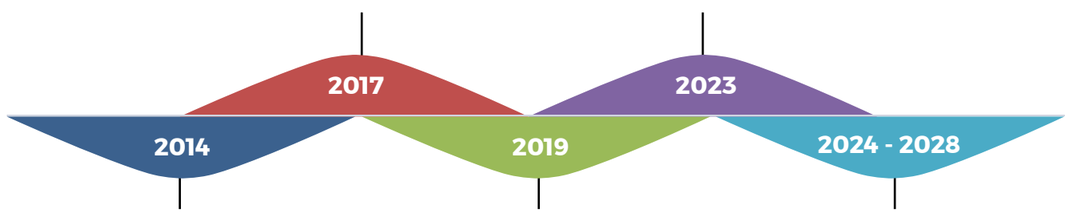
Q Strengthening long term access to finance for underserved segments remains critical. How does the FINCLUDE Programme advance DBN's role in shaping Nigeria's MSME finance market?

A major milestone in 2025 was the approval of the $500 million World Bank supported FINCLUDE Programme. The programme positions DBN to expand access to longer term and more affordable financing, strengthen credit guarantee activities, and mobilise additional private capital into the MSME segment. It significantly enhances the Bank's capacity to reach underserved businesses while reinforcing DBN's role in shaping and deepening Nigeria's MSME finance market.



Operationalization Phase
Licensed and setup of the Bank as the first WDFI in Nigeria

Value Realization Phase
End of the initial 5yr strategic cycle & holistic impact measurement as a precursor for the next strategy



Concept Phase
Birth of the WDFI concept as articulated in the PAD which led to incorporation of DBN

Growth Phase
Defined our first strategy - R.E.A.D.I which was carefully designed to address current market failures

Scale Phase
Articulated Bank's new strategy - **A.M.P.L.I.F.I** characterized by *accelerated growth & SCALE*

Unpacking Our 5-Year AMPLIFI Strategy

DBN's sustained focus on its five-year AMPLIFI strategy underscored its commitment to expanding financial access for underserved businesses while strengthening the long-term viability of Nigeria's MSME finance landscape.

AMPLIFI represents our strategic approach to scale impact and is anchored on seven strategic pillars:

Advocacy
To engage, dialogue and drive thought leaderships with key stakeholders on topical issues shaping the MSME landscape in Nigeria;

MSME Capacity Building
To build a pipeline of fund-ready MSMEs through tailored targeted trainings within this strategic cycle;

Propositions for Impact
To develop solutions to reach segments like women, youth and cross cutting areas i.e. non-interest, start-ups, green and economic-disadvantaged areas;

Lending Reach and TA
To expand our partnerships with financial intermediaries to provide and catalyse access to finance for businesses, i.e. fintech, aggregators via direct lending;

Integrated Risk Sharing
to enhance product and portfolio mix via delivery of integrated innovative solutions incorporating our partial credit guarantee scheme;

Financial Sustain-ability
to build balance sheet resilience via the crowding-in of impact-based financing from local and international agencies; and

Innovative Ventures
to explore partnerships to drive specific innovative initiatives, i.e. YEIB Nigeria Initiative, incubation hubs, PE/VC initiative, etc.

These strategic pillars scale DBN's on-lending, risk-sharing instruments, partnerships, and non-financial interventions to the MSME ecosystem.

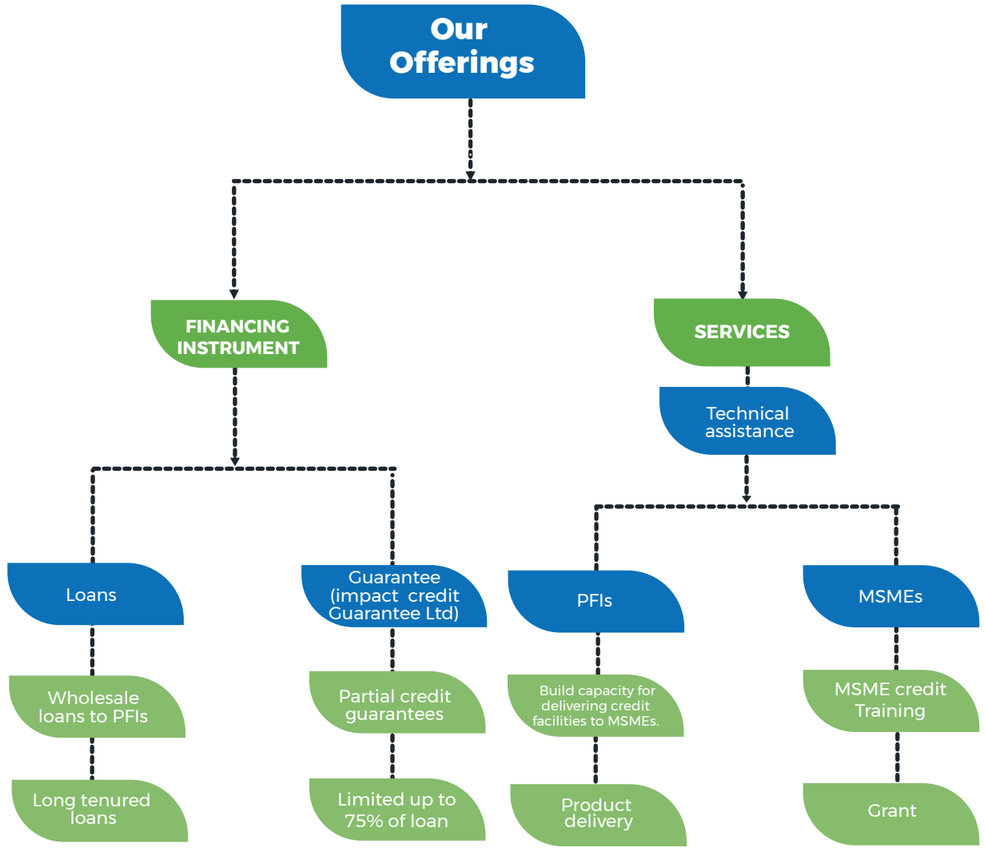
Our Business Model

KEY PARTNERS	KEY OFFERINGS	VALUE PROPOSITION	CUSTOMER RELATIONSHIPS	SEGMENTS
Development partners	On-Lending	Wholesale MSME liquidity provider	Customer Relationship Mgt.	Deposit money Banks
TA/Capacity Building Partners	Risk sharing	Medium to long term loans	Business Developments Engagements	Other financial institutions
MSME Associat'n & Regulators	Technical assistance	Impact based pricing	Service Ambassadors Programme	States
Consultants	MSME capacity building		Roundtables and Thematic summits / events	Corporates / Aggregators
Co-Guarantors	**KEY RESOURCES**	Product bundling (loan+TA+ guarantees+grants)	Media	
Government Stakeholders	Capital		**CHANNELS**	Fintechs
Tech Incubation/Hubs			Indirect(wholesale) window	
SUBSIDIARIES/ AFFILIATES	People	MSME Ecosystem Advocacy		Private equity / venture capital
ICGL			Direct(retail) window	
N-YIF	Technology	Financial inclusion (underserved & unserved)		Direct projects
Other affiliates and subsidiaries				

KEY CAPEX COSTS	KEY OPEX COSTS		REVENUE STREAMS
Green head office building	(Staff cost)	Business promotion/ marketing	Interest income (Loans & investments)
Biz aid app	Fintech/PE/VC/TA/Agric Desk	Professional services	Grants
Digital lending app	Direct lending window Desk	IT & communications	Advisory & Management fees
	Green Desk	TA Expenses	Capital gains & dividends
	Capacity Building Desk		Learning programme fees

ORGANIZATIONAL STRUCTURE	Operations	Risk Mgt.	Legal	Internal Audit	HR	Corporate services	OCE	Strategy & policy





Our Loan Products

- Working Capital and Investment Finance for MSMEs
- Finance to Finance
- Green Finance
- Gender Finance
- Livestock Productivity and Resilience (LPRES) Project Finance
- On-lending through Non-Interest Banking Partners
- MSME Support Scheme

Direct Lending and Fintech Channels

In 2025, DBN launched its direct lending model to promote financial inclusion and impact for MSMEs through aggregators and fintech. The model was successfully piloted with three nota ble players, achieving impactful disbursements and validating its scalability.

The Bank achieved disbursements to two aggregators and one fintech in 2025

Risk Management at DBN

Successful risk management is an integral part of the Bank's strategy and operations and is an important measurement of good management practice. Understanding key business risks, i.e., "Risks That Matter" (RTM), is the framework for developing effective and practical risk management tactics. Risk management is therefore viewed not as a process or activity, but as a competency; one that mitigates uncertainty and volatility to more effectively manage threats while capitalising on opportunity.

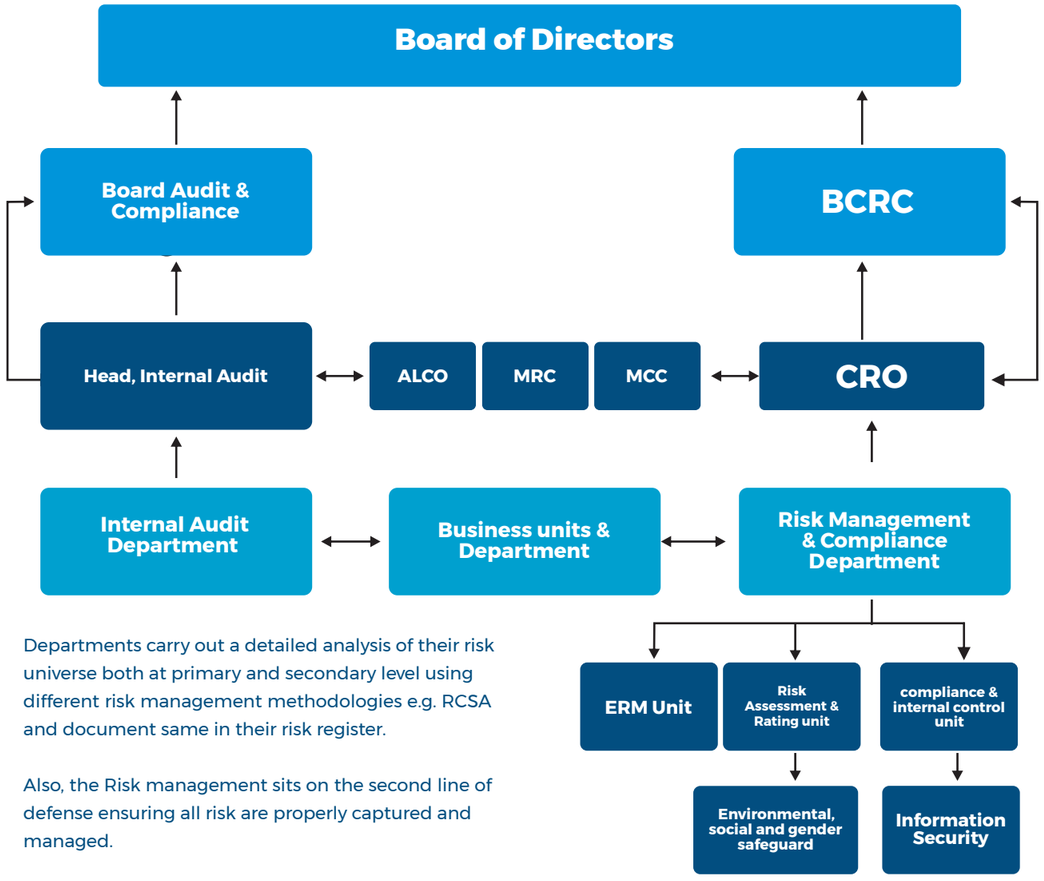
Risk Management Approach

While risk management in every organisation is expected to take into consideration the size and complexity of its activities and operations, the following approach shall be adopted in effectively managing risks in the Bank:

- Identify the risks facing the Bank and assess their severity (either frequency or potential negative consequences);
- Understand the dynamics and peculiarities of the risks, which are particularly important in a wholesale structure like DBN and the risk therein.
- Develop strategies to measure the risks appropriately and evaluate the acceptable limit for each risk.
- Design operational policies and procedures to mitigate the risks.
- Implement and assign responsibility.
- Test effectiveness and evaluate results.
- Monitor the risks on a routine basis, ensuring that the right people receive accurate and relevant information.
- Manage the risks through close oversight and evaluation of performance.
- Report the risk to MRC and the Board through BCRC. Revise policies and procedures, obtaining Board approval as the need arises.

Risk management in the Bank shall be a continual process of systemically identifying, assessing, measuring, controlling, monitoring, and reporting on risks. This process shall be interactive, iterative, dynamic and cyclical to ensure that risk management is not static.

Our Risk Governance Structure



Departments carry out a detailed analysis of their risk universe both at primary and secondary level using different risk management methodologies e.g. RCSA and document same in their risk register.

Also, the Risk management sits on the second line of defense ensuring all risk are properly captured and managed.

Three Lines of Defense

3 — Internal audit / external audit
Test and Verify

- Provides independent testing and verification of the efficacy of corporate standard and business line compliance
- Validates the overall risk framework
- Provides assurance that the risk management process is functioning as designed and identifies improvement opportunities

2 — Risk Management- Chief Risk Officer
Design and Facilitate

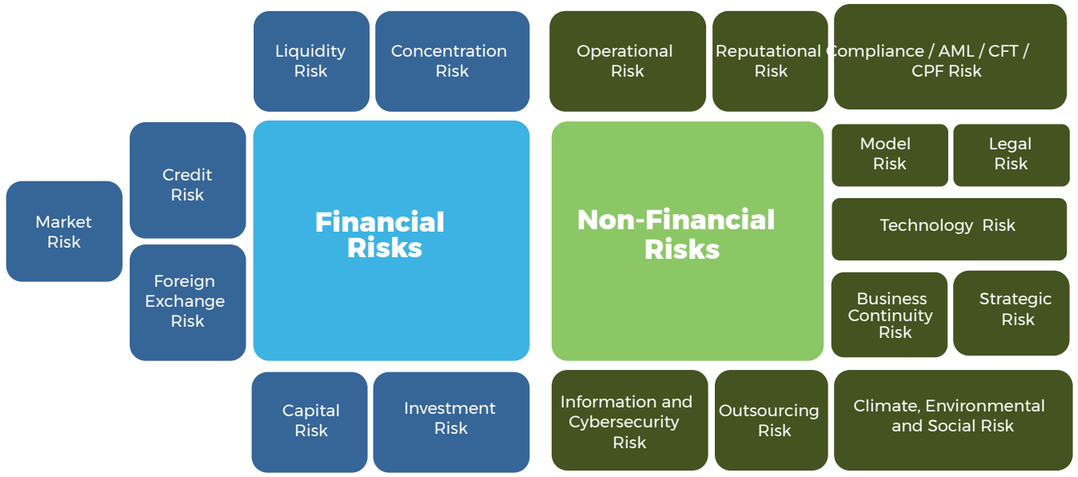
- Designs and deploys the overall risk management framework across the organization
- Monitors BU adherence to framework and strategy
- Compiles across BUs and escalates risk/control issues to senior management
- Performs aggregated risk reporting

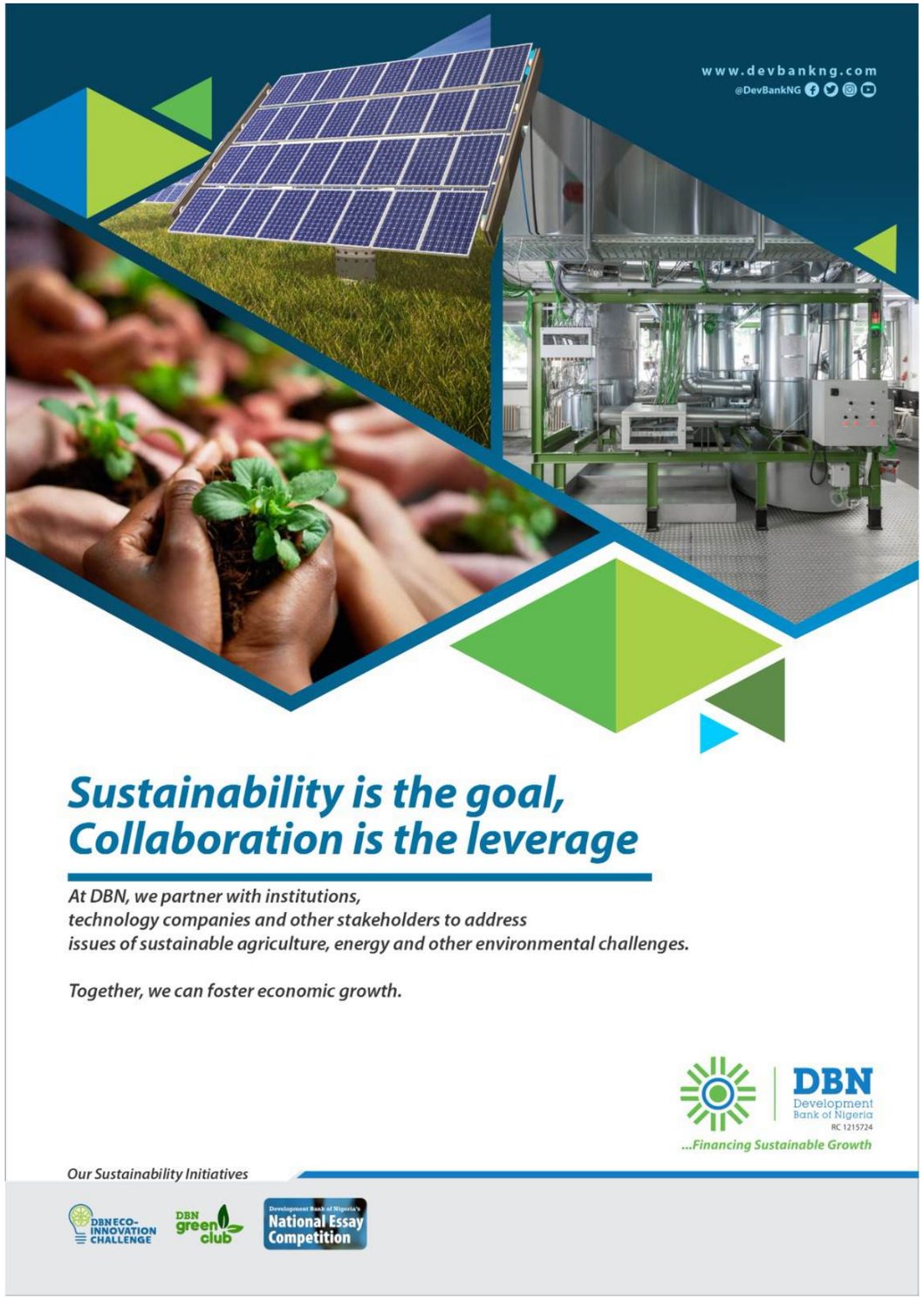
Compliance - Chief Compliance Officer
Interpret and Develop

- Provides interpretation of regulations and disseminates to business units
- Monitors compliance with regulations
- Develops and monitors policies and procedures
- Risk assessment-based compliance testing
- Advise on regulatory issues independent testing and verification of the efficacy of corporate standard and business line compliance
- Validates the overall risk framework
- Provides assurance that the risk management process is functioning as designed and identifies improvement opportunities

1 — Process and Risk Owners
Monitor and Report

- Identifies, manages and reports risks
- Loss and incident data tracking





Key Enterprise Risks and Opportunities

S/N	Risk Type	Risk Description	Time Horizon (Short, Medium, Long Term)	Entity's Response/Plan to Respond in the Bank's Strategy & Decision Making
5	**Capital Risk**	This refers to the risk that the Bank does not have sufficient capital and reserves to cover exposures and to protect against unexpected losses of significant magnitude. The Bank is not exposed to traded market risk since this is not permitted by the CBN regulatory framework for Development Finance Institution (DFIs). DBN shall develop a capital management framework for managing capital risk.	Medium-term: Capital adequacy must be monitored regularly to ensure stability and support growth, with medium-term strategies in place.	◆ Develop and implement a comprehensive capital management framework. ◆ Regularly assess and monitor capital adequacy to support the bank's operations and growth objectives.
6	**Reputational Risk**	Risk of a loss due to damage or a decline in Bank`s reputation.	Long-term: Reputational damage can have lasting effects, making it crucial to manage this risk with a long-term perspective.	◆ Develop and implement a Reputational Risk Management Policy and Framework. ◆ Track media mentions and analyze stakeholder expectations. ◆ Avoid actions that could negatively impact reputation; aggressively manage any issues that arise.
7	**Foreign Exchange Risk**	This refers to the financial risk arising from the Bank's activity in FX transactions denominated in a currency other than the base currency (Naira) and which could result in financial losses caused by adverse movements in exchange rates.	Medium-term: Despite the bank's operations being primarily in Naira, there is a limited exposure to foreign exchange risk due to certain transactions and payments in foreign currency. As a result, FX risk is actively monitored and managed over the medium term to mitigate potential impacts from currency fluctuations.	◆ Engage in natural hedging by borrowing and lending in the same currency. ◆ Ensure alignment of interest rate bases for borrowing and lending to mitigate basis risk. ◆ Utilize financial instruments such as swaps to hedge FX risk. ◆ Implement FX management policies to monitor and measure exposure.
8	**Compliance/ AML/ CFT/ CPF Risk**	"Compliance with CBN Anti-Money Laundering, Combating the Financing of Terrorism/Countering Proliferation Financing (AML/CFT/CPF) Regulations, NFIU/EFCC/Money Laundering Prohibition Act, and other related Policies. · Risk of non-compliance with laws and regulations, such as the SEC code, NSBP, NCCG, fraud and corruption, which might result in fine or penalty."	Short-term: Compliance with AML/CFT regulations is immediate and ongoing, requiring short-term vigilance and regular audits.	◆ Conduct thorough due diligence on PFIs. ◆ Adhere to DBN's Compliance Rule book and applicable laws. ◆ Collaborate with regulators and compliance bodies. ◆ Provide regular Compliance Awareness Sessions for Board members and employees.
9	**Climate, Environmental and Social Risk**	Risks from environmental and social issues that are related to a client's/investee's operations which might expose the Bank to credit and/or reputational risk.	Long-term: These risks have long-term implications, especially as sustainability and ESG considerations become increasingly important..	◆ Review end borrowers to ensure compliance with the Exclusion list. ◆ Enforce the DBN Environmental and Social Management System (ESMS) Policy. ◆ Ensure compliance with national and international E&S standards. ◆ Train PFIs on best E&S practices. Engage with development partners to enhance DBN's E&S practices.
10	**Business and Strategic Risk**	Risk of loss resulting from defective strategy or inability of the Bank to respond timely to changes in the operating environment.	Long-term: Strategic decisions and business model adjustments are evaluated with a long-term perspective, especially as DBN has just concluded its first 5-year business cycle and entered a newly launched second 5-year cycle, ensuring alignment with sustainable growth objectives.	◆ Perform SWOT Analysis and stress testing. ◆ Adhere to DBN's Risk Appetite Limits. ◆ Manage and protect the bank's reputation and brand aggressively.

Progress against Plans Previously Disclosed	Trade Offs between Considered Sustainability Related Risks & Opportunities	Effect on Entity's Financial Position	Assessment of Strategy Resilience (Qualitative/ Quantitative)	Related Policies
Developing and implementing a comprehensive capital management framework with regular assessments. Stress testing for capital adequacy is embedded in ICAAP processes.	Trade-Off: Maintaining high capital reserves may limit the funds available for investment and lending in line with regulatory guidelines. However, this trade-off ensures that DBN can absorb unexpected losses and maintain regulatory compliance, aligning with its sustainability goals.	Effect: Adequate capital reserves provide a buffer against unexpected losses, supporting DBN's financial stability and ability to continue operations during economic downturns.	Resilience: DBN's capital management strategy ensures that it remains well-capitalized, enhancing its ability to weather financial shocks and sustain long-term operations.	Capital Management Framework; ALM Policy; ERM Framework
Reputational Risk Management Policy and Framework are in place. Monitoring through media mentions, stakeholder expectations analysis, and managing issues aggressively. A scoring model is used to ensure risks remain within appetite.	Trade-Off: Maintaining a strong reputation may require conservative practices that limit short-term gains, but this aligns with the long-term sustainability of the bank's brand and its ability to attract investors and partners.	Effect: A strong reputation enhances DBN's ability to attract investment and maintain stakeholder trust, which is critical for long-term financial success and sustainability.	Resilience: DBN's emphasis on reputational risk management ensures its long-term viability by protecting its brand and stakeholder relationships, which are critical to its mission and operational success.	Reputational Risk Management Policy; ERM Framework
Adherence to compliance rules, regular audits, and collaboration with regulators. Ongoing compliance awareness sessions for Board and employees are maintained.	Trade-Off: Allocating resources to ensure compliance may limit the bank's ability to pursue certain business opportunities. However, this trade-off is necessary to avoid legal penalties and maintain the bank's integrity and reputation.	Effect: Strong compliance management protects DBN from legal penalties and reputational damage, ensuring that it can continue to operate effectively and attract investment.	Resilience: DBN's focus on compliance enhances its long-term sustainability by ensuring that it operates within legal and regulatory frameworks, protecting its financial position and reputation.	AML/CFT/CPF Policy
Engaging in natural hedging, aligning interest rate bases, and utilizing financial instruments like swaps. FX management policies are actively implemented and monitored.	Trade-Off: To mitigate foreign exchange risk, DBN may limit its exposure to foreign currency transactions, which could restrict opportunities in international markets. However, this approach aligns with the bank's focus on stability and reducing volatility in its financial performance.	Effect: Effective FX risk management minimizes the impact of currency fluctuations on DBN's financial position, ensuring that its operations remain stable and predictable.	Resilience: DBN's proactive management of foreign exchange risk enhances its ability to maintain financial stability, even in volatile currency markets, supporting long-term sustainability.	Foreign Exchange Risk Management; ERM Framework.
Ensuring compliance with E&S standards, training PFIs, and engaging with development partners. Ongoing review and enforcement of the ESMS Policy.	Trade-Off: DBN's commitment to environmental and social risk management may limit its engagement with certain high-risk sectors. However, this approach aligns with the bank's sustainability objectives and enhances its reputation as a responsible lender.	Effect: Effective management of environmental and social risks protects DBN from potential credit losses and reputational damage, ensuring long-term financial stability and alignment with sustainability goals.	Resilience: DBN's focus on environmental and social risk management enhances its long-term resilience by ensuring that its operations are sustainable and aligned with global best practices.	Environmental and Social Risk Management System Policy; Green Finance and Climate Risk Management Policy
Monitoring strategic initiatives in the new 5-year cycle, with regular SWOT/PESTLE analyses and stress testing. Ensuring alignment with the bank's risk appetite limits.	Trade-Off: Focusing on long-term strategic planning may limit the bank's ability to respond quickly to short-term opportunities. However, this trade-off ensures that DBN's growth is sustainable and aligned with its mission and objectives at every business cycle.	Effect: Strategic risk management ensures that DBN's business model remains relevant and capable of achieving its long-term goals, contributing to financial stability and sustainable growth.	Resilience: DBN's emphasis on strategic planning and risk management enhances its ability to adapt to changes in the operating environment, ensuring long-term success and sustainability.	"Strategy & Policy Operational Framework "

S/N	Risk Type	Risk Description	Time Horizon (Short, Medium, Long Term)	Entity's Response/Plan to Respond in the Bank's Strategy & Decision Making
11	**Legal Risk**	Legal risk is the current or potential risk of loss to earnings and capital arising from violations or noncompliance with agreements, laws, rules, regulations, prescribed practices, or ethical standards and the possibility of inappropriate interpretation of effective laws or rules. It is simply the risk of loss resulting from any of the Bank's rights not being fully enforceable, or from its obligations not being properly performed. This includes rights and obligations under contracts entered with counterparties, such as PFIs, DPs and/or Shareholders. Such risk is especially applicable where there is a default on the part of a counterparty, and the relevant documentation may not protect the rights and remedies anticipated, when the transaction was entered.	Short-term: Legal risks can arise suddenly, requiring immediate attention to prevent or mitigate adverse outcomes.	◆ Develop an Annual Legal Compliance Monitoring Plan. ◆ Use a frequency matrix for compliance monitoring, approved by the Chief Compliance Officer. ◆ Regularly review legal risk indicators and monitor compliance through periodic reports.
12	**Information & Cyber-security Risk**	TRisk arising from hardware and software failure, human error, spam, viruses and malicious attacks on information that will impact DBN and its clients.	Short-term: The rapidly evolving nature of cyber threats demands continuous short-term monitoring and immediate response to breaches.	◆ Implement a layered and zero-trust Security Architecture. ◆ Ensure solid Identity and Access Management with a least-privilege principle.
13	**Business Continuity Risk**	"Risks from potential threats or events that can disrupt or halt the Bank's operations Business continuity management is the process by which an institution prepares for future incidents that could jeopardize the institution's core mission and its long-term viability. Such incidents to DBN include local events like building fires, regional events like earthquakes, or national events like pandemic illnesses. DBN shall set business continuity strategies to ensure recovery and continuity of its critical operations in the face of a disaster or other major incident or disruption. "	Short-term: Ensuring the bank's ability to continue operations in the face of disruptions is an immediate priority.	◆ Activate Business Continuity Plans (BCP) and establish a Committee for root cause analysis and control recommendations.
14	**Investment Risk**	Risk of sustaining losses resulting from a decline in the economic value of assets due to worsening financial conditions of entities receiving funds and to changing market environment.	While investment decisions are often assessed in the short term, they carry medium-term implications for returns and risk exposure. DBN's investment activities are limited to placements, treasury bills, and Federal Government of Nigeria bonds, requiring ongoing monitoring to manage potential risks and optimize returns within this framework.	◆ Manage assets and liabilities through gap analysis. ◆ Conduct routine brainstorming and strategic direction sessions.
15	**Concentration Risk**	Concentration risk arises when the bank's exposure is heavily concentrated in borrowers, leading to increased vulnerability to adverse developments in that area.	Medium-term: Concentration in specific sectors or counterparties is monitored over the medium term to avoid excessive exposure.	◆ Set exposure limits for PFIs to prevent over-concentration. ◆ Diversify portfolio to spread risks. Perform regular stress testing and scenario analysis.

Progress against Plans Previously Disclosed	Trade Offs between Considered Sustainability Related Risks & Opportunities	Effect on Entity's Financial Position	Assessment of Strategy Resilience (Qualitative/ Quantitative)	Related Policies
Annual Legal Compliance Monitoring Plan is developed with regular reviews of legal risk indicators and compliance through periodic reports.	Trade-Off: Focusing on legal risk management may limit the bank's ability to enter into certain high-risk agreements, but it protects DBN from potential litigation and financial losses, aligning with its sustainability objectives.	Effect: Proactive legal risk management protects DBN from significant financial losses and reputational damage, ensuring the bank's long-term viability and stability.	Resilience: DBN's emphasis on legal risk management enhances its ability to navigate complex legal environments, ensuring that its operations are compliant and that its rights are protected.	Legal Risk Management Policy
Implementing layered security architecture and solid Identity and Access Management. Continuous updates and monitoring of IT security measures.	Trade-Off: Investing in cybersecurity measures may limit resources available for other technological investments, but it ensures the protection of sensitive information and the continuity of operations, which is crucial for sustainability.	Effect: Strong cybersecurity measures protect DBN from potential financial losses and reputational damage due to data breaches or cyber-attacks, ensuring that its operations remain secure and reliable.	Resilience: DBN's focus on information and cybersecurity enhances its ability to withstand and recover from cyber threats, ensuring the protection of its assets and the continuity of its operations.	Information Security Policy and Framework; Data Protection and Privacy Policy; Data Sharing Policy
Effective business continuity management without a specific committee for root cause analysis. Ensuring robust activation of Business Continuity Plans and effective handling of disruptions.	Trade-Off: Implementing comprehensive business continuity plans may require significant upfront investment, but it ensures that DBN can continue its operations during and after disruptions, which is critical for long-term sustainability.	Effect: Strong business continuity planning ensures that DBN can quickly recover from disruptions, minimizing financial losses and ensuring the continuity of its operations, which is crucial for maintaining stakeholder confidence.	Resilience: DBN's focus on business continuity planning enhances its ability to recover from unexpected disruptions, ensuring that its operations remain stable and that it can continue to fulfill its mission.	Operational Risk Management Policy; ERM Framework
Managing assets and liabilities through gap analysis and routine strategic sessions. Ongoing monitoring of investments to optimize returns and manage risks.	Trade-Off: DBN's conservative investment approach may limit potential returns, but it aligns with the bank's objective of maintaining a stable and low-risk investment portfolio, which supports long-term sustainability.	Effect: By focusing on low-risk investments, DBN ensures the stability of its financial position, reducing the likelihood of significant financial losses and supporting its long-term objectives.	Resilience: DBN's conservative investment strategy enhances its ability to maintain financial stability and achieve long-term growth, even in changing market conditions.	ALM Policy; ERM Framework
Setting exposure limits and diversifying the portfolio to spread risks. Regular stress testing and scenario analysis are conducted.	Trade-Off: Diversifying the portfolio may limit DBN's ability to take advantage of high-return opportunities in specific sectors, but it reduces the risk of significant financial losses due to overexposure, aligning with sustainability principles and equal opportunities across the sectors that the MSMEs play in.	Effect: By managing concentration risk, DBN protects its financial position from adverse developments in specific sectors, ensuring long-term stability and the ability to continue supporting diverse economic activities.	Resilience: DBN's focus on diversification and concentration risk management enhances its ability to withstand sector-specific downturns, ensuring the stability and resilience of its financial portfolio.	Credit Risk Management Policy Manual; ERM Framework

S/N	Risk Type	Risk Description	Time Horizon (Short, Medium, Long Term)	Entity's Response/Plan to Respond in the Bank's Strategy & Decision Making
16	**Model Risk**	Model risk refers to potential inaccuracies in financial valuations due to errors in models or human judgment, which can lead to adverse outcomes from decisions based on incorrect or misused outputs. This risk arises from inadequate controls around models or insufficient understanding of complex mathematical formulas used for benchmarking, extrapolation, or market-based calculations in DBN's risk assessment and management models, encompassing the Expected Credit Loss (ECL) impairment model, ICAAP, ILAAP, and stress testing models.	Medium-term: Model risk, especially in credit and operational risk models, is managed over the medium term through regular validation and review. The bank utilizes various models, including ECL, ICAAP, ILAAP, stress-testing for all risks, and a reputational risk scoring model, among others, to ensure accuracy and reliability in risk assessment and decision-making.	◆ Rigorously back-test credit risk models. ◆ Continuously review and refine risk models. ◆ Engage independent validators for model reviews. Conduct second/third-level checks by external auditors.
17	**Outsourcing Risk**	The Bank's model relies on the use of vendors and consultants for different purposes in line with meeting its strategic objectives, potentially requiring outsourcing to meet strategic goals. Outsourcing poses risks such as financial loss, reputational issues, loss of control, and higher transaction costs. Therefore, the bank prioritizes outsourcing risk management within its Risk Management Framework.	Medium-term: Risks related to third-party providers require medium-term oversight to ensure compliance and alignment with DBN's standards.	◆ Perform thorough due diligence on third-party providers. ◆ Establish detailed outsourcing agreements with clear responsibilities. ◆ Monitor and oversee outsourced activities regularly.
18	**Technology Risk**	The inability to manage, develop and maintain secure and agile technology assets to support strategic objectives.	Medium-term: The fast pace of technological change requires a medium-term approach to manage risks related to system upgrades and obsolescence.	◆ Implement a robust Information Security Management System (ISMS) with control processes for IT system risks.

Progress against Plans Previously Disclosed	Trade Offs between Considered Sustainability Related Risks & Opportunities	Effect on Entity's Financial Position	Assessment of Strategy Resilience (Qualitative/ Quantitative)	Related Policies
Regular validation and review of risk models, including credit risk models and stress testing. Engaging independent validators and conducting second/third-level checks by external auditors.	Trade-Off: Regular validation and updating of models may require significant resources, but it ensures the accuracy and reliability of risk assessments, which is essential for informed decision-making and long-term sustainability.	Effect: Effective model risk management reduces the likelihood of financial losses due to inaccuracies in risk assessments, supporting DBN's ability to make informed decisions and maintain financial stability.	Resilience: DBN's focus on model risk management enhances its ability to make accurate and reliable financial valuations, ensuring that its decisions are based on sound assessments and supporting long-term r e s i l i e n c e . l o n g - t e r m resilience.Resilience: DBN's focus on model risk management enhances its ability to make accurate and reliable financial valuations, ensuring that its decisions are based on sound assessments and supporting long-term resilience.Resilience: DBN's focus on model risk management enhances its ability to make accurate and reliable financial valuations, ensuring that its decisions are based on sound assessments and supporting long-term resilience.Resilience: DBN's focus on model risk management enhances its ability to make accurate and reliable financial valuations, ensuring that its decisions are based on sound assessments and supporting long-term resilience.	Capital Management Framework; ALM Policy; ERM Framework
Thorough due diligence on third-party providers, detailed outsourcing agreements, and regular monitoring of outsourced activities.	Trade-Off: Relying on outsourcing may reduce direct control over certain operations, but it allows DBN to leverage external expertise and resources, which can enhance efficiency and support the bank's strategic objectives.	Effect: Effective management of outsourcing risks ensures that third-party services meet DBN's standards, minimizing the potential for financial losses or reputational damage due to vendor-related issues.	Resilience: DBN's outsourcing risk management strategy enhances its ability to maintain operational efficiency and effectiveness, even when relying on third-party providers, supporting long-term sustainability.	ERM Framework
Implementing a robust ISMS with control processes for IT system risks and managing technology assets to support strategic objectives.	Trade-Off: Investing in new technologies may require significant resources and can divert funds from other initiatives, but it ensures that DBN remains competitive and capable of supporting its strategic objectives, which is crucial for long-term sustainability.	Effect: By effectively managing technology risk, DBN ensures that its technological assets remain secure and up-to-date, supporting operational efficiency and the bank's ability to achieve its strategic objectives.	Resilience: DBN's focus on technology risk management enhances its ability to adapt to technological changes and maintain secure, reliable systems, ensuring the continuity of operations and supporting long-term sustainability.	Integrated System Management Policy

S/N	Risk Type	Risk Description	Time Horizon (Short, Medium, Long Term)	Entity's Response/Plan to Respond in the Bank's Strategy & Decision Making
1	**Market Risk**	"Market risk is the risk of losses arising from adverse movements in the market interest rates or prices. Market risk consists of: ▯ Price Risk – Price risk refers to the risk of losses resulting from adverse movements in market prices; ▯ Interest Rate Risk – Interest rate risk is the potential of loss arising from adverse movements in market interest rates and mismatches in the assets and liabilities structure of DBN; ▯ Reinvestment Risk – This risk arises in situations where DBN has to reinvest the funds received from the PFIs at a lower rate than the contracted DBN's funding rate; ▯ Funding Mismatch Risk - Exposure due to changes in interest rate when the maturities of assets are not closely aligned to the maturities of liabilities; and ▯ Basis Risk - Risk that arises when assets and liabilities are priced on two different benchmarks. The major source of Market risk for the Bank based on the restrictions in section 3.2(g) of the CBN Regulatory and Supervisory Guidelines for Development Finance Institutions in Nigeria (Feb. 2015) is Interest Rate Risk in the Banking Book (IRRBB)."	Short-term / Zero: No exposure due to CBN regulations; activities are limited to treasury bills, minimizing immediate market risk.	▯◆ Monitor bond prices, market expectations of interest rates, and bond yields to adjust refinancing rates and protect margins. ▯◆ Maintain adequate margins as a buffer against adverse bond yield movements. ◆ Align maturities of assets and liabilities closely to reduce reinvestment risk. ◆ Conduct sensitivity analysis to ensure net interest income remains within Board-approved limits. ◆ Reinvest in higher-return loans in a rising interest rate environment. ◆ Ensure adequate capitalization to absorb liquidity shocks. ◆ Retain part of profits as determined by the Board to enhance equity.
2	**Liquidity Risk**	Inability of the Bank to meet short-term maturing obligations as they fall due.	Short-term: Critical to maintain liquidity to meet short-term obligations, especially given the nature of DBN's funding and lending operations.	◆ Effective management of assets and liabilities through the Assets and Liabilities Committee (ALCO). ◆ Perform cash flow analysis and assess the maturity profile of assets and liabilities. ◆ Maintain an up-to-date Liquidity Contingency Funding Plan.
3	**Credit Risk**	Risks arising from inappropriate credit policies, poor management, poor loan underwriting, poor credit assessment, laxity in credit assessment and poor lending practices, which may collectively/individually result in a credit default.	Medium-term: DBN's exposure to credit risk arises from its lending activities to PFIs, requiring continuous monitoring over a 1-5 year period.	◆ Strict enforcement of the Credit Policy Manual. ◆ Conduct thorough due diligence and screening of PFIs during onboarding. ◆ Regularly review PFIs using the CAMELS principle and other risk management tools. Continuous portfolio review and assessment of asset quality.
4	**Operational Risk**	Risk of loss from inappropriate or nonfunctioning internal processes, people or systems or from external events.	Medium-term: Operational risks, including system failures, process failures, and human error, are inherent and require consistent management over a medium-term horizon.	◆ Document and maintain Standard Operating Procedures (SOPs). ◆ Keep up-to-date Risk Registers, Monitor Key Risk Indicators (KRIs), and conduct Risk and Control Self-Assessments (RCSA). ◆ Conduct extensive Disaster Recovery (DR) testing for IT infrastructure resilience. ◆ Maintain industry-leading certifications for Information Security, Quality Assurance, Business Continuity, and Privacy Protection. ◆ Run continuous Information Security Awareness campaigns. ◆ Perform regular Vulnerability Assessments and Penetration Tests.

Progress against Plans Previously Disclosed	Trade Offs between Considered Sustainability Related Risks & Opportunities	Effect on Entity's Financial Position	Assessment of Strategy Resilience (Qualitative/ Quantitative)	Related Policies
Continually monitoring bond prices, interest rates, and yields. Reinvestment risk mitigated through aligning asset and liability maturities and maintaining adequate margins. Sensitivity analysis and reinvestment in higher-return loans are ongoing, with profits retained to enhance equity.	Trade-Off: Minimal exposure to market risk means that DBN has fewer opportunities for higher returns that could be gained from riskier investments, but this aligns with the bank's sustainability goal of maintaining stable and low-risk financial operations.	Effect: DBN's conservative market risk profile supports financial stability but limits potential revenue growth from higher-yielding investments. This aligns with its sustainability objective of avoiding volatility and ensuring long-term financial health.	Resilience: DBN's strategy of limiting exposure to market risks ensures that its financial position remains strong, even in volatile markets, thus reinforcing the resilience of its operations.	ERM Framework
Effective asset and liability management through ALCO, continuous cash flow analysis, and up-to-date Liquidity Contingency Funding Plan. Continuous stress testing is performed to assess different scenarios and position the bank effectively against emerging liquidity risks.	Trade-Off: Prioritizing liquidity may limit the ability to engage in long-term, higher-return investments. However, maintaining liquidity is essential for DBN's ability to fulfill its mission, especially in times of economic uncertainty or financial crises, which aligns with sustainability principles.	Effect: Strong liquidity management ensures that DBN can continue operations and meet obligations, preventing financial distress. This conservative approach safeguards the bank's financial health, enabling it to continue supporting its stakeholders.	Resilience: DBN's focus on liquidity supports its capacity to withstand financial stress, ensuring continuity of operations and the ability to meet short-term obligations. This enhances the bank's overall resilience.	ALM Policy; ERM Framework
Strict enforcement of credit policies, thorough PFIs due diligence, and regular reviews using CAMELS principles and risk management tools are in place.	Trade-Off: In managing credit risk, DBN opts to focus on lending to MSMEs through eligible PFIs and providing risk-sharing and technical assistance rather than pursuing high-yield but high-risk lending opportunities. This trade-off ensures that the bank's lending practices align with its sustainability goals and mandate to support economic development, thus contributing to long-term economic stability and development, which is a core aspect of its sustainability strategy.	Effect: Effective credit risk management minimizes loan defaults and maintains the quality of the bank's assets, ensuring stable financial performance. This enhances DBN's capacity to continue providing financing to critical sectors.	Resilience: The bank's robust credit risk management framework enhances its ability to absorb losses and maintain financial stability, even in challenging economic conditions.	Credit Risk Management Policy; Credit Policy Manual; ERM Framework
Documenting and maintaining SOPs, updating Risk Registers, KRIs, and RCSA, and conducting DR testing. Enhanced monitoring and tracking through the incorporation of standards and frameworks like COSO.	Trade-Off: Continuous investment in operational risk management and internal controls may reduce resources available for other initiatives, but it ensures that the bank's operations are efficient and resilient, which is essential for long-term sustainability.	Effect: Effective management of operational risks protects DBN from significant financial losses due to operational failures, ensuring smooth business operations and financial stability.	Resilience: A strong operational risk management framework ensures that DBN can quickly recover from disruptions, maintaining service delivery and protecting its financial position.	Operational Risk Management Policy; ERM Framework



Environmental and Social Risk Management at DBN

DBN's Environmental and Social Risk Management (ESRM) Policy sets out the Bank's framework for responsible financing and provides a structured approach to identifying, assessing, and managing environmental and social (E&S) risks across its operations. The policy supports robust due diligence in all financing activities and integrates covenants from development partners while aligning with relevant regulatory and voluntary standards, including the Central Bank of Nigeria's Nigerian Sustainable Banking Principles. It is further guided by the World Bank's Environmental and Social Framework (ESF), which informs DBN's engagement with PFIs.

Through the application of the ESRM policy, DBN,

- Integrates E&S considerations into credit and investment decisions.
- Strives for positive development outcomes while ensuring environmental and social sustainability.
- Maintains systems, procedures, and capacity to manage risks of sub-borrowers and sub-projects, in line with the type and scope of financing provided.
- Complies with national E&S risk management requirements and the standards of bilateral and multilateral lenders.
- Sets clear requirements for PFIs to manage E&S risks associated with sub-borrowers and sub-projects.
- Supports capacity development for PFIs to enhance their E&S risk management capabilities.
- Promotes transparency and accountability through disclosure and reporting on E&S issues.

Managing Our Environmental and Social Risks

DBN is committed to promoting a robust Environmental and Social Management System (ESMS) for the Bank and the financial institutions it partners with. This system ensures effective assessment and management of E&S risk exposures linked to our lending activities.

100% of our portfolio was screened for E&S risk during the reporting period.

Key internal practices supporting E&S risk management include:

- **Exclusion List:** A publicly available exclusion list, outlining transactions and businesses DBN will not fund, is embedded in our E&S policy to enhance transparency.
- **Project Categorisation:** Projects are classified into low, medium and high E&S risk categories.
- **Lending Terms:** Terms and conditions are partly determined by the E&S risk category of each project.
- **Capacity Building:** PFIs receive training to raise awareness on responsible lending practices and encourage adoption of these approaches.
- **E&S Risk Documentation:** PFIs must provide an Environmental and Social Management Plan (ESMP) and an Assessment Report for projects, except those categorised as low risk.Continuous Improvement: Annual audits by expert ESMS auditors ensure ongoing enhancement of E&S risk management processes.

E&S Activities in 2025

DBN continued to increase capacity and awareness of environmental and social risk management across its network. The Bank hosted intensive training sessions in Abuja and Lagos for PFIs, specifically microfinance, merchant, and mortgage banks. These programmes recorded exceptionally strong participation and covered the operationalisation of the Nigerian Sustainable Banking Principles, mainstreaming gender considerations in E&S risk management, application of the World Bank Environmental and Social Framework, categorisation and reporting of E&S risks, development of E&S risk management policies and systems, and the establishment of grievance mechanisms.

Also, DBN organised a group-wide capacity building and knowledge sharing session for its staff on ESRM, emerging risk trends, and the Bank's gender safeguard framework, aimed at strengthening internal understanding and application of these standards across the institution.

Additionally, the Bank conducted its fourth consecutive annual Environmental and Social Management System (ESMS) compliance audit, providing insights into areas for improvement. Finally, as part of its monitoring framework, DBN also carried out E&S risk due diligence visits and spot checks across Participating Financial Institutions (PFIs) and supported micro, small, and medium enterprises (MSMEs) to strengthen the effective implementation of the ESMS.



Targets for 2026

- Continue to strengthen the integration of E&S considerations into its credit and investment processes while maintaining robust systems, procedures, and institutional capacity to manage E&S risks;
- Scale up capacity building initiatives for PFIs and DBN employees;
- Reinforce compliance with national regulatory requirements and the standards of bilateral and multilateral development partners;
- Promote transparency through continued disclosure and reporting on E&S performance; and
- Conduct the fifth annual Environmental and Social Management System (ESMS) compliance audit for the 2025 financial year.

Climate Scenario Analysis

Objective and Scope

This scenario analysis assesses DBN's exposure to climate-related risks and opportunities under plausible future climate pathways, in line with the Network for Greening the Financial System (NGFS) climate scenarios. The analysis is designed to:

- Identify transition and physical climate risks embedded within DBN's wholesale loan portfolio.
- Evaluate the financial and strategic implications of these risks under alternative climate futures.
- Inform DBN's climate response planning.

The assessment integrates DBN's portfolio composition, materiality assessment outcomes, and a structured methodological framework consistent with emerging international best practices.

Portfolio Mapping and Climate Exposure Profile

As at the reporting date, DBN's total outstanding portfolio stood at approximately ₦539 billion, with exposures primarily concentrated in Deposit Money Banks (DMBs), which account for the majority of portfolio value. Additional exposure is held through microfinance banks (MFBs) supporting micro, small, and medium enterprises (MSMEs), agriculture, and informal economic activities, as well as mortgage and finance companies with linkages to residential and commercial real estate. Given DBN's business model, climate risks are predominantly indirect (second order) and transmitted through PFIs to underlying borrowers and sectors.

Climate Risk Transmission Channels

- DMBs present heightened transition risk exposure, reflecting their financing of carbon-intensive and climate-sensitive sectors.
- MFBs are more exposed to physical climate risks due to concentration in agriculture, rural livelihoods, and climate-vulnerable geographies.
- Mortgage banks are particularly sensitive to chronic and acute physical risks, including flooding and heat stress, which may impair collateral values.

This exposure profile aligns with the materiality assessment results, which rank ESRM, Climate Finance and Resilience, Responsible Lending, and Financial Inclusion as highly material to DBN's business and stakeholders.



Climate-Related Risks and Opportunities Over the Short, Medium and Long Term

DBN has assessed the resilience of its strategy under a range of plausible climate-related scenarios, using NGFS Climate Scenarios as the analytical foundation. The analysis identifies both transition and physical risks that may affect DBN's wholesale lending activities indirectly through PFIs.

- Short to medium term (0–10 years): Transition risks dominate, particularly regulatory changes, market repricing, and technology shifts affecting PFIs' underlying loan portfolios.
- Medium to long term (10–30+ years): Physical risks become increasingly material, especially for MSME-focused microfinance and mortgage portfolios exposed to climate-vulnerable geographies.

The analysis also highlights material climate-related opportunities, notably in climate finance, energy efficiency, and resilience-oriented MSME financing, consistent with DBN's development mandate.

Scenario Analysis and Strategic Resilience

DBN evaluated its portfolio under three NGFS reference scenarios:

- **Net-Zero 2050 (Orderly Transition)** - Under this scenario, early and coordinated policy action results in manageable transition risks and limited physical risks. DBN's strategy demonstrates strong resilience, supported by increasing demand for green and climate-aligned financial products. Climate finance and ESRM capabilities emerge as strategic enablers of portfolio stability and growth.
- **Delayed Transition (Disorderly)** - This scenario exposes DBN to elevated transition risks due to abrupt policy implementation and market repricing. Portfolio resilience is uneven, with PFIs that have weaker governance and ESRM frameworks experiencing greater stress. Strategic flexibility and risk appetite calibration are critical under this pathway.
- **Current Policies (Hot House World)** - In this scenario, escalating physical risks materially impair borrower cash flows, particularly among MSMEs and low-income households. DBN's exposure to climate-vulnerable PFIs leads to long-term structural credit deterioration, underscoring the importance of proactive climate risk integration.

Implications for DBN's Business Model and Strategy

The scenario analysis indicates that:

- Climate risk is a financially material risk driver for DBN, notwithstanding its indirect exposure model.
- Strong governance, ESRM integration, and climate risk management at the PFI level enhance portfolio resilience across all scenarios.
- Scaling climate finance and resilience-focused products strengthens DBN's strategic positioning while mitigating downside risk.



Risk Management

Identification and Assessment of Climate-Related Risks

DBN identifies climate-related risks through its Environmental and Social Management System (ESMS), which is applied at PFI and sub-project levels. Scenario analysis is used as a forward-looking overlay to assess how climate risks may evolve under different transition and physical risk pathways.

Key risk categories assessed include:

- **Transition risks:** Policy, legal, technology, market, and reputational risks affecting PFIs and their borrowers.
- **Physical risks:** Acute risks (e.g. flooding, extreme weather) and chronic risks (e.g. rising temperatures, environmental degradation).

These risks align with DBN's material ESG issues, particularly environmental and social risk management, climate finance and climate resilience, and responsible lending.

Highlighted below are perceived climate risks and opportunities to which the Bank may be exposed.

Risk and Opportunity	Impact on Business Model and Value Chain	Time Horizon
Physical Risk		
Flooding	Flooding from intense rainfall can affect loan repayment, leading to nonperforming loans.	Medium to long-term
Fluctuating Temperatures	Rising temperatures can affect workplace health and safety, impacting operational efficiency.	Short, medium, and long-term
Drought	Drought conditions can affect agricultural productivity, increasing loan default risks.	Medium to long-term
Transition Risk		
Policy and Legal	Changes in climate-related regulations and policies may increase compliance costs and require adaptation to new legal standards, impacting operational processes and loan eligibility criteria.	Medium to long-term
Technology	Increased capital expenditures are required to adopt green technologies and climate-friendly practices.	Short, medium, and long-term
Market Risk	Shifts in market preferences toward sustainable financing may impact fund uptake and profitability ratios.	Short, medium, and long-term
Reputation Risk	Failure to align with sustainability trends could stigmatise the sector, affecting employee attraction/retention.	Short, medium, and long-term
Climate-Related Opportunities		
Sustainable Financing	Increased demand for renewable energy, energy efficiency, green buildings, and clean transportation financing.	Short, medium, and long-term
Sustainable Agriculture	Rising demand for sustainable agricultural practices presents financing opportunities for green agribusinesses.	Short, medium, and long-term

Integration into Overall Risk Management

Findings from the climate scenario analysis inform DBN's broader risk management framework by:



- Supporting risk differentiation among PFIs based on governance, ESRM maturity, and climate exposure.
- Informing credit appraisal, refinancing terms, and monitoring intensity.
- Enhancing portfolio-level understanding of climate-driven credit risk concentrations.

Climate risks are treated consistently with other material financial risks and are escalated through established risk governance structures.

Risk Mitigation and Adaptation Measures

DBN's response to climate-related risks includes:



- Embedding climate considerations into PFI eligibility criteria and ongoing supervision.
- Strengthening ESRM requirements, including climate risk screening and monitoring.
- Building PFI capacity on climate risk management, data collection, and impact measurement.
- Promoting climate-resilient lending practices to reduce long-term default risk.

These measures are designed to enhance portfolio resilience across all NGFS scenarios, with particular emphasis on disorderly and high physical risk pathways.

Metrics and Targets

Use of Scenario Analysis in Risk Monitoring

While DBN does not currently quantify scenario-based financial impacts at the individual asset level, the scenario analysis is used to:



- Qualitatively assess directional impacts on credit risk and portfolio quality.
- Identify high-risk sectors, institution types, and geographies.
- Inform prioritisation of climate finance and resilience interventions.

Forward-Looking Enhancement

DBN intends to progressively enhance its climate metrics by:



- Improving climate-related data availability at PFI level.
- Developing proxy indicators for physical and transition risk exposure.
- Exploring quantitative climate stress testing methodologies aligned with NGFS guidance.

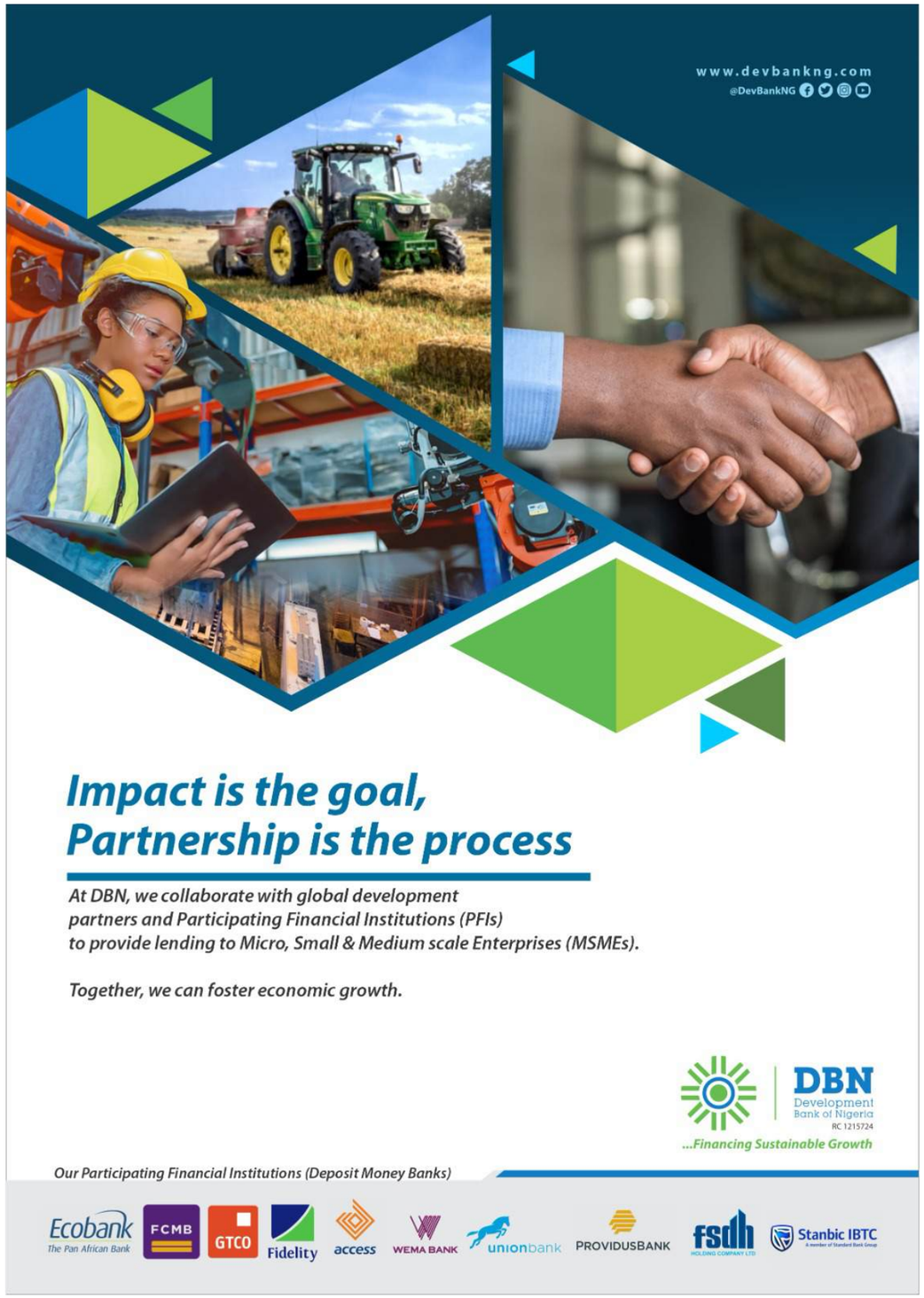
Conclusion

The climate scenario analysis underscores that climate-related risks and opportunities are financially material and strategically relevant to DBN's wholesale development finance mandate. While DBN's exposure to climate risk is predominantly indirect, the analysis confirms that these risks transmit through PFIs and their underlying borrower portfolios, with severity varying significantly across transition pathways.
In response, DBN is strengthening its risk management and strategic positioning to enhance portfolio resilience while supporting Nigeria's transition to a more sustainable and inclusive economy.

Opportunity Capture

The analysis also highlights significant opportunities arising from an orderly transition pathway. DBN will continue to scale dedicated green and climate finance facilities aligned with climate mitigation and adaptation objectives. To support effective implementation, DBN will provide targeted capacity building for PFIs on climate risk management, ESRM and impact measurement. In addition, DBN will leverage blended finance structures and strategic partnerships to mobilise additional capital and crowd-in financing for climate resilience and sustainable development projects.





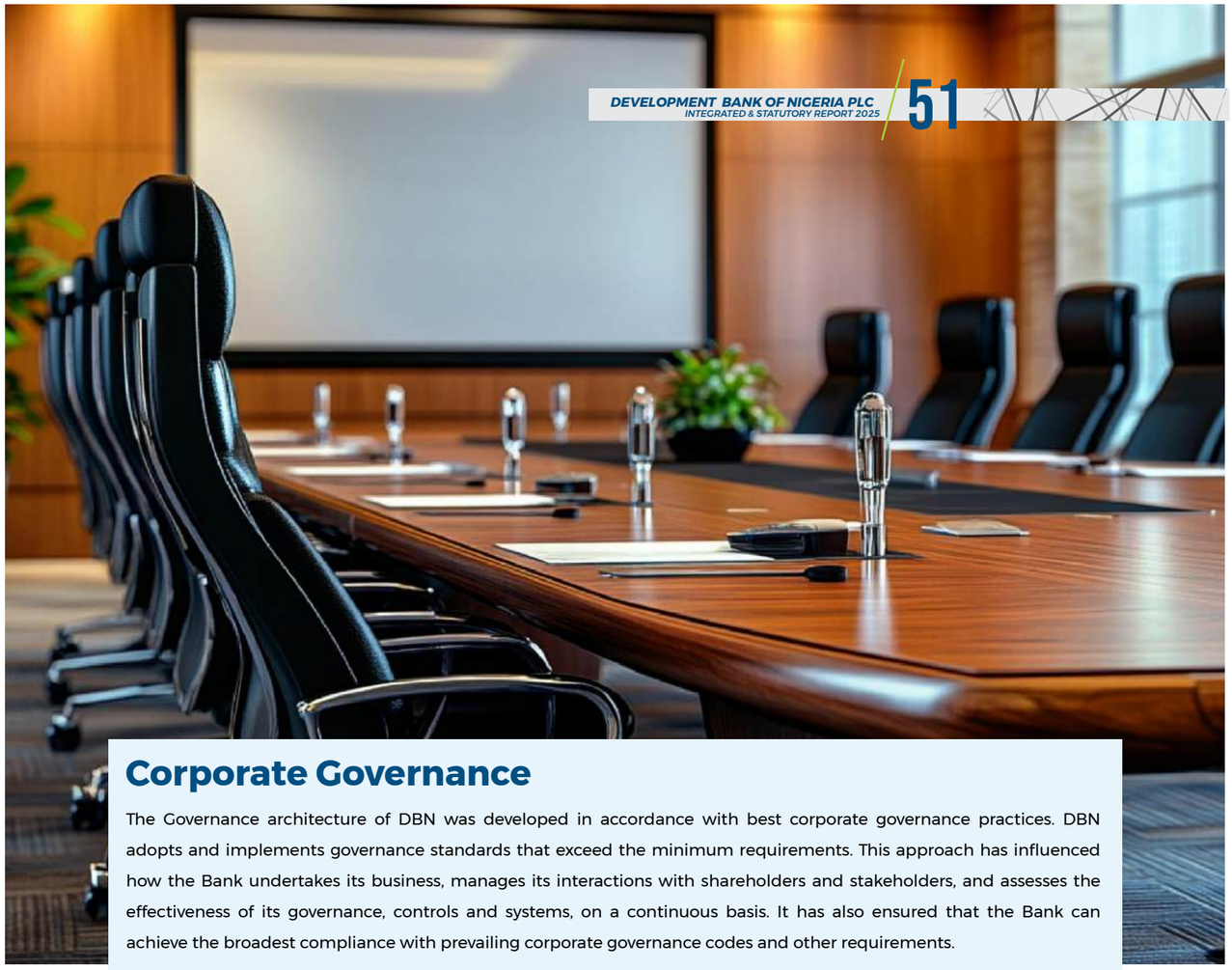
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GOVERNANCE AND LEADERSHIP



Corporate Governance

The Governance architecture of DBN was developed in accordance with best corporate governance practices. DBN adopts and implements governance standards that exceed the minimum requirements. This approach has influenced how the Bank undertakes its business, manages its interactions with shareholders and stakeholders, and assesses the effectiveness of its governance, controls and systems, on a continuous basis. It has also ensured that the Bank can achieve the broadest compliance with prevailing corporate governance codes and other requirements.

The Board

The board of directors of DBN provides overall leadership, entrepreneurial and strategic direction for the Bank. In this regard, the Board advances the adoption of practices that promote an ethical culture and responsible corporate citizenship across all aspects of the Bank's operations. This serves to enhance and protect long-term value for all stakeholders. The Board is comprised of accomplished industry leaders and tested and trusted technocrats with varied competencies. The Board has developed an overarching strategy for the Bank's progress and the attainment of its corporate objectives. The Board reviews, on an ongoing basis, the implementation and attainment of that strategy and provides guidance to management, ensuring that the Bank acts in the best interests of all stakeholders.

In addition to its oversight of the Bank's business in general, the Board keeps under review the Bank's Information Security and Performance Monitoring systems, as well as the Internal Controls, Compliance, Risk Management, Governance, and Financial Reporting Systems.

The Board sets out both the long- and short-term strategic objectives of the Bank and undertakes continuous assessment of its activities, committees, individual directors, management, and the Bank as a whole, with the aim of ensuring optimal performance at all times. With the full complement of industry knowledge, information and technical support from relevant professional advisers and development partners, the Board advances the attainment of the Bank's objectives.

To ensure it remains effective in discharging its responsibilities, the Board keeps under review the skills, competencies, and experience required for optimal

performance and ensures that the Board remains composed of an appropriate balance of these skills, competencies, and experience. This practice not only enhances the Board's performance but also engenders its independence and integrity. The Board pays very careful attention to issues of diversity (gender, age, geography, etc.) in its composition, in the composition of its committees, and in the management and staff of the Bank.

As at the end of the financial year, the Board comprised nine (9) board positions, of which six (6) are Independent Non-Executive Director positions. Of the remaining three (3) positions, one (1) is held by a Non-Executive Director, who is a shareholder representative, while the other two (2) are Executive Director positions held by the Managing Director/Chief Executive Officer (MD/CEO) and the Executive Director, Finance and Corporate Services.

There is a separation in the roles of the Board Chairman and of the Chief Executive Officer.

The Chairman is responsible for providing overall leadership for the Bank and the Board, as well as eliciting the constructive participation of all directors in the affairs of the Board and the Bank. The Chairman also takes the lead in engagements with shareholders and, where necessary, other key stakeholders.

In the absence of a substantive board chairman during the financial year, the Board, in accordance with section 289(4) of the Companies and Allied Matters Act, 2020, nominated an independent non-executive director from among its members to chair its meetings. It is expected that the Ministry of Finance Incorporated (MOFI) would conclude the process of nominating a substantive board chairman in the coming financial year. This obligation is a specific reservation of powers for MOFI and is in accordance with DBN's Shareholders Agreement.

The Managing Director/Chief Executive Officer is the head of management and runs the Bank's daily operations on delegation from the Board. The bank has a Delegation of Authority framework that details the delegation of authority from the Board to its Committees and Management through the MD/CEO.

There is a preponderance of independent non-executive directors on the Board. This is novel in our jurisdiction and sets DBN apart from its peers and other players in the Nigerian development finance space. The independent non-executive directors bring objectivity and neutrality, including specialised/expert skills, to board decision-making, thereby ensuring stakeholder trust and confidence in all the Bank's dealings. The objective input provided by the overwhelming presence of independent non-executive directors also facilitates optimal compliance with statutory rules and regulations, and ensures the inclusion of stakeholders' interests in the Board decision-making process, and ultimately, in the Bank's operations.

The non-executive directors contribute their knowledge, expertise, and judgment on issues of strategy, business performance, banking operations, development finance and technology, amongst others. The non-executive directors also ensure a unique link between the Bank and its four institutional shareholders: the African Development Bank Group, the European Investment Bank, the Ministry of Finance Incorporated, and the Nigeria Sovereign Investment Authority. This ensures that the Bank continues to receive the support of all shareholders, including the Development Partners: The World Bank Group, the Agence Française de Développement, the KFW Development Bank, amongst others, for its initiatives and activities.

In keeping with its undertaking with a key development partner, the World Bank, and pursuant to the authorisation provided in the Shareholders' Agreement and the Memorandum and Articles of Association, the Board of Directors granted observer status to the World Bank Group to all meetings of the Board. A representative of the World Bank who is nominated and approved by the Board of Directors as an observer is permitted to attend all meetings of the Board and to receive all the information provided to the Directors. The observer does not contribute to the Board's deliberations, is not remunerated by the Bank, and does not vote on items before the Board. The Board freely solicits information from the World Bank observer on technical issues, based on the observer's expertise and breadth of experience, but the Board is not bound to act on such information. The World Bank Observer provides assurances to its principal that the DBN Board and the Bank are operating optimally and in alignment with Agreements.

For the Board of Directors' profiles, please refer to Corporate Governance section on *page 173*

THE BOARD



Dr. Tony Okpanachi
Managing Director/
Chief Executive officer



Mrs Ijeoma D. Ozulumba
Executive Director, Finance and corporate services



Mr Kyari Bukar
Independent
Non-Executive Director



Ms Folakemi Fatogbe
Independent
Non-Executive Director



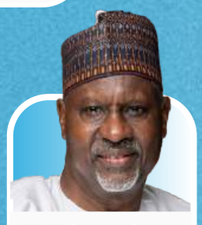
Juliet Anammah
Independent Non-Executive Director



Ms Imoni Akpofure
Independent Non-Executive Director



Mr Urum (UK) Eke MFR
Independent Non-Executive Director



Mr Mohammed Bintube
Independent Non-Executive Director



Mr Aminu Umar-Sadiq
Non-Executive Director



Mr Henry Batchi Baldeh
Non-Executive Director



Mr Omar Selfiani
Alternate Director
(Non-Executive Director)

Governing Principles

Corporate Governance is a key focal point for the Bank, in its aspiration to be the reference point for international best practices in the financial services industry in Nigeria. Based on this, the Board deliberately implements governance standards that exceed minimum expectations and requirements.

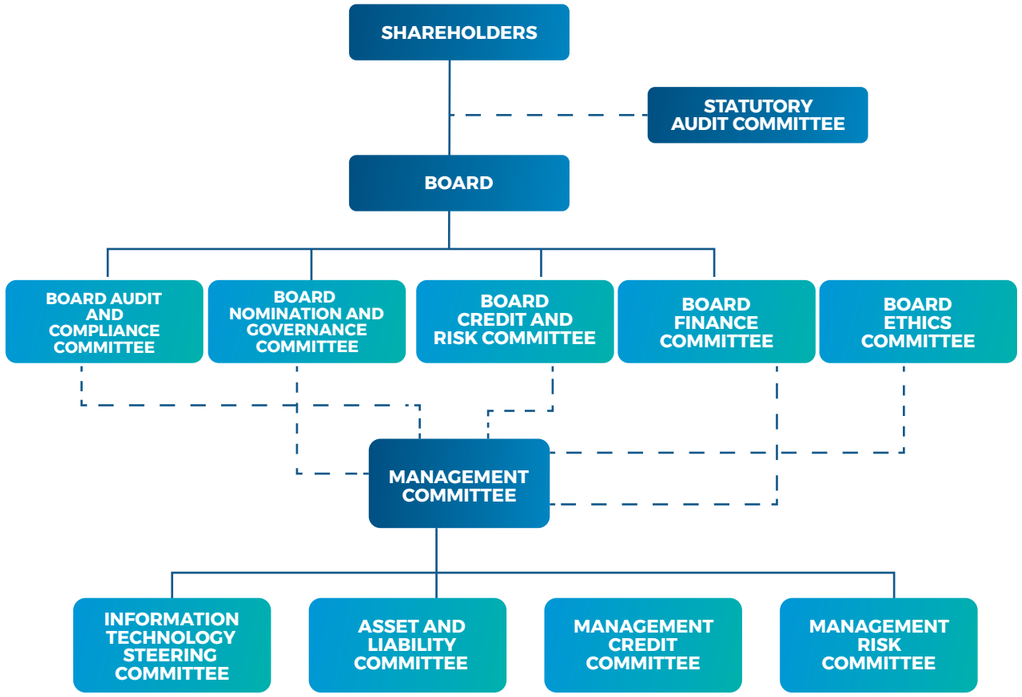
The board is headed by the Chairman, who is primus interpares in relation to other members of the Board. The roles of the Chairman and Managing Director/Chief Executive Officer (MD/CEO) are separate, and this duality is an intrinsic corporate governance principle at the Bank. To preserve this duality and the intrinsic synergies between the roles of the Chairman and the (MD/CEO), the ascension of a (MD/CEO) to the office of Chairman is discouraged, which is codified in the Board charter.

The Board has an approved charter, which governs its operations and activities. The Board is of sufficient size relative to the operations, risk and mandate of the Bank. There is an appropriate mix of knowledge, skills and experience, including business, commercial and industry experience on the Board. A majority of the non-executive directors are independent. Irrespective of their designations, all directors exercise independent judgement when deciding on matters before the Board.

Decisions of the Board are reached based on a consensus after thorough deliberations. If any matter is to be put to a vote, the Board charter and the Bank's Articles of Association provide that the Chairman shall have a casting vote if there is a tie in voting. All directors disclose their memberships on other boards, and there are no concurrent directorships with other boards that would interfere with their exercise of independent judgment or their effectiveness as directors of the DBN.
The Board has five (5) committees through which it exercises oversight of the Bank and its affairs. These committees are the Board Audit and Compliance Committee, the Board Credit and Risk Committee, the Board Finance Committee, the Board Nomination and Governance Committee and the Board Ethics Committee. All committees have charters that are approved by the Board of Directors. These charters, including the Board charter, have been submitted to the Central Bank of Nigeria in compliance with the regulations. The Committees' charters detail the terms of reference, membership, quorum and authorisations of each committee.

All Board Committees are chaired by Independent Non-Executive Directors. The Chairman of the Board is not a member of any Board Committee.

The Board is composed of an appropriate balance of skills, expertise, and experience, aligned to the Bank's strategic objectives, regulatory environment and the specific functions and responsibilities of the Board and its committees.



The Bank's Delegation of Authority Framework details the authority matrix within the Bank and the delegation framework from the Board to its committees, and from the Board to Management through the MD/CEO.

By the principle of delegation, the Bank's Management, led by the Managing Director/Chief Executive Officer, is responsible for the day to day running of the business. Pursuant to this delegation, Management has five (5) committees namely: the Management Committee, the Management Risk Committee, the Management Credit Committee, the Asset and Liability Management Committee, and the Information Technology Steering Committee, which are aligned to Management responsibilities and reporting lines to the Board of Directors. The Management Committee is the overarching committee of Management to which all other management committees report.

In addition to the existence of the Board and committee charters, the Board enriches the Bank's governance practices by adhering to the principles and recommended practices set out in the Nigerian Code of Corporate Governance 2018.

As a Development Finance Institution licensed by the Central Bank of Nigeria (CBN), the Bank also complies with the CBN Code of Corporate Governance for Development Finance Institutions, and the Corporate Governance Guidelines for Public Companies issued by the Securities and Exchange Commission (SEC).

With the support of development partners including the World Bank, the African Development Bank Group, KfW Development Bank, and Agence Française de Développement, the Board continually strives for excellence in governance and deliberately seeks out and adopts tested practices that guarantee the sanctity of the Bank's business. This practice continues to differentiate DBN as a clear leader in corporate governance in the development finance space in Nigeria.

2025 Annual General Meeting Highlights

DBN held its 8th Annual General Meeting on Wednesday, 30th April 2025, with members of the Board, committees and external regulators in attendance.











Ethical Governance at DBN

The Board of the Development Bank of Nigeria is committed to high ethical standards and probity, ensuring all employees and executives align with these standards in all their dealings with stakeholders.
To ensure high ethical standards, the following were operationalised:

- A code of ethics, which sets out the standard of conduct expected in the Bank. All staff are expected to comply with these standards in the discharge of their duties.

- Whistleblowing Policy, which provides a channel for the Bank's employees and other relevant stakeholders to raise concerns about workplace malpractices, in a confidential manner, and to enable the Internal Audit and External Consultant to investigate and deal with such.

Anti-Bribery and Anti-Corruption

DBN is committed to conducting business with the utmost level of integrity, transparency, and compliance with legal, ethical and regulatory standards. The reputation of DBN and success as a responsible corporate citizen is built upon this foundation as we strive to maintain our position as a leading organisation both locally and internationally.
The Bank adopts a zero-tolerance for bribery and corruption and is committed to upholding related laws in our business dealings and relationships. Accordingly, we recognize anti-corruption laws in Nigeria such as the Criminal Code (Cap 38, Laws of the Federation of Nigeria (LFN) 2004); Penal Code (Cap P3, LFN 2004); Corrupt Practices and other Related Offences Act, 2003; Economic and Financial Crimes Commission Act (Cap E1, LFN 2004); the Nigerian Financial Intelligence Act 2018, Code of Conduct Bureau and Tribunal Act (Cap C15, LFN 2004) and the Constitution of the Federal Republic of Nigeria (Cap C23 LFN 2004).
The sanctions for violating these laws can be severe, including significant fines, imprisonment and reputational damage. We therefore aim to establish a strong culture of anti-bribery and anti-corruption by implementing and enforcing effective systems to counter such activities.



Conflict of Interest Management

DBN will not allow itself to be placed in a situation in which its obligations to one partner/customer are, or are likely to be, perceived as conflicting with its obligations to another partner/-customer.

DBN shall observe utmost good faith in its dealings with partners, customers, suppliers, regulators and other providers of services.

The personal interest of an employee shall not conflict with any of his/her duties as an employee of DBN.

Directors and employees of DBN shall exercise their powers and discharge the duties of their offices honestly, in good faith and in the best interest of the Bank, and shall also exercise that degree of care, diligence and skill which a reasonably prudent person would be expected to exercise in comparable circumstances.

Employees shall not engage, without prior approval of DBN in writing, in any business for which the Bank is authorised. For the avoidance of doubt, employees shall not, in their personal capacity, engage in financial intermediation, funds management, and financial advisory services with partners/customers of DBN or any other person. Employees shall only engage in such services on behalf of the Bank, where such services form part of their duties as employees of the Bank.

Whistleblowing Mechanisms and Anti-fraud Controls

The Whistleblowing Policy is available on the Bank's website (www.devbankng.com/policies) and applies to both internal (staff, contract employees, management, or directors) and external (customers, service providers, applicants, auditors, consultants, regulators, and other stakeholders) whistleblowers. It clearly outlines the procedure for whistleblowing at the Bank and how all reported cases of illegal, unethical, or other misconduct should be handled.

This policy aligns with the requirements of Section 5.3 (Whistle Blowing) of the Central Bank of Nigeria's (CBN) "Code of Corporate Governance for Other Financial Institutions in Nigeria" and Principle 19 (Whistle Blowing) of the Financial Reporting Council of Nigeria's (FRCN) "Nigerian Code of Corporate Governance 2018".

Individuals may raise concerns, either by formal declaration or anonymously, through any of the reporting channels outlined below:

Internal Whistleblowing

- Formal letter to the Managing Director/CEO, Development Bank of Nigeria Plc. or the Head, Internal Audit, Development Bank of Nigeria Plc
- Dedicated phone number: (+234 913 072 0890)
- Email address: whistleblow@devbankng.com
- DBN website: www.devbankng.com/policies

External Whistleblowing

- Toll-free hotline: 0800-TIP-OFFS
- (+234 800 847 6337)
- Web Portal: https://tip-offs.deloitte.com.ng.
- E-mail: tip-offs@deloitte.com.ng.
- Mobile App: Download the Deloitte Tip-offs Anonymous App on Android or iOS devices.

Anti-Fraud Controls

There were no incidents of fraud and forgery during the financial year, and all relevant regulatory returns for fraud were duly rendered to the regulators during the period. The Bank and its subsidiary (the Group) are committed to upholding the highest standards of business and personal integrity, in line with its core values of partnership, passion and people. The Group is therefore determined to prevent, deter, detect and respond promptly to all forms of internal and external fraud.

In pursuing this aim, the Group will seek to adopt best practices, and its anti-fraud strategy will have due regard for the implementation of all relevant financial and government regulations.

The Group is committed to ensuring that all employees are informed of their responsibilities on fraud prevention.

To this end, the Group will implement an ongoing training programme for staff focused on measures to minimise the risk of fraud. The Group acknowledges its vulnerability to risks posed by external partners and suppliers and understands that reports of misconduct may involve third parties working for or on behalf of the Group. As part of its strategic risk management process, the Group has a robust framework to mitigate fraud risk. The Group is committed to an outcome-based strategy; that is, achieving a real reduction in losses or the risk of losses. These strategies include:

- Awareness and training
- Prevention, including deterrence and detection
- Investigation
- Sanction
- Recovery of losses.

Regulatory Compliance and Control

DBN Regulatory Environment

The Bank operates within a strong regulatory and governance framework and places the highest emphasis on zero tolerance for compliance breaches. The Bank prioritises the integrity of its systems and processes and maintains a proactive approach to regulatory compliance to safeguard stakeholder confidence and financial system stability.

DBN is regulated by the Central Bank of Nigeria (CBN) and complies with all applicable laws, regulations, guidelines, and supervisory directives relevant to Development Finance Institutions (DFIs). The Bank also takes cognisance of international best practices and standards issued by bodies such as the Financial Action Task Force (FATF), particularly in the areas of financial crime prevention and risk management.

Through continuous regulatory engagement, periodic compliance reviews, and timely implementation of regulatory guidance, DBN ensures sustained alignment with evolving regulatory expectations and international best practices.

AML/CFT/CPF Compliance

Under the regulatory supervision of CBN, DBN undergoes periodic evaluations to ensure full compliance with Anti-Money Laundering, Combating the Financing of Terrorism, and Countering Proliferation Financing (AML/CFT/CPF) requirements. Since inception, the Bank has maintained a strong compliance record and has not been subject to any investigations relating to deficiencies in its AML/CFT/CPF framework. DBN aligns its controls with international best practice, including the recommendations of the Financial Action Task Force (FATF), and continuously integrates updates from global financial and commercial sanctions lists into its screening mechanisms. All business relationships and transactions are systematically screened to prevent engagement with sanctioned individuals or entities.

The Bank adopts a risk-based approach to AML/CFT/CPF compliance, supported by periodic composite risk assessments to monitor risk trends. DBN maintained a low AML/CFT/CPF risk rating for two consecutive assessment periods. This is driven by strengthened governance structures and the automation of its compliance dashboard, which enhances regulatory returns tracking and risk oversight.

To sustain a strong compliance culture, DBN conducts quarterly AML/CFT/CPF training for employees and annual awareness sessions for the Board. Complementing these internal efforts, the Bank organised AML/CFT/CPF capacity-building sessions for PFIs, strengthening their ability to identify and manage financial crime risks. The effectiveness of this compliance framework was evident during the reporting year, with DBN rejecting over 250 transactions on grounds of suspected money laundering and terrorism financing, reinforcing its firm stance against financial crime.

PFIs are required to comply with all applicable AML/CFT/CPF laws and regulations, including the CBN AML/CFT/CPF Regulations 2022, the Money Laundering (Prevention and Prohibition) Act 2022, the Terrorism (Prevention and Prohibition) Act 2022, and the CBN Administrative Sanctions Regime 2023. Compliance obligations include identifying Ultimate Beneficial Owners (UBOs), conducting appropriate due diligence, and maintaining satisfactory compliance ratings as a condition for establishing and sustaining business relationships with DBN.

PFI Due Diligence

DBN applies rigorous Know Your Customer (KYC) and due diligence procedures to ensure that PFIs meet legal and regulatory requirements prior to onboarding and throughout the duration of the relationship. The process includes verification of legal status, governance structures, beneficial ownership information, and AML/CFT/CPF controls. Key assessment tools include the Wolfsberg AML/CFT/CPF Questionnaire, the Master Lending Agreement, and the Supplementary Lending Agreement.

PFIs are required to provide verifiable proof of incorporation, confirmed through the Corporate Affairs Commission (CAC) or other recognised authorities, as well as identification documentation for authorised personnel. DBN conducts annual reviews to assess continued compliance and address any identified exceptions, with suspicious transactions escalated to the AML/CFT/CPF Compliance Officer for investigation and, where necessary, regulatory reporting.

and sustaining business relationships with DBN.

Cybersecurity and Data Protection

DBN has established a comprehensive Data Protection Framework that governs the collection, processing, storage, and protection of personal data, in line with applicable data protection and privacy laws and global best practices. The framework ensures the confidentiality, integrity, and security of personal data, while promoting transparency and enabling individuals to exercise control over personal information held by the Bank.

In strict alignment with the Nigeria Data Protection Act (NDPA), DBN has further strengthened this framework by implementing a comprehensive Data Processing and Confidentiality Agreement. This instrument governs the handling of personal data by third parties and partners, enhances accountability across business relationships, and reinforces the Bank's commitment to safeguarding sensitive information and maintaining full regulatory compliance.

Cybersecurity Strategy and Framework

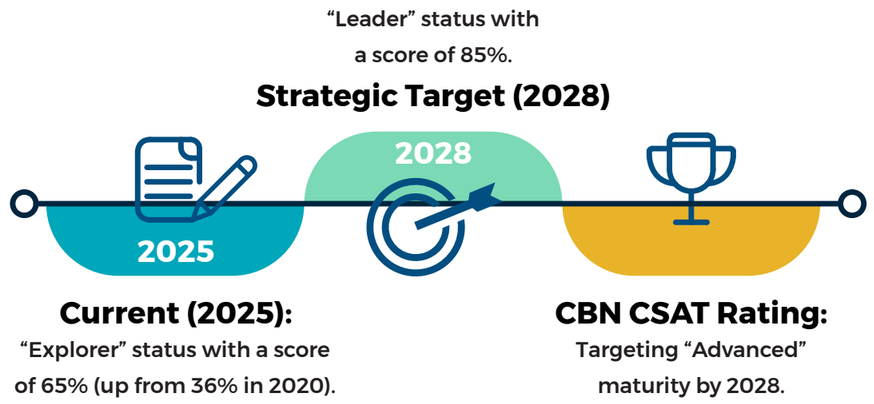
The Bank continued to strengthen the integrity and resilience of its digital environment, recognising that effective cybersecurity is critical to its operations and ongoing digital transformation efforts. During the year, DBN recorded notable progress across governance, operational readiness, and data protection.
The strategy is anchored in a shift from reactive controls to a proactive, forward-looking security posture, with cybersecurity integrated into the design, delivery, and operation of digital services.

The thrust of the strategy focuses on strengthening governance and oversight of cybersecurity risks across the enterprise, reinforcing accountability at senior management and Board levels, enhancing the security and resilience of digital and cloud-based platforms through secure by design principles, and ensuring effective incident response and recovery capabilities. These measures enable the Bank to anticipate, manage, and recover from emerging cyber threats. The strategy is underpinned by the Cybersecurity Framework Version 3.0, which aligns with the NIST Cybersecurity Framework.

> ***A key milestone was the launch of the DBN Cybersecurity Strategy (2025–2028), which sets the strategic direction for safeguarding its digital ecosystem and supporting the Bank's broader digital transformation objectives.***

Measuring Progress: The Road to 2028

Through its partnership with Ernst and Young (EY), the Bank benchmarks digital and cybersecurity maturity against the Digital Maturity Index:



Operational Excellence and Global Standards

In 2025, the Bank's commitment to international best practices was affirmed through a successful ISO surveillance audit. All certifications were retained with zero exceptions, reflecting the strength and reliability of the Bank's core systems and operational resilience:



Resilience and Incident Response

To enhance operational resilience, the Bank developed and implemented a Cyber Incident Response Plan, which sets out clear procedures for detecting, containing, and responding to cybersecurity incidents while minimising disruption to critical operations. In addition, DBN conducted a Business Continuity Plan (BCP) test at its disaster recovery site in Lagos, validating the Bank's ability to sustain operations and restore services in the event of disruption. In response to the evolving threat landscape, including the increasing use of artificial intelligence in phishing and social engineering attacks, DBN has continued to strengthen its defensive capabilities. The Bank has intensified staff awareness programmes and targeted training sessions to enhance employees' ability to identify and respond to sophisticated cyber threats.

DBN's Green Finance Strategy

The 2015 Paris Agreement accelerated the global shift of financial flows towards low-emission and climate-resilient investments, reflecting growing recognition of the interdependence between environmental sustainability, economic stability, and long term prosperity. DBN's Green Finance Strategy is positioned within this global transition and aligned with Nigeria's pathway towards a more sustainable and inclusive growth model.

At DBN, green finance is treated as a strategic extension of the Bank's development mandate.

The approach focuses on mobilising capital towards activities that improve resource efficiency, reduce environmental risks, and strengthen climate resilience within the MSME ecosystem. These considerations are integrated into the Bank's operating model and financing framework, ensuring that environmental sustainability is embedded within core lending activities rather than pursued as a standalone initiative.

Green Strategy Pillars

The Bank's Green Finance Strategy is anchored on three core pillars designed to strengthen the integration of sustainability into its financing activities. The following are the three pillars of DBN's Green Finance Strategy:

Greening Finance

Integrating climate and environmental considerations into financial decision making, identifying emerging market opportunities, strengthening institutional and value chain capacity, and developing innovative green financing solutions.

1

Financing Green

Mobilising funding for climate aligned and sustainable investments to help address financing gaps in sustainable infrastructure.

2

Capturing Commercial Opportunities

Building a pipeline of commercially viable projects that deliver measurable economic, social, and environmental outcomes, including the deployment of clean technologies and collaboration with ecosystem partners to expand access to sustainable energy and green solutions.

3

Key Green Priority Areas

The five key strategic priorities identified and addressed by the bank's green finance strategy include:

Expanding Access to Green Finance: Mobilising and crowding in financing to support MSMEs and green projects, thereby strengthening the flow of capital to environmentally sustainable investments.

Capacity Building: Strengthening internal capabilities and supporting the development of technical capacity among key stakeholders to deepen impact within green sectors.



Green Product Development: Designing and deploying tailored financial products that integrate and scale green financing across the Bank's lending portfolio.

Strategic Partnerships: Building alliances with market stakeholders to develop a sustainable pipeline of bankable green projects and strengthen the broader green finance ecosystem.

Youth and Gender Mainstreaming: Promoting inclusive participation by supporting greater involvement of women and youth in Nigeria's sustainable development and green economy.

How DBN is driving the Green Agenda

DBN advances its green finance agenda through coordinated actions both internally and across its external ecosystem.

Internal Green Initiatives

Internally, DBN advances its sustainability agenda by focusing on promoting environmentally responsible practices across the Bank's operations and workplace culture.

- Programmes and Staff Engagement – The Bank actively engages employees in environmental initiatives, including tree planting activities and the establishment of a cross functional Green Team tasked with advancing internal sustainability objectives.

Pioneering a Sustainable Future	DBN is committed to embedding sustainability into its operations and value creation model, recognising that responsible resource management is essential to long-term development impact. Through targeted energy-efficiency and waste-management initiatives, the Bank continues to reduce its environmental footprint while supporting inclusive and circular economic outcomes.
Energy Efficiency	DBN prioritises the efficient use of energy across its offices and operational activities as part of its transition towards lower-carbon operations. The Bank actively manages electricity consumption through demand control measures, the deployment of energy-efficient infrastructure such as LED lighting and optimised HVAC systems, and behavioural controls, including enforced end-of-day power shutdown protocols and switch-off practices, supported by increased use of digital platforms to reduce energy-intensive activities. In FY2025, total power utilisation was 275,400 kW against a target of 300,000 kW, reflecting improved energy discipline and efficiency gains. These actions contribute to reduced emissions associated with electricity consumption and support DBN's broader net-zero ambitions.
Waste Management and Circular Economy	DBN has implemented structured waste management practices focused on waste reduction, segregation, and recycling across its Lagos and Abuja offices. Working with a local waste management partner, recyclable materials, including paper, PET plastics, and cartons, are recovered and diverted from landfill. Since the Bank began tracking recycled waste, waste volumes have declined from 1,032 kg to 270.6 kg by FY2025, signifying reduced overall waste generation, program changes, or efficiency gains. Single-use plastic bottles utilization was significantly lower than the FY target of 4,000 bottles, demonstrating successful implementation of plastic reduction initiatives as well as staff adherence to zero single-use plastic campaigns. Similarly, instituted digital workflow systems were leveraged during the period to reduce paper waste. Beyond environmental outcomes, DBN integrates social impact into its recycling efforts by channeling proceeds from recycled materials to finance the education of underprivileged children. Through these interventions, DBN advances circular economy principles while delivering measurable environmental and social value.
Green Infrastructure	The Bank is implementing a green building project designed to integrate sustainability considerations into its physical infrastructure and operational facilities.

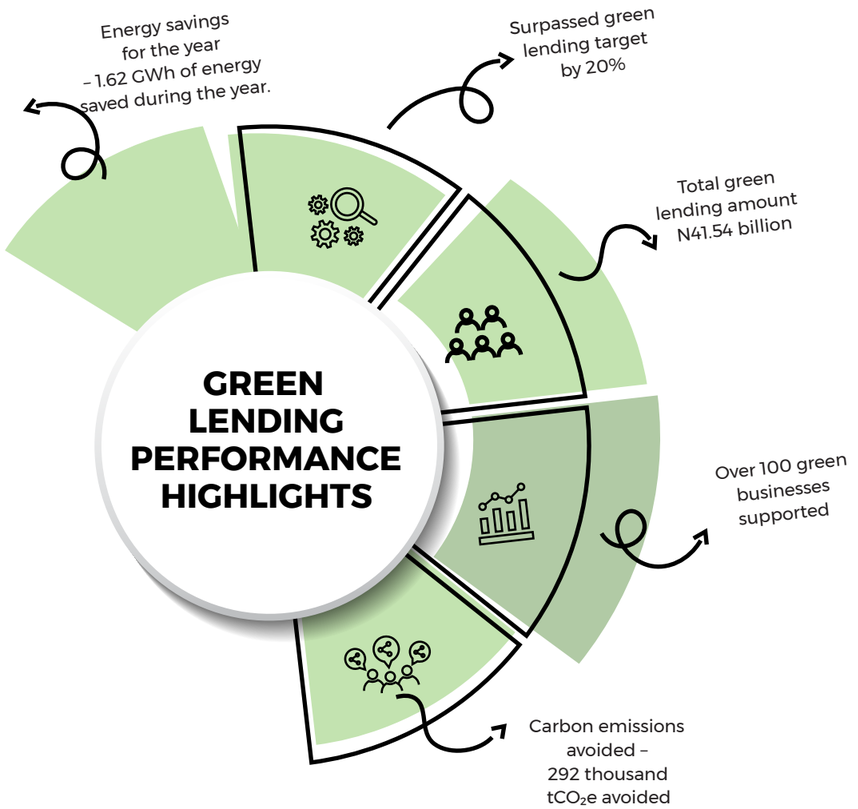
External Green Initatives

Externally, DBN advances its green finance agenda through the GRAPPLE framework, which guides its engagement with market participants and the broader sustainability ecosystem.

Green Funding	DBN continues to assess green investment opportunities in Nigeria while mobilising and crowding in financing through climate funds and development partners, including facilities such as the Green Climate Fund.
Risk Management	Through its Environmental and Social Risk Management (ESRM) Policy and Green Finance Framework, the Bank integrates environmental and social considerations into financing decisions while maintaining clear exclusion lists and risk mitigation measures.
Affiliations and Accreditations	DBN actively pursues strategic affiliations and global accreditations to strengthen its institutional capacity and visibility within the international climate finance landscape.
Partnerships and Alliances	The Bank continues to build partnerships with public sector institutions, development partners, project developers, and industry associations to develop a robust pipeline of bankable green projects.
Products and Programmes	DBN has introduced targeted financial products and initiatives to support green focused MSMEs, including incentive programmes that encourage Participating Financial Institutions (PFIs) to finance eligible green activities.
Learning and Capacity Building	The Bank provides technical assistance and capacity building to Participating Financial Institutions and MSMEs to strengthen the deployment of green finance solutions.
External Engagement and Awareness	DBN actively promotes awareness of green financing opportunities while engaging policymakers and industry stakeholders to support the development of enabling regulatory and market frameworks for Nigeria's green economy.

DBN Sustainable Financing Projects

S/N	Project Title	Amount Accessible	Partners
01	Livestock productivity, Resillience and support project	70 million USD + Technical Assistance	World Bank
02	Gender Credit Line	50 million Euros of Technical Assistance	AFD
03	Green Credit Line	25 million dollar + Loan/ Technical Assistance	KFW
04	IKI Small Grants	2 million dollar grants + Technical Assistance	International Climate Initiative & GIZ
05	Water, Sanitation, and Hygiene (WASH) Fund	$300,000 grant + Technical Assistance	UNSHF



GCF Readiness and Preparatory Support Programme

The GCF Readiness and Preparatory Support Programme is a foundational initiative aimed at enhancing institutional capacities, governance, and strategic planning for climate action in developing countries, with specific provisions to strengthen Direct Access Entities (DAEs) like DBN. Given DBN's GCF Direct Access Entity accreditation, GCF has approved a USD 949,316 readiness and preparatory support to enhance the Bank's ability to mobilise global climate finance from GCF and other sources. The funds will be used for institutional strengthening, capacity building and support for the development of investment-grade funding proposals that could be used to mobilise climate finance at scale for the climate projects in Nigeria.

Mainstreaming Green and Climate Finance

In 2025, the Bank convened the Executive Roundtable on Mainstreaming Green and Climate Finance (ERTS) as a high-level strategic engagement designed to accelerate the integration of climate and green finance into the Nigerian financial system.

The Roundtable brought together Chief Executive Officers and senior executives of participating financial institutions in a closed, peer-level forum to move discussions beyond awareness-raising toward actionable commitments and balance-sheet alignment. Unlike conventional stakeholder engagements, ERTS was deliberately structured to emphasise the commercial and risk-management case for green and climate finance, positioning it as a viable and scalable business opportunity rather than a purely developmental or compliance obligation.

The engagement also served as a platform to signal the Bank's enhanced role in the climate finance ecosystem, following its accreditation as a Direct Access Entity to the Green Climate Fund. Through focused discussions, the Bank highlighted how its access to concessional climate finance, blended finance instruments, and risk-sharing mechanisms can lower the cost of capital, de-risk lending, and support financial institutions in building bankable green portfolios.

Key outcomes of the Roundtable included:

- Increased executive-level awareness of the commercial viability of green and climate finance.
- Alignment between the Bank and participating financial institutions on priority sectors and pipeline development for climate-aligned investments.
- Reinforcement of the Bank's role as a system-level enabler, convener, and de-risking partner for sustainable finance.

The Executive Roundtable has since become a reference model for the Bank's approach to market-shaping engagements, supporting the broader objective of mainstreaming climate finance within Nigeria's financial sector while advancing long-term development impact and financial sustainability.





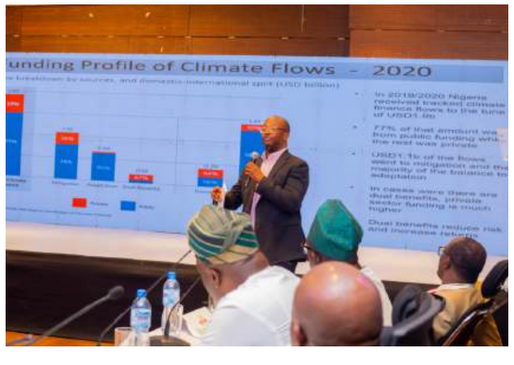












Sustainability at DBN

Our Approach to Sustainability

DBN recognises sustainability as integral to its development mandate and long-term institutional resilience. As a development finance institution, the Bank conducts financial intermediation in a manner that is economically sound, environmentally responsible, and socially conscious. Sustainability considerations therefore shape how DBN defines value creation over the short, medium, and long term and are embedded across the Bank's Strategy, Governance, Risk Management, and Operations, balancing financial performance with development impact and institutional credibility.

Strategic planning integrates sustainability perspectives into sector exposure analysis, the design of targeted financing solutions, and the identification of opportunities that support inclusive and sustainable growth. Portfolio management and reporting processes also track environmental and social performance indicators alongside financial metrics, enabling informed decision making and transparent stakeholder reporting.

DBN also engages its Participating Financial Institutions (PFIs) to strengthen capacity in environmental and social risk management, enhance green financing capabilities, and promote alignment with relevant national and international sustainability standards.

Our Net-Zero Mission statement and highlight

DBN is committed to advancing climate action and supporting the transition to a resilient, low carbon economy by embedding net zero principles across its operations, financing activities, and institutional culture.

The Bank's Net Zero ambition reflects its role as a development finance institution supporting Nigeria's climate objectives while promoting sustainable economic growth.

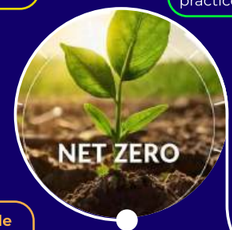


Net Zero Strategic Commitments

Achieving Net Zero by 2050
DBN commits to achieving net zero greenhouse gas emissions by 2050 in alignment with the objectives of the Paris Agreement and global efforts to limit temperature increases.

Reducing Operational Environmental Footprint
The Bank will progressively reduce emissions associated with its operational activities through energy efficiency measures, responsible resource management, and sustainable infrastructure practices.

Scaling Climate Aligned Finance
DBN will continue expanding financing for climate aligned investments, including renewable energy, energy efficiency, sustainable agriculture, and climate resilient infrastructure.



Supporting Nigeria□s Climate Goals
The Bank aligns its financing strategy with Nigeria□s Nationally Determined Contributions and other national climate policy frameworks.

Providing Leadership in Sustainable Finance
DBN aims to strengthen its position as a leading sustainable finance institution in Nigeria by supporting innovation, knowledge sharing, and market development.

Embedding ESG in Institutional Decision Making
Environmental, social, and governance considerations are integrated into lending processes, risk management systems, and governance oversight structures.

Operationalising Our Net Zero Strategy

DBN has effectively operationalised its Net Zero strategy, with clear evidence of progress, transparency on constraints, and a structured pathway toward long-term decarbonisation.

Climate Scenario Analysis

As part of its evolving climate risk management framework, DBN conducted a preliminary climate scenario analysis in FY2025 to assess potential transition and physical climate risks across its lending portfolio.

The analysis considered a range of potential climate transition pathways, including scenarios consistent with global temperature increases of 1.5°C and 2°C, and evaluated sector level exposure to climate transition risks such as regulatory changes, shifts in market demand, and technology adoption.

The analysis also considered potential physical climate risks, including extreme weather events that may affect sectors such as agriculture, infrastructure, and energy.

Supply Chain Sustainability

The Bank continues to strengthen its approach to responsible procurement by integrating environmental and social considerations into supplier engagement practices.

Suppliers are expected to comply with applicable environmental, labour, and ethical standards, while procurement processes seek to identify and manage potential environmental and social risks associated with third party service providers.

Greenhouse Gas Emissions

DBN continues to strengthen the measurement and management of its operational carbon footprint as part of its Net Zero transition strategy. In FY2025, the Bank commenced structured tracking of greenhouse gas emissions across its operational boundary in line with internationally recognised methodologies.

PERFORMANCE SNAPSHOT

POWER CONSUMPTION
275,400KW
(Against 300,000 KW threshold)

Performance against 2025 internal Net Zero targets reflects strong operational discipline and measurable gains. Power consumption was contained at 275,400 kW against a 300,000-kW threshold, driven by energy optimisation measures including power-off scheduling and low-energy protocols. Plastic waste reduced significantly to 2,744 bottles relative to a 4,000-bottle target, reflecting the sustained impact of zero-plastic campaigns and behaviour change initiatives. Recycled waste also exceeded expectations, reaching 270.6 kg against a 200 kg target.

PAPER USAGE
80 reams vs
65 ream target

Paper usage recorded 80 reams against a 65-ream target. This variance is largely attributable to periodic regulatory requirements for hard-copy documentation, which create temporary spikes in paper consumption. However, underlying performance trends remain strongly positive. Quarterly data shows a sustained reduction in paper usage, including a 48% year-on-year decline in Q3 2025, supported by the continued rollout of digital workflows, print quotas, and document management controls. These measures are expected to moderate structural reliance on paper over time while accommodating regulatory obligations.

Financed Emissions and Portfolio Carbon Intensity

Recognising the importance of measuring the climate impact of financial institutions' lending activities, DBN has initiated efforts to estimate financed emissions associated with its portfolio. In FY2025, the Bank extended over ₦41 billion in green loans, supporting climate-aligned investments across key sectors. Based on available data and project-level estimates:

Approximately
292,090kg
CO_2e in estimated avoided emissions were achieved

Approximately
1.6 Million KWh
in estimated energy savings were generated

These figures represent early estimates derived from supported green projects and provide an initial indication of the climate impact of the Bank's financing activities.

DBN intends to progressively refine its financed emissions methodology as data availability improves, measurement systems are strengthened, and engagement with PFIs deepens.

Operationalising Our Net Zero Strategy



Green Infrastructure Development

As part of its operational sustainability agenda, DBN is implementing a green building project designed to integrate sustainability considerations into its infra structure and facilities.

The project incorporates energy efficient design principles, including optimised building systems, improved insulation, and the integration of environ mentally responsible materials. Upon completion, the building is expected to deliver measurable reductions in energy consumption and associated emissions compared with conventional
building standards.

Reforestation and Environmental Restoration

As part of its environmental sustainability initiatives, DBN continues to support reforestation and environ mental education programmes aimed at promoting ecosystem restoration and climate awareness. Tree planting activities undertaken during the reporting period contributed to environmental restoration efforts and helped strengthen environmental steward - ship among employees and communities.

Diversity, Equity and Inclusion

DBN remains committed to fostering a diverse, equitable, and inclusive workplace environment.
Gender representation across the Bank□s workforce continues to be monitored across different organisa tional levels to ensure balanced representation and equal opportunity. The Bank also maintains policies that promote non-discrimination, equal opportunity, and inclusive workplace practices.



"DBN's Contributions and Achievements in 2025"

DBN contributes to the achievement of the United Nations Sustainable Development Goals through its financing activities, capacity building programmes, and institutional sustainability initiatives. As a DFI, the Bank's greatest impact is delivered through its support for MSMEs, financial inclusion, sustainable infrastructure, and climate aligned investments.

The following table highlights selected areas where DBN's activities contribute to advancing the SDGs.

SDG	Description	DBN's Key Contributions and Initiatives
1 NO POVERTY	End poverty in all its forms everywhere	DBN supports poverty reduction by expanding access to finance for underserved MSMEs and economically disadvantaged regions. Including: · ₦358 billion disbursed to upscale underserved MSMEs · Over 50 percent of loans directed to micro and small businesses · ₦59 billion disbursed to economically disadvantaged states
2 ZERO HUNGER	End hunger and promote sustainable agriculture	The Bank supports sustainable agriculture and food security through targeted financing and resilience programmes. Including: · Livestock Productivity and Resilience Support financing · Agriculture focused MSME lending · Support for climate resilient agribusinesses
3 GOOD HEALTH AND WELL-BEING	Ensure healthy lives and promote well being	DBN contributes to improved health outcomes by financing healthcare value chains and promoting wellbeing. Including: · Financing of MSMEs in healthcare value chains · Staff health and wellbeing programmes · Integration of occupational health safeguards within ESG screening
4 QUALITY EDUCATION	Ensure inclusive and equitable quality education	The Bank supports access to knowledge and capacity development through training and technical assistance. Including: · Technical assistance to Participating Financial Institutions · DBN Entrepreneurship Training Programme · Support for education through social impact initiatives
5 GENDER EQUALITY	Achieve gender equality and empower all women	The Bank promotes women's economic empowerment through targeted financing and capacity building programmes. Including: · Gender credit line · Women Investment Readiness Accelerator Programme · International Women's Day engagements
6 CLEAN WATER AND SANITATION	Ensure availability of water and sanitation	In 2025, USD 300,000 UNSHF grant was obtained to strengthen capacity of microfinance banks and MSMEs in the WASH sector
7 AFFORDABLE AND CLEAN ENERGY	Ensure access to affordable and sustainable energy	The Bank advances clean energy access through green financing and energy efficiency initiatives. Including: · Green finance loan products supporting renewable energy and efficiency · Financing of energy efficient MSME operations

8 DECENT WORK AND ECONOMIC GROWTH	Promote sustained and inclusive economic growth	Through its financing activities, DBN supported the creation and sustenance of over 447,173 jobs in 2025.
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Build resilient infrastructure and foster innovation	The Bank promotes innovation and enterprise development through financing and ecosystem support. Initiatives include: · Over 76,000 startups financed · Techpreneur Summit · Kaduna Innovation Hub · Innovation Challenge initiative
10 REDUCED INEQUALITIES	Reduce inequality within and among countries	DBN addresses inequality by targeting underserved populations and promoting inclusive finance through: · Lending to women, youth, first time borrowers, and underserved regions · Support for non interest finance · Equal opportunity and anti discrimination policies
11 SUSTAINABLE CITIES AND COMMUNITIES	Make cities inclusive and sustainable	Over ₦2.8 billion disbursed for green homes and estate development and retrofitting
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Ensure sustainable consumption patterns	DBN promotes responsible production through its lending standards and internal operations. · Full implementation of the Environmental and Social Risk Management framework · 100 percent portfolio screening · Financing of circular economy businesses
	Take urgent action to combat climate change	DBN supports climate action through green finance and operational sustainability initiatives. · Over ₦41 billion in green disbursements · Green Climate Fund Direct Access Entity accreditation · Climate scenario analysis · Internal net zero and resource efficiency initiatives
14 LIFE BELOW WATER	Conserve oceans and marine resources	The Bank contributes indirectly to marine protection through responsible financing practices. These include: · Pollution prevention through ESRM screening · Capacity building for MSMEs in the WASH sector
15 LIFE ON LAND	Protect terrestrial ecosystems	DBN supports ecosystem preservation through environmental initiatives such as tree planting and environmental education programmes
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Promote accountable and inclusive institutions	The Bank maintains strong governance, transparency, and institutional integrity. Activities include: · Zero fraud incidents recorded · AAA ratings maintained · Implementation of governance policies including whistleblowing and data protection · AML and CFT capacity building
17 PARTNERSHIPS FOR THE GOALS	Strengthen global partnerships	DBN leverages partnerships to scale impact and mobilise resources. Including: · Sustainability Community of Practice for Financial Institutions · Participation in global platforms including COP30 and Finance in Common Summit · Partnerships with AfDB, World Bank, EIB, AFD, KfW, GIZ, SHF, and GCF

DBN's Contributions and Achievements in 2025

We have also achieved good mileage across the Nigerian Sustainable Banking Principles:

Principle	Achievements in 2025
Our Business Activities: Environmental and Social Risk Management	Achieved 100% portfolio screening in line with the exclusion list requirements Integrated environmental and social risk categorisation into the lending process Completed Environmental and Social Management System audits across applicable portfolios
Our Business Operations: Environmental and Social Footprint	Implemented internal net zero initiatives, including energy efficiency improvements Advanced waste management and recycling programmes across operations Donated single use plastic bottle receptacles to firms on Tigris Crescent, Maitama Developed green and gender focused financial products
Human Rights	Maintained adherence to applicable local and international human rights standards Embedded human rights considerations within internal policies and business practices
Women's Economic Empowerment	Expanded gender focused credit lines to support women led businesses Delivered targeted capacity building programmes for female entrepreneurs Launched the Women Investment Readiness Accelerator Programme Commemorated International Women's Day 2025 through strategic engagement initiatives
Financial Inclusion	Participated in industry committees advancing financial inclusion objectives Increased lending to priority segments including women, youth, underserved states, first time borrowers and start ups
Environmental and Social Governance	Strengthened governance oversight through the Board Ethics Committee Operationalised the Sustainability Carbon Council and Sustainability Working Committee
Capacity Building	Delivered environmental and social risk management training to Participating Financial Institutions Conducted training on gender finance and AML/CFT compliance Facilitated Sustainability Community of Practice sessions for microfinance banks and MSMEs
Collaborative Partnerships	Strengthened partnerships with key ecosystem stakeholders including Small and Medium Enterprises Development Agency of Nigeria Engaged with SME Finance Forum to advance SME financing initiatives Collaborated with Nigerian Association of Small and Medium Enterprises to support enterprise development
Reporting	Produced disclosures aligned with ISSB standards within the Integrated Report Submitted quarterly performance reports to development partners Published quarterly Working Paper Series Contributed quarterly publications to the Journal of Economics and Sustainable Growth



ESG Governance

Sustainability is fundamental to the Bank's mandate as one of its core values. Accordingly, the Board retains oversight of sustainability and climate-related matters and discharges this responsibility primarily through the Board Ethics Committee (BEC).The BEC meets at least once a quarter, and more frequently as required.

Sustainability and climate-related matters are considered through periodic reports presented by management, and key issues, decisions and recommendations arising from deliberations are presented to the Board for information or approval, as appropriate.

In the reporting period, the Board, through the BEC, exercised active oversight across a broad range of sustainability and climate-related matters, including the following:

- Updates on the Bank's sustainability strategy and implementation roadmap, including planned sustainability activities for the year and progress against sustainability priorities.
- Progress on the Bank's net-zero journey,
- including completion of the net-zero strategy, internal emissions tracking, five-year carbon emissions forecasting, and recommended actions to address identified risks and gaps.
- Internal and external Environment, Social and Governance (ESG) performance updates,
- including quarterly ESG reports and internal net-zero performance metrics covering power consumption, waste, recycling and emissions trends.
- Social sustainability initiatives, with particular emphasis on gender-focused interventions, including the 7-Year Gender Impact Report, International Women's Day engagements, the Women Investment Readiness Accelerator (WIRA) project, and capacity-building programmes for women-owned MSMEs.
- Environmental sustainability initiatives,
- including World Environment Day activities such as the Good Neighbour recycling initiative,
- reforestation efforts in selected locations in the country and environmental education programmes
- delivered through the DBN Green Clubs.
- Regulatory and disclosure developments
- relating to sustainability and climate reporting, including progress towards voluntary adoption of the ISSB standards.

The Board has played an active role in advancing the Bank's sustainability agenda through a series of strategic approvals during the year. These included authorising the commencement of ISSB-aligned sustainability reporting to commence from the 2025 financial year and the related preparatory engagements with the Financial Reporting Council. These have informed enhancements to the Bank's Integrated Report and a refocusing of the overall sustainability strategy. The Board also approved the revised Sustainable Banking Policy.

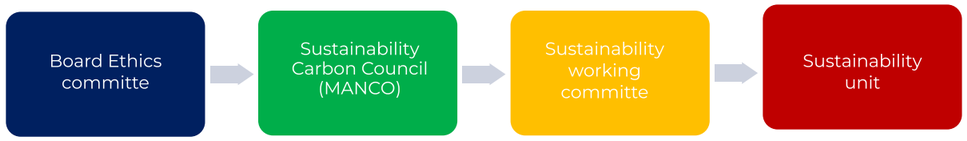
While primary oversight of sustainability matters resides with the BEC, the Board Credit and Risk Committee (BCRC) provides focused oversight of the Bank's green lending portfolio. In this capacity, the BCRC considers and recommends for approval eligible green disbursements to PFIs, while also assessing associated credit risk, portfolio performance and climate-related financial risks.

At the end of the financial year, the Bank had disbursed approximately ₦41 billion in green lending, representing 11.29% of its total disbursement portfolio. This clear delineation of responsibilities ensures that sustainability and climate-related considerations are addressed both from a non-financial governance perspective and, where relevant, within the Bank's credit and risk management framework.

Members of the Board, including those serving on the BEC and BCRC, collectively possess extensive governance, regulatory, risk management and sustainability-related expertise, enabling effective oversight and evaluation of sustainability and climate-related matters presented by the management. This is further complemented by periodic board training on ESG and sustainability topics, ensuring the Board remains well informed on emerging trends, regulatory developments and evolving best practices.

Sustainability and climate-related governance requirements are embedded in the Bank's existing governance architecture. While the Board remains at the apex of oversight through its committees, primarily the BEC and, where relevant, the BCRC, responsibility for implementation is delegated to management. In furtherance of this, management inaugurated a Sustainability and Carbon Council comprising all members of the Management Committee. The Sustainability and Carbon Council provides a structured forum for coordinating implementation, monitoring progress and driving accountability across the Bank.

Climate and sustainability considerations are integrated into the Bank's risk management processes, internal controls and reporting frameworks. This integration supports informed oversight of both current performance and forward-looking risks and opportunities and underpins the Bank's phased approach to enhancing sustainability and climate-related disclosures in line with the ISSB S1 and S2 standards.



In 2025, DBN made significant progress in strengthening its sustainability architecture.

The Board of Directors, through its Board Ethics Committee, provides oversight on all sustainability-related matters, including climate-related risks and opportunities. Management responsibility for sustainability rests with the executive management team, supported by dedicated functions including risk management, strategy, treasury, and the GCF Desk.

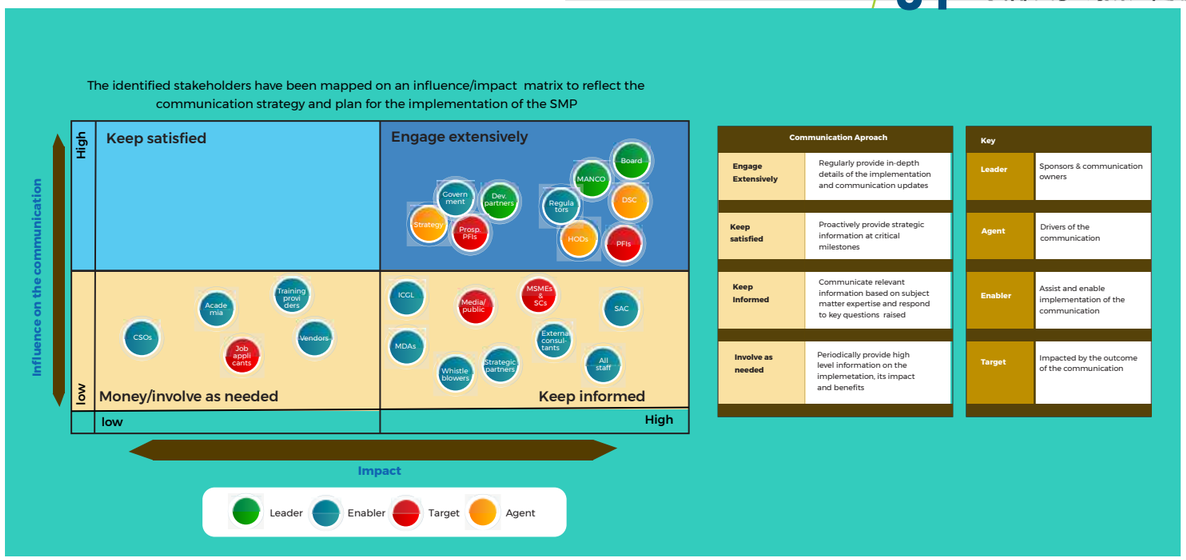
The Bank's Sustainability and Carbon Council, comprising all members of the Management Committee, is to provide strategic direction on sustainability matters and strengthen internal coordination. An internal sustainability working committee was also created to support cross-functional collaboration and the implementation of sustainability initiatives. These institutional arrangements enhance accountability and ensure that sustainability considerations are systematically integrated into decision-making processes across the organisation.

Stakeholder engagement approach

To better pay attention to our stakeholder network, the Bank created a dedicated Stakeholder Management Framework that takes a short-term, medium-term, and long-term view of how it communicates with its stakeholder universe. This framework identifies the Bank's stakeholders, the roles they play, the required frequency and content of communication, and the platforms to be deployed to effectively communicate with these stakeholders. In doing so, DBN has come up with a comprehensive Stakeholder Universe and Impact Matrix:

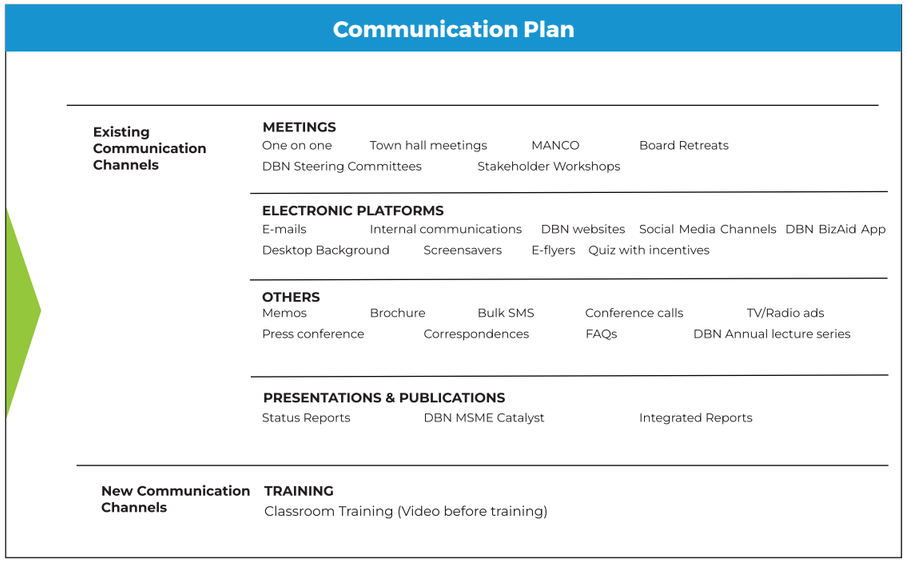
Board of Directors		
Management committee (MANCO)		
Development Partners	**External Consultants & Solicitors**	**Association & MDAs**
• African Development Bank (AFDB) • European investment Bank (EIB) • World Bank • German Development Bank (KFW) • French agency for development (AFD)	• Pricewaterhousecoopers (PWC) • KPMG • Deloitte • External law firms	• Chartered institute of Administration • Chartered institute of Bankers of Nigeria • Institute of chartered Accountants of Nigeria • Newspaper Proprietors' Association of Nigeria • Nigerian institute of Management • Nigerian chamber of commerce • National Association of small scale and medium Enterprises (NASSME) • Financial correspondents Association of Nigeria • Nigeria Guild of Editors • Ministry of Trade and Investments • Small and medium enterprises Development
Government	**All DBN PFIs**	
• Federal Ministry of finance (FMF) • Nigeria sovereign investment Authority (NSIA) • Accountant General"s office • Auditor General"s office • National Assembly	• Deposit Money Banks • Merchant Banks • Microfinance Banks • Finance Companies • Mortage Banks	
	Prospective PFIs-Regulated	
Regulators	**Academia & Resource organization**	**Strategic partners**
• Central Bank of Nigeria (CBN) • Corporate Affairs Commission (CAC) • SECurities & Exchange commission (SEC) • Federal inland Revenue service (FIRS) • Financial Reporting council (FRC) of Nigeria • Nigerian Financial Intelligence unit (NFIU) • National Information Technology Development Agency (NITDA) • National office for Technology Acquisition and promotion (NUTAP) • Economic and financial crimes commission (EFCC)	• Universities • Research Institutes • Enterprise Development centre	• European Organization for Sustainable Development (EOSD) • Recycling partners • Credit Guarantee companies (AGF, USAID) • National collateral Registry (NCR) • The Montreal Group • Association of Chief Compliance officers of Banks in Nigeria (ACCOBIN) • NASME, NESG, MAN, e.t.c • National MSME Clinic (Brown valley partners) • Unregulated Financial institutions
	Media	
	• Television • Radio • Print • Online/social media	
Statutory Audit committee		**All HODs**
All staff		**Job Applicants**
Subsidiary (ICGL)		**Training/Capacity Development Partners**
DBN End - Browsers		**General public**
Civil society organization & NGOs		**Vendors & Suppliers**





Communication Plan

The key objective of the stakeholder communication plan is to articulate the various stakeholder categories relevant to the engagement and highlight the corresponding communication activities to be executed during the course of the engagements. we would leverage on multiple channels to build understanding, drive buy-in and obtain continuous feedback from these stakeholders. The communication plan and matrix are further tailored to reflect the distinct information needs of each stakeholder group. In total, the Bank has identified 25 priority messages to be communicated throughout each engagement cycle, as illustrated below.



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Our Material Issues

DBN's material issues represent the environmental, social, governance, and economic factors that are most significant to the Bank's ability to deliver on its development finance mandate while meeting the expectations of its stakeholders.

These issues reflect areas where DBN's activities create the greatest impact on society and the environment, as well as areas that may materially influence the Bank's financial performance, strategic direction, and long-term institutional resilience.

Material issues guide the Bank's strategy execution, risk management priorities, sustainability initiatives, and stakeholder engagement activities.

How We Determine Our Material Issues

DBN applies a double materiality approach in determining its material ESG issues, recognising that sustainability matters may be material both in terms of their financial implications for the Bank and their broader impacts on society and the environment.

The Bank's materiality assessment therefore considers two complementary dimensions:



Financial Materiality:

This dimension assesses how environmental, social, and governance factors may affect the Bank's financial performance, operational efficiency, risk exposure, or ability to deliver on its strategic objectives.

Impact Materiality:

This dimension evaluates how the Bank's operations, financing activities, and institutional practices affect stakeholders, communities, ecosystems, and the broader development landscape.



Our 2025 assessment engaged a cross-section of stakeholders to ensure the issues we prioritise reflect both institutional realities and broader societal expectations. The outcome of the assessment is a prioritised set of 19 material ESG issues, categorised into three segments based on their level of strategic importance and urgency.

Segment 1 Act Now

Issues in this category require immediate and continuous management attention due to their high significance to both stakeholders and DBN's strategic performance.

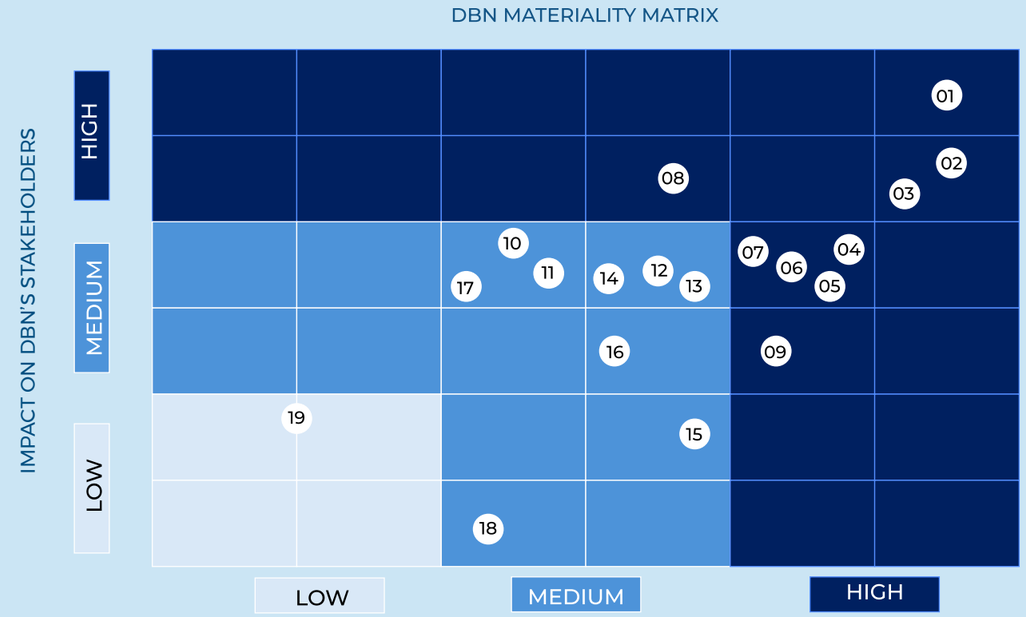
Segment 2 Manage and Monitor

These issues remain important to the Bank's sustainability strategy and require active management and periodic review.

Segment 3 Learn and Prepare

Issues in this category are emerging priorities that may grow in significance over time as regulatory expectations and market conditions evolve.

DBN Materiality Matrix



Our Material Issues by Priority

Segment 1 - strategic / critical focus

01 - Governance
Corporate Governance, Board Effectiveness & ESG Oversight

02 – Governance
Business Ethics, Compliance & Regulatory Alignment

03 – Governance
Trust, Transparency and Reporting Integrity

04 – Governance
Responsible Supply Chain and Vendor Management

05 – Governance
Data Privacy, Cybersecurity and Digital Ethics

06 – Economic
Financial Performance and Sustainable Growth

07 – Economic
Innovation, Product Development and Intellectual Property

08 – Economic
Customer Value, Satisfaction and Affordability

09 – Economic
Credit Gap Closure

Segment 2 – operational / growth enablers

10 - Economic
Capacity Building and Impact Measurement

11 - Social
Community Development and Social Impact

12 - Social Financial Inclusion

13 - Social
Talent Management and Employee Experience

14 - Social
Responsible Lending, Consumer Protection and Human Rights

15 - Social Accessibility

16 – Environmental
Climate Finance and Climate Resilience

17 - Environmental
Environmental and Social Risk Management (ESRM)

18 - Environmental
Energy Efficiency, Waste and Circularity

Segment 3 - Emerging

19 - Environmental
Biodiversity and Environmental Impact

DBN recognises that material issues evolve over time. Accordingly, the Bank reviews its materiality assessment periodically to reflect emerging sustainability risks, regulatory developments, and stakeholder expectations.

SUSTAINABILITY-RELATED RISKS AND OPPRTUNITIES

Risk/Opportunity Area	Current Response Approach	Progress Made in 2025	Planned Response Approach
Data Privacy, Cybersecurity and Digital Ethics	▪ Implemented robust data protection framework aligned with NDPR and CBN requirements. ▪ Conduct regular security audits and vulnerability assessments. ▪ Enhanced cybersecurity controls across the Bank's digital infrastructure	▪ Maintained zero data breach incidents despite growth in operations. ▪ Underwent ISO Revalidation Exercise and successfully maintained our certifications for: ▪ ISO 27001: Information Security Management ▪ ISO 20000: IT Service Management ▪ ISO 22301: Business Continuity Management. ▪ Enhanced BizAid platform security features. successful NDPR compliance audit by the Nigeria Data Protection Commission (NDPC) with zero infractions. ▪ Fostered a "security-first" culture through comprehensive Bank-wide awareness campaigns with 100% staff participation.	▪ Deploy advanced threat detection capabilities. ▪ Establish data analytics center for evidence-based impact measurement. Enhance PFI cybersecurity capacity building. ▪ Publish transparency report on data practices.
Trust, Transparency and Reporting Integrity	▪ Comprehensive integrated reporting framework aligned with GRI Standards and CBN Nigerian Sustainable Banking Principles. ▪ Periodic reports rendered to regulators, development partners and stakeholders.	▪ Published 7th Annual Integrated Report with comprehensive sustainability disclosures. ▪ Maintained AAA/A+ credit ratings from Agusto & Co and GCR. ▪ Achieved GCF Direct Access Entity accreditation requiring stringent disclosure standards.	▪ Implement PCAF financed emissions measurement methodology. ▪ Obtain limited assurance on key sustainability metrics. ▪ Enhance digital disclosure platform for real-time stakeholder access. ▪ Establish rigorous impact evaluation framework. Publish annual climate finance report.
Business Ethics, Compliance and Regulatory Alignment	▪ Comprehensive compliance framework aligned with CBN and EFCC's AML/CFT/CPF requirements, and development partner fiduciary standards. ▪ Robust PFI due diligence and ongoing monitoring. Whistleblower protection with anonymous reporting. ▪ Regular internal and external audits. Code of conduct training for all staff.	▪ Maintained zero regulatory sanctions and zero fraud incidents. ▪ Successfully monitored PFIs with comprehensive compliance screening. ▪ Organization-wide professional ethics awareness and attestation.	▪ Implement enhanced AML transaction monitoring across PFI network. ▪ Establish third-party ethics audits of high-value relationships. Deploy AI-powered fraud detection. ▪ Strengthen whistleblower protection with external ombudsman. ▪ Publish annual ethics and compliance report. ▪ Implement beneficial ownership verification for large MSMEs.
Corporate Governance, Board Effectiveness and ESG Oversight	▪ Board composition with majority Independent Non-Executive Directors. ▪ Dedicated Board Sustainability Committee for ESG oversight. Quarterly sustainability performance reviews. ▪ Clear separation of Chairman and CEO roles.	▪ Maintained full compliance with Central Bank of Nigeria (CBN) Code of Corporate Governance and other applicable regulatory requirements ▪ Integrated sustainability considerations into Board decision-making processes. ▪ Established quarterly ESG reporting	▪ Conduct climate finance and ISSB specialized training for all Board members. ▪ Establish Board Climate Risk Committee or expand sustainability mandate. ▪ Integrate ISSB disclosure into Board agenda. ▪ Recruit additional climate finance expertise. ▪ Develop Board climate literacy program. Enhance dashboards with real-time ESG metrics.

Risk/Opportunity Area	Current Response Approach	Progress Made in 2025	Planned Response Approach
Environmental and Social Risk Management (ESRM)	▪ Comprehensive ESMS Policy aligned with World Bank Standards and CBN principles. 100% portfolio screening for E&S risks with project categorization. ▪ Public exclusion list prohibiting harmful activities. Annual ESMS compliance audits by third-party experts. ▪ PFI capacity building on E&S management.	▪ Completed third consecutive annual ESMS audit with improvements implemented. ▪ Conducted group-wide E&S capacity building for all staff. ▪ Delivered two-day PFI training on risk categorization and gender mainstreaming. ▪ Screened 100% of disbursements for compliance.	▪ Implement PCAF methodology to measure financed emissions across portfolio. ▪ Conduct climate scenario analysis (1.5°C, 2°C, >3°C pathways). ▪ Develop sector-specific climate risk policies. ▪ Set science-based portfolio decarbonization targets. ▪ Integrate physical climate risk into credit evaluation. ▪ Launch PFI climate finance capacity program.
Climate Finance and Climate Resilience	▪ GCF Direct Access Entity accreditation and Readiness Programme. Green Finance strategy and Climate Risk Management Policy operational. ▪ Green lending performance tracking. ▪ LPRES Project supporting climate-resilient agriculture.	▪ Achieved landmark GCF Direct Access Entity accreditation - first Nigerian DFI. Disbursed over ₦41bn to to over 100 green businesses. ▪ Secured Green Climate Fund Readiness Grant. ▪ Secured Climate Investment Fund/AfDB Technical Support Grant. ▪ Secured International Climate Initiative (IKI) Small Grant.	▪ Develop comprehensive green finance product suite (green bonds, sustainability-linked loans, adaptation facilities). ▪ Submit first GCF proposal by Q2 2025 for MSME climate adaptation fund. ▪ Establish Climate Finance Desk with specialized team. ▪ Set climate mobilization target (₦50bn by 2027). ▪ Create MSME Climate Innovation Challenge. ▪ Join global DFI climate networks.
Energy Efficiency, Waste and Circularity	▪ Energy management practices across Abuja and Lagos office premises. ▪ Waste reduction initiatives and responsible procurement. ▪ Monitoring of operational carbon footprint. ▪ Integration of sustainability into facilities management. ▪ Employee awareness programs on resource conservation.	▪ Implemented energy-saving measures in offices. ▪ Promoted paperless operations through digital platforms. ▪ Enhanced waste segregation practices. ▪ Supported staff environmental awareness through training and communications.	▪ Achieve carbon-neutral operations by 2030. ▪ Obtain green building certification for new head office building. ▪ Strengthen Group-wide net-zero campaign. ▪ Transition to energy-efficient equipment. ▪ Measure and report Scope 1 & 2 emissions per ISSB S2.
Financial Performance and Sustainable Growth	▪ Prudent financial management balancing development mandate with sustainability. ▪ Diversified funding from development partners and institutional shareholders. ▪ Risk-based pricing aligned with development objectives. ▪ Regular monitoring of financial sustainability KPIs.	▪ Maintained strong credit ratings (AAA/A+). ▪ Successfully mobilized concessional funding from multiple development partners.	▪ Mobilize more climate investment. ▪ Develop blended finance structures to crowd-in private capital. ▪ Achieve AMPLIFI financial sustainability targets. ▪ Diversify funding sources. Maintain investment-grade credit ratings. ▪ Optimize balance sheet for 2M MSME target.
Credit Gap Closure	▪ Extend financing through PFIs for on-lending to MSMEs. ▪ Targeted products for underserved segments. ▪ Technical assistance supporting PFI MSME capabilities.	▪ Extended over N1.4 trillion naira to over 1 million businesses in Nigeria. Maintained 74% women beneficiary achievement. ▪ Targeted disbursed to economically disadvantaged regions. ▪ Partnered with 84 PFIs to extend credit to unserved and underserved businesses in Nigeria.	▪ Launch digital lending partnerships with fintechs and mobile money providers. ▪ Pilot alternative credit scoring using mobile transaction data. ▪ Transform BizAid into comprehensive MSME super-app. ▪ Establish dedicated inclusion desk for underserved segments. Develop low-ticket products (₦50K-₦500K) for micro-enterprises. ▪ Target 2M MSMEs under AMPLIFI.

Risk/Opportunity Area	Current Response Approach	Progress Made in 2025	Planned Response Approach
Capacity Building and Impact Measurement	▪ Learning Management System MSME financial literacy and business training. ▪ Annual training programs across Nigeria. ▪ Technical assistance to PFIs and MSMEs. ▪ Impact measurement framework tracking jobs created and development outcomes. ▪ Regular M&E of loans disbursed	▪ Trained 9,500 MSMEs through capacity building programs. Demonstrated 1.2M+ jobs created through rigorous tracking. ▪ Maintained 93% PFI satisfac tion through quality technical support. ▪ Delivered training to 20 PFIs on ESMS, inclusive lending, and climate finance. ▪ Enhanced BizAid platform features and accessibility.	▪ Scale training to 100,000 MSMEs annually toward 500,000 AMPLIFI target. ▪ Partner with universities and research institutions for impact evaluation rigor. ▪ Transform BizAid into digital learning platform with Courser-a/Khan Academy content. ▪ Establish impact measurement center of excellence. ▪ Obtain third-party impact verification. ▪ Publish evidence-based development research.
Innovation, Product Develop ment and Intellectual Property	▪ Product development aligned with MSME needs and development priorities. ▪ Innovation in wholesale DFI models and delivery channels. ▪ Digital innovation through BizAid platform. ▪ Exploration of fintech partnerships. ▪ Annual Innovation Challenge for staff ideas. Partnership with technolo gy providers.	▪ Launched innovative products supporting climate finance, women entrepreneurs, and Northern Nigeria inclusion. ▪ Enhanced digital capabili ties through BizAid upgrades. ▪ Explored fintech partner-ship opportunities. ▪ Conducted 2025 Innovation Week with staff engage ment. ▪ Maintained product development pipeline aligned with AMPLIFI strategic pillars.	▪ Establish innovation lab/sand box for rapid product experimentation. ▪ Launch venture arm exploring new DFI models. Develop IP strategy for proprietary methodologies. ▪ Create fintech partnership pipeline. ▪ Pilot direct MSME digital lending. ▪ Develop blended finance product structures. ▪ Host annual Techpreneur Summit for MSME innovation ecosystem.
Financial Inclusion	▪ Wholesale model through PFIs including microfinance banks with last-mile reach. ▪ BizAid app for MSME capacity building. ▪ Women-focused products (74% achievement). Northern Nigeria special focus (₦49bn). ▪ PFI capacity building on inclusive lending. ▪ Exploration of digital partner ships.	▪ Reached 711,819 MSMEs representing significant inclusion progress. ▪ Maintained 74% women beneficiaries demonstrating gender leadership. ▪ Disbursed ₦49bn to Borno, Adamawa, Yobe, Katsina, Zamfara and disadvantaged regions. Trained 9,500 MSMEs improving financial literacy. ▪ Partnered with 79 PFIs including MFBs with grassroots reach.	▪ Launch digital partnerships with fintechs and mobile money platforms reaching 200K+ MSMEs. ▪ Pilot alternative credit scoring using non-traditional data. Transform BizAid into MSME super-app. ▪ Establish inclusion desk for persons with disabilities, youth, refugees. Set 40% unbanked-to-banked conversion target. ▪ Partner with CDFIs for rural reach.
Responsible Lending, Consumer Protection and Human Rights	▪ Responsible lending framework embedded in PFI agreements. ▪ Consumer protection require ments in loan documentation. Human Rights Policy support ing fair treatment and non-dis crimination. ▪ PFI oversight mechanisms. Grievance redress mechanisms for MSMEs. ▪ Due diligence on high-risk sectors and regions.	▪ Maintained zero human rights violations across operations. Ensured fair treatment in all stakeholder dealings. ▪ Zero consumer protection complaints escalated to CBN. ▪ Successfully monitored loans through PFI reporting. ▪ Integrated human rights considerations into ESMS framework and PFI training.	▪ Conduct human rights impact assessment across value chain. Implement algorithmic fairness testing for credit models. ▪ Establish independent MSME ombudsman function. ▪ Develop just transition principles for climate-affected sectors. ▪ Publish consumer protection report with metrics. ▪ Enhance PFI responsible lending training.

Risk/Opportunity Area	Current Response Approach	Progress Made in 2025	Planned Response Approach
Community Development and Social Impact	▪ Development impact mandate focused on job creation, poverty reduction, and regional inclusion. ▪ Targeted disbursement to economically disadvantaged regions. ▪ Support for MSMEs in underserved sectors. ▪ Advocacy for MSME segment	▪ Created and sustained 1.2M+ jobs through MSME financing demonstrating development impact. ▪ Supported over 1 million MSMEs across all states of Nigeria. . Partnered with Federal Govern ment on MSME Clinic and interventions. ▪ Demonstrated poverty reduction through impact measurement.	▪ Set quantitative impact targets. Partner with government and other agencies to support MSME ecosystem development. ▪ Publish annual development impact report with evidence. ▪ Support unserved/underserved MSMEs.
Talent Management and Employee Experience	▪ Competitive compensation aligned with market and development mandate. ▪ Professional development and training programs. ▪ Performance management aligned with AMPLIFI strategy. ▪ Employee engagement initiatives and feedback mechanisms. ▪ Culture of purpose-driven development finance. ▪ Health and wellness programs.	▪ Maintained stable workforce of 69 full-time employees. ▪ Achieved 100% staff comple tion of mandatory training programs. ▪ Maintained high employee engagement supporting operational excellence. ▪ Attracted specialized talent in climate finance and develop-ment finance. ▪ Implemented succession planning framework.	▪ Achieve gender balance in workforce composition. ▪ Develop specialized training programs in climate finance, impact measurement, fintech. Implement competitive retention strategies for scarce expertise. ▪ Enhance staff development on GCF and ISSB requirements.
Accessibility	▪ Commitment to financial accessibility for all MSMEs regardless of abilities. ▪ Digital platform accessibility considerations in BizAid design. ▪ Partnership with PFIs to ensure inclusive service delivery. ▪ Non-discriminatory lending principles.	▪ Maintained inclusive lending practices across MSME beneficiaries. ▪ Ensured digital platforms considered accessibility features. ▪ Partnered with diverse PFI network reaching different MSME segments. ▪ Zero discrimination complaints related to accessibility. Integrated accessibility into ESMS and human rights frameworks.	
Responsible Supply Chain and Vendor Management	▪ Establish supplier code of conduct promoting ethical practices. ▪ Prioritize local MSME vendors where feasible to support development mandate.	▪ Enhanced vendor selection protocols implemented. ▪ Maintained zero vendor-re lated ethics violations.	▪ Implement vendor capacity building program on sustain ability standards. ▪ Set targets for local MSME procurement.
Customer Value, Satisfaction and Affordability	▪ Conduct annual PFI satisfac tion surveys to measure service quality. ▪ Provide competitive pricing aligned with development objectives. ▪ Maintain diverse product offerings meeting MSME needs. ▪ Implement feedback mechanisms for continuous improvement. ▪ Monitor customer retention metrics.	▪ Achieved 87% PFI satisfaction score and 90% NPS, demon strating strong relationship quality. ▪ Served over one million MSMEs with differentiated products. ▪ Enhanced customer service through digital channels. ▪ Sustained long-term PFI partnerships across.	▪ Enhance digital customer experience through BizAid platform upgrades. ▪ Set customer satisfaction targets aligned with AMPLIFI.
Biodiversity and Environmental Impact	▪ Screen lending for biodiver sity impacts through ESMS framework. ▪ Apply exclusion list prohibit-ing financing of harmful activities.	▪ Maintained zero financing of activities on exclusion list (deforestation, illegal fishing, protected areas). ▪ Screened 100% of portfolio for environmental compliance. ▪ Supported sustainable agriculture and fisheries businesses. ▪ Enhanced environmental awareness in PFI training programs.	▪ Continue to support ecosystem restoration businesses.

Impact of Sustainability related Risks and Opportunities on our Strategy and business model

Risk/Opportunity Area	Impact on Strategy	Impact on Operations	Impact on Business Model
Data Privacy, Cybersecurity & Digital Ethics	• Cybersecurity is embedded as a strategic enabler of the Bank's digital-first service delivery model. • Planned deployment of advanced threat detection and a data analytics centre supports evidence-based strategic decision-making. • A security-first culture anchors the Bank's long-term reputation	• ISO 27001, ISO 20000 and ISO 22301 certifications anchor operational resilience and service continuity.campaigns with 100% staff participation. • 100% staff participation in cybersecurity awareness programs embeds security disciplines across all operational layers. • Zero breach incidents in 2025 validate the operational effectiveness of existing controls.	• Secure BizAid platform underpins the Bank's digital MSME engagement model and PFI interface. • NDPC compliance and data ethics commitment protect the Bank's licence to operate digital financial services. • Transparency reporting on data practices will strengthen trust with MSMEs, PFIs and development partners.
Trust, Transparency & Reporting Integrity	• GCF Direct Access Entity accreditation a landmark for Nigerian DFIs repositions the Bank's strategic role in climate finance intermediation. • Transition to ISSB-aligned and PCAF-based disclosures signals a strategic commitment to global best practice reporting. • AAA/A+ ratings validate the	• Comprehensive integrated reporting framework aligned with GRI and CBN Sustainable Banking Principles drives operational reporting discipline. • Quarterly sustainability performance reviews create internal accountability loops across all operational units. • Planned digital disclosure platform will enable real-time stakeholder access to performance data.	• The Bank's wholesale DFI model depends on trust and transparency to attract concessional capital from development partners. • Publication of annual climate finance reports will entrench the Bank's identity as a sustainability-focused institution. • Enhanced disclosure standards are a prerequisite for GCF and other international facility eligibility.
Business Ethics, Compliance & Regulatory Alignment	• Zero regulatory sanctions and zero fraud incidents in 2025 protect the Bank's operating licence, underpinning all strategic activity. • Planned AI-powered fraud detection and enhanced AML transaction monitoring strengthen the strategic resilience of the PFI network. • Beneficial ownership verification	• AML/CFT/CPF compliance framework aligned with CBN and EFCC requirements governs all PFI due diligence and loan monitoring operations. • Organisation-wide ethics attestation and whistleblower protection embed compliance culture into daily operations. • External ombudsman function planned to strengthen independent oversight of whistleblower processes.	• Fiduciary credibility with development partners is the cornerstone of the Bank's wholesale funding model. • Robust compliance standards make the Bank an eligible counterparty for stringent development finance institutions and climate funds. • Annual ethics and compliance reporting will formalise accountability to shareholders and development partners.
Corporate Governance, Board Effectiveness & ESG Oversight	• Majority independent Board composition and clear Chairman/CEO separation ensure strategic decisions reflect broad stakeholder interests. • Dedicated Board Sustainability Committee integrates ESG considerations directly into capital allocation and strategic priorities.	• Quarterly ESG reporting creates a structured operational cadence for monitoring sustainability performance. • Planned real-time ESG dashboards will improve the speed and quality of operational governance decisions. • Integration of ISSB disclosures into the Board agenda formalises climate risk as an operational governance priority.	• Strong governance structures underpin the Bank's credibility with institutional shareholders and concessional lenders. • Proposed Board Climate Risk Committee will align governance architecture with evolving global DFI standards. • Climate finance expertise recruitment will strengthen the Board's capacity to oversee the Bank's expanding green portfolio.

Risk/Opportunity Area	Impact on Strategy	Impact on Operations	Impact on Business Model
Environmental & Social Risk Management (ESRM)	• 100% portfolio screening and a public exclusion list reflect a strategic commitment to responsible finance that meets World Bank and CBN standards. • Planned climate scenario analysis across 1.5°C, 2°C and >3°C pathways will inform sector strategy and portfolio composition decisions. • Science-based portfolio	• Third consecutive annual ESMS audit and group-wide E&S capacity building embed risk management into all operational lending processes. • PFI training on risk categorisation and gender mainstreaming extends ESRM standards through the Bank's entire intermediation chain. • Physical climate risk integration into credit evaluation will operationalise climate-adjusted underwriting standards.	• ESMS framework aligned with World Bank standards differentiates the Bank as an eligible partner for stringent international development facilities. • PFI climate finance capacity program will build last-mile ESRM capability across the Bank's distribution network. • PCAF financed emissions measurement will formally quantify the climate footprint of the Bank's wholesale lending model.
Climate Finance & Climate Resilience	• GCF Direct Access Entity accreditation is the Bank's most significant strategic milestone, opening a new international climate capital channel. • Climate mobilisation target of ₦50 billion by 2027 anchors the Bank's medium-term strategic growth agenda. • Planned MSME Climate Adaptation Fund and GCF proposal	• LPRES Project and green lending performance tracking systems operationalise climate-resilient agricultural finance. • Climate Finance Desk with a dedicated specialised team will create an operational centre of excellence for green product delivery. • Grants from GCF, CIF/AfDB and IKI supplement operational capacity without creating fixed financial obligations.	• The Bank's wholesale DFI model is evolving to incorporate green bonds, sustainability-linked loans and climate adaptation facilities. • First Nigerian DFI GCF accreditation positions the Bank as a gateway institution for international climate finance into Nigeria's MSME sector. • Participation in global DFI climate networks will strengthen the Bank's business model through knowledge exchange and co-financing partnerships.
Energy Efficiency, Waste & Circularity	• Carbon-neutral operations target by 2030 aligns the Bank's operational strategy with its green finance mandate, enhancing credibility. • Scope 1 & 2 emissions reporting per ISSB S2 will formalise the Bank's environmental accountability in line with global standards. • Green building certification for the new head office signals a	• Energy-saving measures and paperless operations through digital platforms reduce operational overheads across Abuja and Lagos offices. • Waste segregation practices and responsible procurement integrate circularity principles into facilities management operations. • Staff environmental awareness programs through training and communications embed sustainability in day-to-day behaviour.	• Demonstrating operational environmental responsibility strengthens the Bank's licence to operate as a sustainability-focused DFI. • Group-wide net-zero campaign positions the Bank's internal operations as consistent with its external climate finance mission. • Transition to energy-efficient equipment will reduce the operational cost base and support long-term financial sustainability.
Financial Performance & Sustainable Growth	• AMPLIFI financial sustainability targets anchor the Bank's growth strategy around measurable performance milestones. • Diversification of funding sources and blended finance structures are key strategic levers for scaling the Bank's impact. • Target to optimise the balance sheet for 2 million MSMEs reflects the strategic integration	• Regular monitoring of financial sustainability KPIs creates operational accountability for balancing development mandate with commercial viability. • Risk-based pricing aligned with development objectives governs the operational economics of all PFI lending activity. • Concessional funding mobilisation from multiple development partners requires rigorous operational reporting and covenant compliance.	• The Bank's wholesale DFI model depends on sustained investment-grade credit ratings to attract and retain concessional capital. • Blended finance structures will crowd-in private capital, expanding the business model beyond development partner dependency. • AAA/A+ ratings validate the Bank's business model sustainability to shareholders, regulators and international funding partners.
Credit Gap Closure	• Extending over ₦1.4 trillion to more than 1 million MSMEs is the Bank's primary expression of its credit gap reduction mandate. • Digital lending partnerships with fintechs and mobile money providers are a strategic priority for expanding MSME reach under AMPLIFI. • Low-ticket product development (₦50K–₦500K) targets micro-enterprises currently	• 79 PFI partnerships form the operational backbone of the Bank's wholesale intermediation model. • 74% women beneficiary rate is operationally maintained through targeted PFI incentives and monitoring protocols. • Disbursements to economically disadvantaged regions including Borno, Adamawa and Yobe require specialised PFI engagement and monitoring.	• The PFI on-lending model is the Bank's core business model, enabling nationwide MSME credit delivery without direct retail banking infrastructure. • BizAid evolution into a comprehensive MSME super-app will expand the Bank's digital business model capability. • Alternative credit scoring using mobile transaction data will enable the Bank to serve MSMEs currently excluded by traditional underwriting.

Risk/Opportunity Area	Impact on Strategy	Impact on Operations	Impact on Business Model
Capacity Building & Impact Measurement	▪ Training 9,500 MSMEs and demonstrating 1.2 million+ jobs created validates the Bank's development thesis and strengthens the case for renewed funding mandates. ▪ Scaling to 100,000 MSME training beneficiaries annually is a key AMPLIFI strategic milestone. ▪ Impact measurement centre of excellence and third-party	▪ Learning Management System and annual training programs across Nigeria form the operational infrastructure for MSME capacity building. ▪ 93% PFI satisfaction through quality technical support reduces partner attrition in the Bank's intermediation network. ▪ M&E frameworks tracking jobs created and development outcomes enable operational accountability for impact delivery.	▪ MSME capacity building strengthens the Bank's wholesale model by improving the quality and resilience of PFI-on-lent borrowers. ▪ BizAid transformation into a digital learning platform integrating Coursera/Khan Academy content expands the Bank's non-financial service offering. ▪ University and research partnerships for impact evaluation will enhance the intellectual credibility of the Bank's development model.
Innovation, Product Development & Intellectual Property	▪ Annual Innovation Week and staff Innovation Challenge embed a culture of continuous product development aligned with AMPLIFI strategic pillars. ▪ Planned innovation lab and venture arm signal a strategic evolution toward new DFI model exploration. ▪ IP strategy development for proprietary methodologies will protect the Bank's competitive differentiation.	▪ BizAid platform upgrades and fintech partnership exploration are the primary operational vehicles for digital innovation. ▪ Product development pipeline aligned with AMPLIFI is reviewed and managed operationally through the annual Innovation Challenge process. ▪ Annual Techpreneur Summit planned to connect the Bank operationally with the broader MSME innovation ecosystem.	▪ Climate finance, women entrepreneurship and northern Nigeria inclusion products demonstrate the Bank's ability to align product innovation with its development mandate. ▪ Fintech partnership pipeline will extend the Bank's distribution model beyond traditional PFI channels. ▪ Direct MSME digital lending pilots represent a potential future evolution of the Bank's wholesale-only business model.
Financial Inclusion	▪ Reaching 711,819 MSMEs with 74% women beneficiaries demonstrates the Bank's strategic leadership in gender-lens and inclusive finance. ▪ Target of 40% unbanked-to-banked conversion rate positions financial inclusion as a measurable strategic outcome. ▪ Dedicated inclusion desk for persons with disabilities, youth and refugees reflects a strategic commitment to leaving no segment behind.	▪ MFB and last-mile PFI partnerships operationalise inclusion by extending the Bank's reach to grassroots segments without direct retail infrastructure. ▪ 9,500 MSME training beneficiaries improve financial literacy and strengthen borrower quality across inclusion-targeted portfolios. ▪ Digital partnerships with fintechs and mobile money platforms are operationally planned to reach 200,000+ additional MSMEs.	▪ The Bank's PFI-based wholesale model is the primary vehicle for financial inclusion, enabling last-mile reach through a network of 79 institutions. ▪ Alternative credit scoring using non-traditional data will expand the addressable MSME market within the existing business model. ▪ CDFI partnerships for rural reach will complement the Bank's urban-anchored PFI network with deeper community penetration.
Responsible Lending, Consumer Protection & Human Rights	▪ Zero consumer protection complaints to CBN and zero human rights violations confirm that the Bank's strategy is grounded in ethical lending principles. ▪ Just transition principles for climate-affected sectors will align the Bank's lending strategy with responsible transition finance. ▪ Algorithmic fairness testing for credit models reflects a proactive strategic stance on responsible use of digital underwriting.	▪ Responsible lending framework embedded in PFI agreements governs the conduct of all loan origination and monitoring operations. ▪ Grievance redress mechanisms for MSMEs and independent ombudsman function create formal operational channels for consumer protection. ▪ Human rights considerations integrated into ESMS framework and PFI training extend responsible lending standards through the intermediation chain.	▪ Responsible lending credentials make the Bank an eligible counterparty for development finance institutions with stringent social safeguard requirements. ▪ Human rights impact assessment across the value chain will provide a comprehensive view of the Bank's social risk exposure. ▪ Consumer protection report with metrics will formally account for the Bank's duty of care to MSME borrowers.

Risk/Opportunity Area	Impact on Strategy	Impact on Operations	Impact on Business Model
Community Development & Social Impact	▪ 1.2 million+ jobs created and support for over 1 million MSMEs across all Nigerian states are the clearest expressions of the Bank's development finance strategy in action. ▪ Quantitative impact targets planned under AMPLIFI will sharpen the Bank's strategic accountability for community outcomes. ▪ Federal Government partnership on MSME Clinic positions the Bank as a central player in national MSME development policy.	▪ Targeted disbursement to economically disadvantaged regions requires specialised PFI engagement and monitoring operations. ▪ Annual development impact report with evidence will create a formal operational accountability mechanism for social outcomes. ▪ Advocacy for the MSME segment complements lending operations with policy influence to improve the enabling environment.	▪ Community development impact is embedded in the Bank's wholesale business model, delivered through PFI intermediation rather than direct community programming. ▪ Government and agency partnerships will open co-financing and grant channels that extend the Bank's community reach beyond its balance sheet. ▪ Evidence-based development research will position the Bank as a knowledge institution alongside its financial intermediation role.
Talent Management & Employee Experience	▪ Attraction of specialised talent in climate finance and development finance is a strategic enabler of the Bank's AMPLIFI growth agenda. ▪ Specialised training programs in climate finance, impact measurement and fintech align human capital development with strategic priorities. ▪ Gender balance target in workforce composition reflects the Bank's strategy of practising inclusive values internally.	▪ 100% mandatory training completion and high employee engagement support consistent operational excellence across a 69-person workforce. ▪ Succession planning framework reduces key person concentration risk in critical operational roles. ▪ GCF and ISSB staff training programs ensure operational readiness for the Bank's expanding disclosure and climate finance obligations.	▪ A purpose-driven development finance culture strengthens the Bank's employer brand and supports talent retention in a competitive market. ▪ Competitive retention strategies for scarce expertise in climate finance are essential to sustaining the Bank's evolving business model. ▪ Staff capabilities in impact measurement and green finance directly enable the Bank's positioning as a credible DFI.
Customer Value, Satisfaction & Affordability	▪ 87% PFI satisfaction score and 90% NPS underscore the effectiveness of a relationship-driven wholesale strategy. ▪ AMPLIFI-aligned customer satisfaction targets will formalise service quality as a measurable strategic outcome. ▪ Competitive pricing aligned with development objectives is a strategic tool for maintaining PFI demand and crowding in private sector participation.	▪ Annual PFI satisfaction surveys and feedback mechanisms create a structured operational loop for continuous service improvement. ▪ Digital customer experience enhancement through BizAid upgrades is an operational priority for meeting growing PFI expectations. ▪ Long-term PFI partnerships sustained across multiple cycles validate the operational quality of the Bank's wholesale model.	▪ The Bank's value proposition to PFIs combining affordable funding, technical support and capacity building differentiates its wholesale model from commercial lenders. ▪ BizAid as a digital engagement platform extends the Bank's service model beyond credit to comprehensive MSME support. ▪ Diverse product offerings meeting differentiated MSME needs through PFIs are central to the Bank's inclusive finance business model.
Biodiversity & Environmental Impact	▪ Exclusion list prohibiting financing of harmful activities is a foundational strategic safeguard protecting the Bank's environmental integrity. ▪ Support for ecosystem restoration businesses reflects a strategic intent to align lending with biodiversity-positive outcomes. ▪ Continued environmental compliance screening will ensure the Bank's portfolio remains eligible for green and impact funding mandates.	▪ 100% portfolio screening for environmental compliance is integrated into the Bank's standard credit approval operations. ▪ Sustainable agriculture and fisheries financing is operationally embedded in the Bank's MSME product offering. ▪ Biodiversity considerations are included in PFI training programs, extending environmental standards through the intermediation network.	▪ Zero financing of exclusion list activities protects the Bank's eligibility for green capital from international climate and impact funds. ▪ Ecosystem restoration financing pipeline represents a growing niche within the Bank's green portfolio strategy. ▪ Environmental compliance across the portfolio supports the Bank's positioning as a responsible DFI aligned with global biodiversity frameworks.

Impact of Sustainability-related Risks and Opportunities on our Financial Performance, Position and Cashflow

Risk/Opportunity Area	Impact on Financial Performance	Impact on Financial Position	Impact on Cash Flows
Data Privacy, Cybersecurity & Digital Ethics	▪ Zero breach incidents protect revenue continuity and avoid costly remediation expenses. ▪ ISO certifications reduce operational risk losses and support service ▪ reliability. ▪ Security-first reputation supports PFI confidence and partnership retention.	▪ Reduced contingent liabilities from data breach exposures and regulatory penalties. ▪ Intangible asset value enhanced through cyberse curity certifications and NDPC compliance status. ▪ Balance sheet resilience strengthened against technology-related risk events.	▪ Short-term capital expenditure on threat detection systems and BizAid security enhancements. ▪ Long-term cash preservation through avoidance of breach remediation and regulatory sanction costs.
Trust, Transparency & Reporting Integrity	▪ AAA/A+ ratings lower the Bank's cost of borrowing and attract concessional funding. ▪ GCF accreditation unlocks access to new climate finance revenue streams. ▪ Strong sustainability disclosures reduce information asymmetry and lower the risk premium demanded by funders.	▪ Enhanced credibility with international capital providers supports liability diversification and reduces refinancing risk. ▪ ISSB-aligned disclosures and planned limited assurance strengthen the quality of reported net assets. ▪ Robust reporting framework protects the equity base from disclosure-related impairment risk.	▪ Short-term investment in assurance, PCAF methodology and digital disclosure platforms. ▪ Positive long-term cash flow impact through access to concessional and climate-linked funding lines enabled by disclosure credibility.
Business Ethics, Compliance & Regulatory Alignment	▪ Zero regulatory sanctions and zero fraud incidents preserve the operating licence and franchise value. ▪ Robust AML/CFT framework sustains development partner funding relationships, a key funding source. ▪ Compliance reputation differen-tiates the Bank among DFI counterparties and develop ment partners.	▪ Reduced contingent liabilities from regulatory fines, restitution orders or licence revocations. ▪ Protected goodwill and institutional reputation as balance sheet intangibles. ▪ PFI compliance screening reduces credit risk concen tration in the loan portfolio.	▪ Recurring operating expenditure on compliance monitoring, PFI due diligence and staff training. ▪ Avoided cash outflows from penalties, litigation and remedia tion that would arise from non-compliance.
Corporate Governance, Board Effectiveness & ESG Oversight	▪ Strong governance structure underpins credit ratings and institutional investor confidence. ▪ Board Sustainability Committee ensures ESG is integrated into capital allocation decisions, improving return quality. ▪ Climate finance Board training will improve the quality of strategic decisions affecting the Bank's green portfolio returns.	▪ Governance quality reflected in sustained institutional shareholder confidence and equity stability. ▪ CBN Corporate Governance Code compliance protects the Bank's regulatory standing as a balance sheet asset. ▪ ESG oversight reduces the risk of governance-related impairments to institutional value.	▪ Expenditure on Board training, ESG reporting infrastructure and real-time dashboard systems. ▪ Improved strategic oversight generates long-term returns through better capital deployment and risk manage ment decisions.
Environmental & Social Risk Management (ESRM)	▪ 100% E&S portfolio screening protects asset quality and reduces non-performing loan risk from excluded activities. ▪ Third-party ESMS audits and PFI capacity building improve portfolio quality and underwrit ing standards over time. ▪ Physical climate risk integration into credit evaluation will further strengthen risk-adjusted returns.	▪ Lower provisioning require ments arising from E&S-screened, lower-risk loan portfolio. ▪ Reduced contingent liabilities from environmental incidents or social harm linked to financed activities. ▪ Climate scenario analysis will inform more accurate risk-adjusted asset valuations and provisioning levels.	▪ Recurring expenditure on annual ESMS audits, capacity building and PFI training programs. ▪ Long-term cash flow protection through avoidance of loan losses from non-compliant borrowers. ▪ PCAF financed emissions methodology implementation is a near-term investment

Risk/Opportunity Area	Impact on Strategy	Impact on Operations	Impact on Business Model
Climate Finance & Climate Resilience	▪ ₦41 billion disbursed to over 100 green businesses generates interest income aligned with the development mandate. ▪ GCF accreditation — first for a Nigerian DFI creates a competitive advantage in mobilising climate capital at concessional terms. ▪ Grants from GCF, CIF/AfDB and IKI supplement income and reduce reliance on commercial funding.	▪ Growing green loan portfolio strengthens the balance sheet and positions the Bank to meet future green asset ratio expectations. ▪ Grant funding and technical assistance improve the net asset position without creating fixed financial obligations. ▪ Climate mobilisation target of ₦50 billion by 2027 will materially expand total assets.	▪ Positive cash inflows from climate grants and concessional funding from international climate facilities. ▪ Near-term investment required for Climate Finance Desk, GCF proposal development and green product suite creation. ▪ Long-term cash generation through interest receipts on green lending and recycled climate capital.
Energy Efficiency, Waste & Circularity	▪ Energy-saving measures and paperless operations reduce recurring overhead costs across office premises. ▪ Carbon-neutral operations target by 2030 reduces future exposure to carbon pricing and transition costs. ▪ Green building certification for the new head office expected to enhance asset value and reduce utility expenditure.	▪ Green certification of premises adds to fixed asset value and supports ESG-aligned asset reporting. ▪ Transition to energy-efficient equipment reduces future maintenance liabilities and deferred capital risk. ▪ Scope 1 & 2 emissions reporting per ISSB S2 will reduce environmental liability exposure.	▪ Near-term capital outflows for energy-efficient equipment, green building certification and emissions measurement systems. ▪ Long-term reduction in utility and facilities operating expenditure generating sustainable cash savings.
Financial Performance & Sustainable Growth	▪ AAA/A+ ratings and diversified concessional funding reduce the Bank's blended cost of capital, supporting profitability. ▪ Blended finance structures under AMPLIFI will attract private capital co-investment, expanding intermediation income. ▪ Prudent risk-based pricing aligned with development objectives supports sustainable net interest margins.	▪ Stable equity base supported by institutional shareholders and strong retained earnings discipline. ▪ Diversified liability structure combining concessional, domestic and international funding — reduces refinanc-ing concentration risk. ▪ Investment-grade ratings protect access to capital markets and development finance networks.	▪ Concessional funding inflows from development partners represent a reliable and cost-effi-cient source of liquidity. ▪ Blended finance and private capital mobilisation planned to materially expand cash available for MSME disbursement under AMPLIFI. ▪ Balance sheet optimisation toward 2 million MSME target requires careful management of drawdown and repayment cycles.
Credit Gap Closure	▪ Over ₦1.4 trillion extended to more than 1 million MSMEs is the Bank's primary income-gen-erating activity through PFI on-lending margins. ▪ 74% women beneficiary rate strengthens gender lens credentials, supporting eligibili-ty for gender-focused funding windows. ▪ 79 PFI partnerships diversify the credit delivery network and reduce single-channel concen tration risk.	▪ Large and growing loan portfolio deployed through PFIs is the Bank's dominant asset class. ▪ Geographic diversification including ₦49 billion to underserved northern states reduces regional portfolio concentration risk. ▪ PFI network depth and breadth strengthens the Bank's intermediation franchise as a balance sheet intangible.	▪ Interest receipts from PFI on-lending are the primary driver of operating cash inflows. ▪ Loan repayments from PFIs enable capital recycling and support sustained disbursement capacity. ▪ Digital lending partnerships and alternative credit scoring planned to expand cash deployment channels further.
Capacity Building & Impact Measurement	▪ Training 9,500 MSMEs and 20 PFIs improves portfolio quality and reduces default risk over time. ▪ Demonstrated creation of 1.2 million+ jobs strengthens the impact narrative, supporting development partner funding renewals. ▪ 93% PFI satisfaction through quality technical support reduces PFI attrition and associated income loss.	▪ Impact measurement capability enhances credibili-ty with grant-making and concessional capital providers. ▪ BizAid as a scalable digital asset supports MSME engagement without proportionate cost growth. ▪ Third-party impact verifica-tion will strengthen the quality and auditability of reported development outcomes.	▪ Training programs and technical assistance represent operating expenditure partially offset by development partner grant funding. ▪ Returns materialise through improved PFI repayment performance and sustained access to concessional funding. ▪ Scale target of 100,000 MSME training beneficiaries annually requires incremental platform investment with declining per-unit costs.

Risk/Opportunity Area	Impact on Strategy	Impact on Operations	Impact on Business Model
Innovation, Product Development & Intellectual Property	▪ New climate finance, women-focused and northern Nigeria inclusion products diversify revenue streams beyond standard on-lending. ▪ Digital innovation through BizAid reduces per-MSME delivery costs and improves unit economics. ▪ Fintech partnership pipeline expected to expand reach without proportionate balance sheet growth.	▪ BizAid platform and proprietary methodologies represent growing intangible assets. ▪ Blended finance product structures will introduce new off-balance-sheet co-investment instruments. ▪ Innovation Lab investment builds future-facing capabilities that protect the Bank's competitive positioning.	▪ R&D, platform development and innovation activities represent near-term capital and operating expenditure. ▪ Long-term cash flow generation through new product uptake, fintech revenue sharing and digital efficiency gains.
Financial Inclusion	▪ Reaching 711,819 MSMEs demonstrates the commercial viability of the inclusion mandate and supports impact-linked funding eligibility. ▪ 74% women beneficiary rate strengthens eligibility for gender-lens investment windows. ▪ ₦49 billion to underserved northern states fulfils development mandate while generating portfolio income.	▪ Broader geographic and demographic portfolio reach reduces customer concentration risk. ▪ MFB and last-mile PFI partnerships extend effective asset reach beyond the Bank's direct balance sheet. ▪ Digital partnerships planned to expand financial asset exposure to 200,000+ additional MSMEs.	▪ Disbursement flows through the PFI network are the primary conduit for inclusion-linked cash deployment. ▪ Alternative credit scoring and digital lending pilots require near-term technology investment. ▪ Inclusion targets under AMPLIFI will drive significant incremental cash disbursement through 2027.
Responsible Lending, Consumer Protection & Human Rights	▪ Zero consumer protection complaints to CBN and zero human rights violations preserve regulatory standing and franchise value. ▪ Responsible lending framework reduces default risk and long-term credit losses through ethical underwriting standards. ▪ Algorithmic fairness testing for credit models will reduce discriminatory risk and associated reputational exposure.	▪ Reduced contingent liabilities from litigation, regulatory enforcement or reputational damage arising from lending misconduct. ▪ Protected institutional relationships with development partners requiring responsible lending covenants. ▪ Human rights impact assessment will identify and mitigate value-chain liabilities not yet reflected on the balance sheet.	▪ Framework maintenance, PFI training and ombudsman function represent ongoing operating expenditure. ▪ Avoided cash outflows from regulatory penalties, class action risk and remediation arising from non-compliance. ▪ .
Community Development & Social Impact	▪ Creating 1.2 million+ jobs through MSME financing validates the Bank's development return on capital deployed. ▪ Support for over 1 million MSMEs across all Nigerian states demonstrates nationwide economic relevance and strengthens advocacy positioning. ▪ Government partnership on MSME Clinic enhances institutional profile and supports future public funding access.	▪ Demonstrated social return on investment strengthens the Bank's case for continued development partner and shareholder support. ▪ Social capital and community trust function as intangible assets that support the Bank's franchise and licence to operate.	▪ Development impact delivery is embedded in the core disbursement cycle, requiring no additional dedicated cash outflow. ▪ Positive impact documentation supports funding renewals and grant income that improve cash inflows. ▪ Government and agency partnerships may open additional co-financing windows.
Talent Management & Employee Experience	▪ 100% mandatory training completion and stable 69-person workforce support consistent operational performance. ▪ Specialised climate finance and development finance talent strengthens execution capability for AMPLIFI strategy delivery. ▪ Succession planning framework reduces key person risk and continuity-related performance disruption.	▪ Human capital investment reflected in employee productivity, knowledge retention and reduced recruitment cost. ▪ Specialised talent in climate finance and ISSB reporting is a scarce resource that strengthens the Bank's intangible asset base.	▪ Salary, benefits and training expenditure represent the largest component of staff-related cash outflows. ▪ Productivity and retention improvements reduce per-unit operating cost and turnover-related replacement expenditure. ▪ Competitive retention strategies for scarce expertise will require targeted incremental compensation investment.

Risk/Opportunity Area	Impact on Strategy	Impact on Operations	Impact on Business Model
Customer Value, Satisfaction & Affordability	▪ 87% PFI satisfaction score and 90% NPS drive PFI retention and repeat borrowing, supporting income stability. ▪ Competitive pricing aligned with development objectives maintains PFI demand for Bank facilities. ▪ BizAid platform enhancements improve digital customer experience, supporting MSME engagement at scale.	▪ Strong PFI relationships represent high-quality franchise intangibles that reduce churn and support stable revenue. ▪ Long-term PFI partnerships lower the credit risk profile of the portfolio through relationship-based monitoring.	▪ Customer retention reduces acquisition and onboarding costs, improving operating cash efficiency. ▪ Digital channel investment in BizAid required to meet AMPLIFI satisfaction targets. ▪ High NPS scores support repeat disbursement cycles, driving predictable PFI repayment cash inflows.
Responsible Supply Chain & Vendor Management	▪ Zero vendor ethics violations and enhanced vendor selection protocols protect the Bank's reputation and procurement integrity. ▪ Local MSME vendor prioritisation supports the development mandate and strengthens community relationships.	▪ Reduced supply chain risk and associated contingent liabilities from vendor misconduct or ethics violations. ▪ Supplier code of conduct and ethics audits reduce third-party reputational exposure on the balance sheet.	▪ Vendor management infrastructure and sustainability capacity building represent recurring operating expenditure. ▪ Local MSME procurement targets will redirect a portion of supply chain spend toward development-aligned vendors.
Biodiversity & Environmental Impact	▪ Zero financing of exclusion list activities protects the Bank's reputation with green capital providers and development partners. ▪ Support for sustainable agriculture and fisheries MSMEs generates income while advancing ecosystem-positive outcomes. ▪ 100% environmental compliance screening protects the portfolio from stranded asset risk.	▪ Clean portfolio with zero exclusion list violations reduces environmental contingent liability on the balance sheet. ▪ Ecosystem restoration financing pipeline will support green asset portfolio growth and diversification. ▪ Green funding eligibility maintained through strong biodiversity screening record.	▪ ESMS biodiversity screening is a recurring operating cost embedded in the credit approval process. ▪ Avoided losses from environmental non-compliance, regulatory sanction and green funding disqualification preserve cash flow integrity.

Insights from COP 30

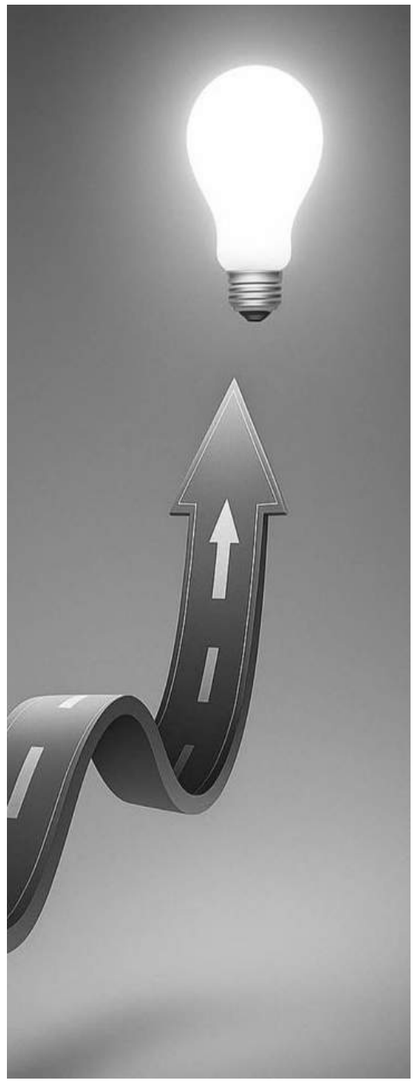
For the sixth consecutive year, the Development Bank of Nigeria participated in the 2025 United Nations Climate Change Conference, commonly known as the Conference of the Parties (COP30) to the United Nations Framework Convention on Climate Change (UNFCCC). Marking the tenth anniversary of the Paris Agreement, COP30 convened countries and regional organisations party to the Convention to advance collective action aimed at limiting global temperature rise. The conference also provided a platform for countries to present new or updated Nationally Determined Contributions (NDCs), outlining national commitments to address climate change, and to review progress on climate finance pledges made at COP29.

Held in Belém, Brazil, from 10 to 21 November 2025, the conference enabled DBN to engage with local and international stakeholders through panel discussions, bilateral meetings, and partnership dialogues.

Highlighted below are some of the engagements:







Updates on AFAC Engagements

Africa's first continent wide Sustainable Finance Taxonomy was endorsed by regulators, commercial banks,
insurance companies, and development finance institutions in Nairobi.Developed under the African
Development Bank Group□s African Financial Alliance on Climate Change (AFAC) platform, the taxonomy addresses a key gap in Africa's financial architecture by providing a standardised, context appropriate framework to mobilise domestic sustainable finance.As the continent faces increasing climate and sustainability challenges, the Africa Sustainable Finance Taxonomy establishes a foundation for a more coherent, transparent, and aligned sustainable finance ecosystem.



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DELIVERING VALUE THROUGH OUR STRATEGY

Our Value Creation Model

OUR VISION, PURPOSE, MISSION, VALUES, MANDATE AND DEVELOPMENT POSITION

Capital Inputs

Financial Capital

Financial resources mobilised from shareholders and development partners and deployed through on-lending and credit guarantees to expand access to finance for MSMEs.

Manufactured Capital

Physical and digital infrastructure, including DBN□s platforms, systems, and data assets, that enable efficient delivery, monitoring, and reporting of its activities.

Intellectual Capital

Our knowledge assets, including policies, frameworks, research publications, lectures and analytical tools, which support sound decision-making and promote sustainable finance practices.

Human Capital

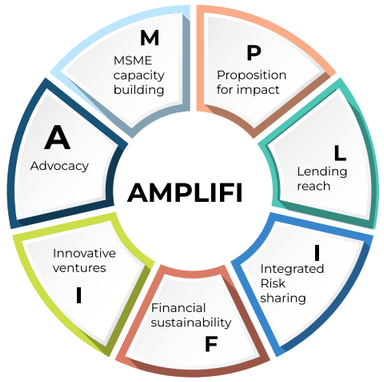
The skills, experience, and competencies of its employees, as well as the capacity built within PFIs through training and development initiatives.

Social & Relationship Capital

DBN□s network of PFIs, development partners, and key stakeholders, built through consistent engagement, collaboration, and technical support to deepen MSME financing.

Natural Capital

DBN□s approach to integrating environmental and social considerations into its financing decisions







Business Activities

- On-lending to PFIs for MSME financing
- Credit guarantees and risk-sharing mechanisms
- Blended finance mobilisation from development partners

- Deployment of the Bank's BizAid platform
- Development of MSME data infrastructure and analytics systems
- Learning Management Systems (LMS) for capacity building
- IT infrastructure upgrades and cybersecurity investments
- Operational infrastructure management

- Policy development; knowledge products; M&E Systems strengthening, Innovative product design

- Staff training and continuous professional development
- Capacity building for PFIs
- Talent acquisition and retention strategies
- Performance management and leadership development
- Culture, ethics, and employee engagement initiatives

- Staff training and continuous professional development
- Capacity building for PFIs
- Talent acquisition and retention strategies
- Performance management and leadership development
- Culture, ethics, and employee engagement initiatives

- Green finance and climate-aligned lending
- Environmental & Social Risk Management (ESRM) implementation
- Climate action and sustainability initiatives
- Resource efficiency and waste management practices Environmental data tracking and reporting

Outputs

- ₦1.4tn disbursed; ₦511bn guaranteed; Diversified finding sources, Increased credit flow to underserved segments, Stable asset growth

- Accessible digital lending and monitoring platforms; centralised MSME data; secure and efficient systemsinvestments
- Operational infrastructure management

- Published reports, working papers, and frameworks
- Data models and analytics dashboards
- New and improved financial products
- Institutional knowledge repositories

- Highly skilled and competent workforce
- Trained PFI partners with improved lending capabilities
- Structured learning programmes and certifications
- Strong organisational culture and governance alignment
- Increased staff productivity and engagement
- Culture, ethics, and employee engagement initiatives

- Established funding lines and co-financing partnerships
- TA programmes delivered to PFIs and MSMEs
- Expanded stakeholder network and collaborations
- Increased visibility and credibility of DBN
- Strengthened engagement platforms
- Culture, ethics, and employee engagement initiatives

- Green loans and climate finance portfolio
- ESRM frameworks and compliance systems
- Emissions tracking and environmental performance data Sustainability reports and disclosures
- Environmentally responsible operations

Outcomes

- Expanded funding access
- Job creation
- Financial inclusion
- strengthened MSME sector and economic growth

- Operational resilience and service quality
- Improved operational efficiency
- Enhanced access to finance
- scalable delivery of development finance

- Improved quality of lending decisions and risk management
- Standardisation of sustainable finance practices in the market
- Enhanced transparency and accountability
- Increased innovation capacity within DBN and PFIs
- Positioning DBN as a thought leader in development finance

- Strong institutional capacity to deliver on mandate
- Improved quality of credit appraisal and risk oversight
- Higher employee retention and organisational stability
- Enhanced execution of DBN□s strategy
- Sustainable knowledge transfer across the ecosystemalignment
- Increased staff productivity and engagement
- Culture, ethics, and employee engagement initiatives

- Increased trust and credibility within the financial ecosystem
- Stronger collaboration across public and private sectors
- Improved MSME access to finance and capacity support
- System-wide impact through partnerships
- Sustained social license to operate
- Culture, ethics, and employee engagement initiatives

- Reduced environmental and climate-related risks in loan portfolio
- Increased financing for climate-resilient and low-carbon businesses
- Improved environmental stewardship across operations
- Alignment with global sustainability standards ,
- Contribution to national climate and development goals

SUPPORTED BY A CORE OF STRONG GOVERNANCE, ETHICS AND INTEGRITY

Financial Capital

Financial Capital Overview

Our financial capital is derived from diversified funding sources comprising long-term borrowings from development partners, locally issued debt securities (bonds), and equity. This enables the Bank to sustainably fund its operations and strategic priorities.

The Group maintains a strong and resilient balance sheet, supported by a diversified capital structure of long-term debt and equity. Equity capital comprises contributions from the Federal Government of Nigeria (MOFI and NSIA), multilateral financial institutions (AfDB and EIB), and retained earnings. Debt capital consists of sovereign and bilateral borrowings from multilateral financial institutions. In 2023, the Bank raised ₦23 billion through its inaugural local bond issuance under its ₦100 billion Medium Term Notes Programme.

The Group deploys its capital primarily to fulfil its mandate of providing credit to underserved Micro, Small, and Medium Enterprises (MSMEs) through eligible Participating Financial Institutions (PFIs). In addition, the Bank supports private sector lending through partial credit guarantees provided to eligible financial institutions. This function is executed through its wholly owned subsidiary, Impact Credit Guarantee Limited (ICGL).

As of December 31, 2025, the Bank's total investment in ICGL comprised equity of ₦31.9 billion and long-term debt of ₦25.3 billion under the Livestock Productivity and Resilience Support Project (LPRES). This funding has strengthened ICGL's guarantee capacity and expanded access to finance for underserved borrowers.

Financial Capital Inputs

329.9bn Billion Total Equity

411bn Funding from development partners

24.4bn Funding from local bond issuance

Value Created through Financial Intermediation

155.6bn Billions Guarantees issued

21.5% Return On Average Equity

8.2% Return On Average Assets

64.6bn Profit after tax

358.8bn Loan disbursement to MSMEs

162.3m Million donations

TREND IN KEY FINANCIAL INDICATORS FOR THE GROUP AND BANK

	Group				
N'bn	**2025**	**2024**	**2023**	**2022**	**2021**
Profitability					
Gross Earnings	129.3	84.0	54.8	49.4	39.6
Net Interest Income	106	68.6	40.4	37	26.9
Impairment Charges	0.3	(1.1)	2.5	1.3	0.3
Operating Income	111	68.4	44.5	36.4	28.2
Operating Expense	(17.9)	(10.7)	(8.0)	(6.1)	(4.4)
PBT	93.1	57.7	36.5	30.3	23.8
PAT	64.6	38.8	24.5	20.1	16.4
N'bn	**2025**	**2024**	**2023**	**2022**	**2021**
Balance Sheet					
Loans & Advances	529	438.5	410.3	369.4	321.7
Total Assets	811.1	759.1	544	520.3	501.5
Borrowings	435.4	453.4	292.2	291.1	298.1
Equity	330	271.2	235.5	214.5	194.4
N'bn	**2025**	**2024**	**2023**	**2022**	**2021**
Ratios					
ROAA (post-tax)	8.2%	6.0%	4.6%	3.8%	3.2%
ROAE (post-tax)	21.5%	15.3%	10.9%	9.6%	8.4%
CIR	16.1%	15.6%	17.9%	16.8%	15.6%
CIR (loans)	25.2%	18.6%	21.1%	19.3%	19.1%

	Bank				
N'bn	**2025**	**2024**	**2023**	**2022**	**2021**
Profitability					
Gross Earnings	114.6	78.3	52.4	47.6	38.2
Net Interest Income	93.9	63.6	38.8	35.8	26
Impairment Charges	0.4	(1.2)	2.6	(1.2)	0.4
Operating Income	97.5	63.1	42.8	35.1	26.8
Operating Expense	(16.0)	(9.6)	(7.4)	(5.6)	(4.1)
PBT	81.5	53.5	35.4	29.5	22.8
PAT	53.7	35.3	23.5	19.5	15.7
N'bn	**2025**	**2024**	**2023**	**2022**	**2021**
Balance Sheet					
Loans & Advances	554.2	462.6	410.3	369.4	321.7
Total Assets	790.7	750	539.6	517.2	499.2
Borrowings	435.4	453.4	292.2	291.1	298.1
Equity	312.1	264.3	232.2	212.2	192.6
N'bn	**2025**	**2024**	**2023**	**2022**	**2021**
Ratios					
ROAA (post-tax)	7.0%	5.5%	4.4%	3.8%	3.2%
ROAE (post-tax)	18.6%	14.2%	10.6%	9.7%	8.5%
CIR	16.4%	15.3%	17.3%	15.9%	15.1%
CIR (loans)	22.2%	16.5%	19.6%	17.7%	17.6%

Year on Year Growth Analyses

	Group			Bank		
N'bn	**2025**	**2024**	**Y/Y growth**	**2025**	**2024**	**Y/Y growth**
Profitability						
Gross Earnings	129.3	84.0	53.9%	114.6	78.3	46.4%
Net Interest Income	106	68.6	54.5%	93.9	63.6	47.6%
Impairment Charges	0.3	(1.1)	127.5%	0.4	(1.2)	133.9%
Operating Income	111	68.4	62.4%	97.5	63.1	54.4%
Operating Expense	(17.9)	(10.7)	67.7%	(16.0)	(9.6)	66.1%
PBT	93.1	57.7	61.4%	81.5	53.5	52.3%
PAT	64.6	38.8	66.4%	53.7	35.5	52.1%
N'bn	**2025**	**2024**	**Y/Y growth**	**2022**	**2024**	**Y/Y growth**
Balance Sheet						
Loans & Advances	529	438.5	20.6%	554.2	462.6	19.8%
Total Assets	811.1	759.1	6.8%	790.7	750	5.4%
Borrowings	435.4	453.4	-4.0%	435.4	453.4	-4.0%
Equity	330	271.2	21.7%	312.1	264.3	18.1%
N'bn	**2025**	**2024**	**Y/Y growth**	**2022**	**2024**	**Y/Y growth**
Ratios						
ROAA (post-tax)	8.2%	6.0%	226 bps	7.0%	5.5%	150 bps
ROAE (post-tax)	21.5%	15.3%	615 bps	18.6%	14.2%	441 bps
CIR	16.1%	15.6%	51 bps	16.4%	15.3%	115 bps
CIR (loans)	25.2%	18.6%	663 bps	22.2%	16.5%	573bps

Top Drivers of our Financial Performance

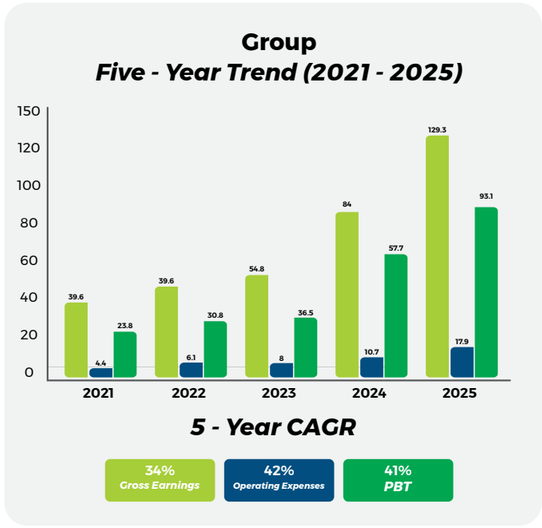
In 2025, the Group delivered strong financial performance, with Profit After Tax (PAT) of ₦64.6 billion, representing a 66% increase from ₦38.8 billion in FY 2024. Return on Average Assets (ROAA) increased to 8.2% from 6.0%, while Return on Average Equity (ROAE) rose to 21.5% from 15.3%.

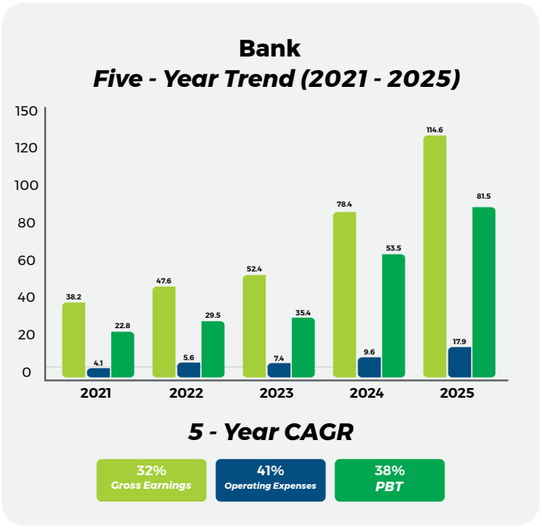
Operational efficiency remained strong, with a cost-to-income ratio of 16.1% and a cost-to-income ratio on loans of 25.2%.

Earnings: Gross earnings increased by 54%, from ₦84 billion in 2024 to ₦129.3 billion in 2025. This was driven by a 24% increase in interest income on loans (₦71 billion vs ₦57.4 billion), supported by higher disbursement volumes and improved yields. Treasury income grew by 109% to ₦52.5 billion, reflecting higher average investment volumes and improved portfolio yields.

Cost Optimization and Efficiency: Operating expenses increased by 67% year-on-year to ₦17.9 billion, driven by higher personnel costs and other non-discretionary expenditures. Despite this increase, cost efficiency remained strong, with a cost-to-income ratio of 16.1% and a negative jaws ratio of 5.3%.
The moderation in inflationary pressures and favourable exchange rate movements witnessed during the year under review helped cushion cost headwinds and supported the group's bottom line. Operating expenses over the past five years have remained efficiently managed, with a CAGR of 42%.

Profit for the year:
The combination of strong earnings and well-controlled costs supported DBN's profitability, which in turn enhanced shareholder value and deepened impact. The group's profit before tax (PBT) and profit after tax (PAT) for the year ended December 31, 2025, were ₦93.1 billion and ₦64.6 billion, respectively, reflecting increases of 61% and 66% from FY 2024, which recorded ₦57.7 billion an ₦38.8 billion, respectively.

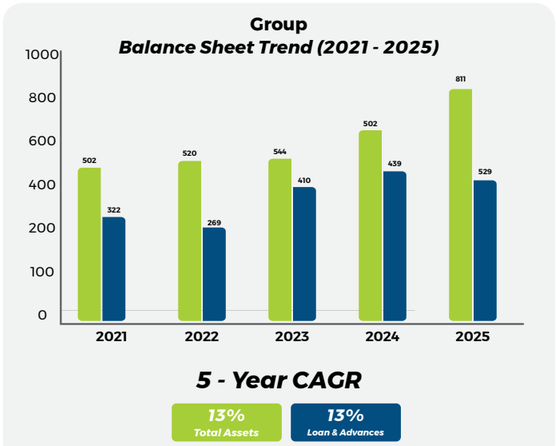


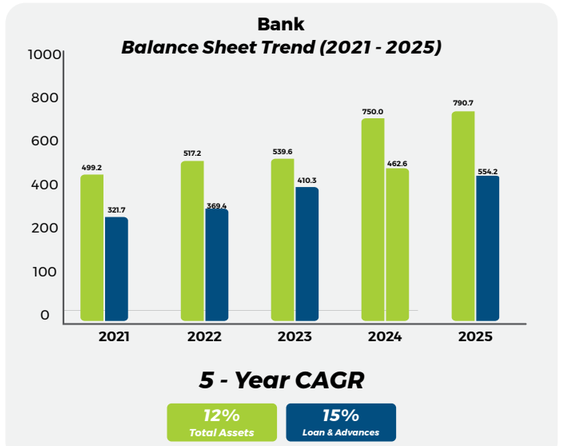


Total Assets and Loan Portfolio:

The Group's total assets grew by 7% year-on-year, from ₦759.1 billion in December 2024 to ₦811.1 billion in December 2025. Over the past five years, total assets have grown at a compound annual growth rate of 13%.

The loan portfolio increased by 21% year-on-year to ₦529 billion, with a five-year CAGR of 13%, reflecting sustained growth in lending activities.





Loan Disbursements

During the year, the Bank achieved a historic milestone by disbursing a record ₦358.8 billion, marking the highest annual disbursement since its inception. This feat was further underscored by the Bank reaching a cumulative disbursement of over N1.4 trillion, a testament to its unwavering commitment to fostering sustainable economic growth by providing critical financial support to Nigeria's underserved MSME sector. This achievement highlights DBN's pivotal role in bridging the financing gap for MSMEs, thereby empowering them to drive economic development and job creation across the country.

Capital Adequacy and Asset Quality

The group maintains a robust capital base with a capital adequacy ratio of 54.27% (December 2024: 61.23%), well above the regulatory threshold of 10%. Its strong capital position reflects its resilient balance sheet, enabling it to absorb losses, underwrite risk assets in furtherance of its developmental mandate, prudently manage risk and ensure long-term sustainability of the organization.

The group boasts strong asset quality with a Non-Performing Loans (NPL) ratio of 0.15%, well below regulatory maximum of 5%. No portion of the loan portfolio was classified as stage 2 loans; therefore, the stage 2 and stage 3 loans as a proportion of total loan portfolio stood at 0.15%. Its partial credit guarantee business, administered by its wholly owned subsidiary, ICGL, maintains a healthy Non-performing guarantees (NPG) ratio of 3% and claims ratio of 0.96%.

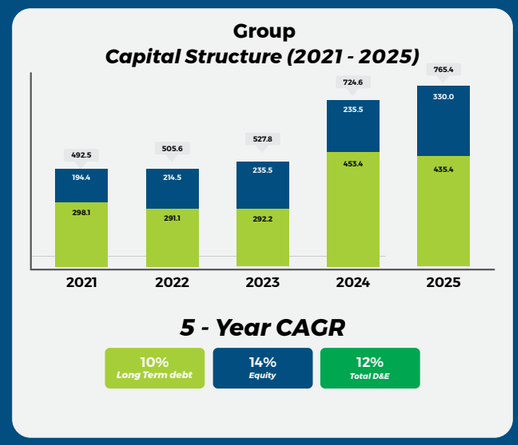
The group's risk management strategies continue to prove effective in sustaining the quality of its loan portfolio, demonstrating its commitment to prudent lending practices and ability to manage potential risks proactively.

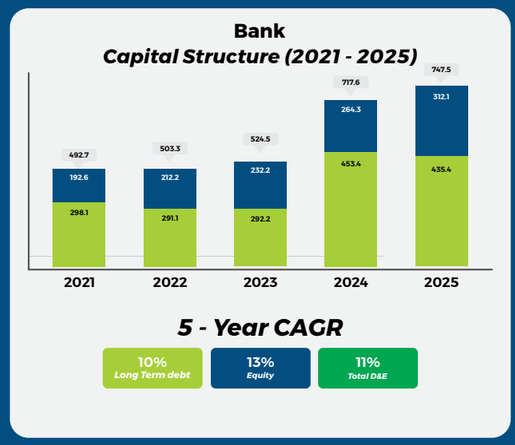
Capital Structure

The Group's capital structure reflects a strong equity base supported by retained earnings. Its dividend policy aligns with a strategy of reinvesting profits to strengthen internal capital and expand lending capacity.

As of December 2025, the capital structure reflects a debt-to-equity mix of 57% to 43% and financial leverage of 2.5x.

Long-term borrowings from development partners continue to provide a stable funding base. During the year, the European Investment Bank approved a €200 million sovereign facility, while the World Bank approved a US$500 million financing programme under the FINCLUDE project. In addition, a €50 million gender credit line from Agence Française de Développement remains in place, with the second tranche expected to be drawn in the next financial year.





2026 Financial Outlook

The group enters FY 2026 with cautious optimism, underpinned by improving macroeconomic conditions and a clearer strategic focus on scale and impact delivery. Nigeria is expected to consolidate the gains witnessed in 2025 on the back of economic reforms which have contributed to moderation in inflation, appreciation of the foreign exchange, and improved economic growth. However, geopolitical tensions and the conflict in the middle east presents both headwind and tailwind implications for the Nigeria economy. In addition, pre-election capital flow pressures, and the pace of CBN monetary easing remain key watchpoints for the year.

Against this backdrop, the Bank is positioned to accelerate balance sheet growth. Total assets are projected to expand significantly to approximately ₦1.4 trillion, driven by an aggressive funding mobilization plan targeting ₦547 billion in new DFI inflows. Long-term borrowings are expected to nearly double to ₦978 billion, with expected funding from development partners such as World Bank, EIB, AfDB, and BADEA etc, providing the liquidity needed to sustain and grow lending activities throughout the year.

Revenue growth is expected to be strong, with interest income projected to rise by over 50% to ₦162 billion, supported by significantly higher earning assets. However, this will be partially offset by a sharp increase in funding costs, interest expense is forecast to rise 175% to ₦54 billion as the average cost of funds climbs from 4.4% to 6.6%, driven by more commercial pricing on bilateral swap arrangements. Net interest margin will consequently compress from around 13% to 10.6%, reflecting a deliberate strategic shift toward concessional and impact-driven lending at longer tenors.

Loan growth is expected to remain modest, with disbursements projected at ₦334 billion, constrained by regulatory limits such as the Single Obligor Limit. Ongoing engagement with regulators presents potential upside should these constraints be eased.

Strategically, 2026 will be defined by the 'de-risk, deliver, deepen' agenda. The group will focus on mobilizing blended finance, tilting its lending portfolio toward high-impact HEARTBEAT sectors of healthcare, education, agriculture, renewable energy, transport & logistics, banking & financial services, enterprise in manufacturing, arts & creatives and technology. The group will also expand its MSME capacity-building through its online and in-person training programs as part of the Race to 500k. DBN's accreditation as a Direct Access Entity with the Green Climate Fund further strengthens its ability to crowd in climate finance and diversify funding sources beyond traditional DFI channels.

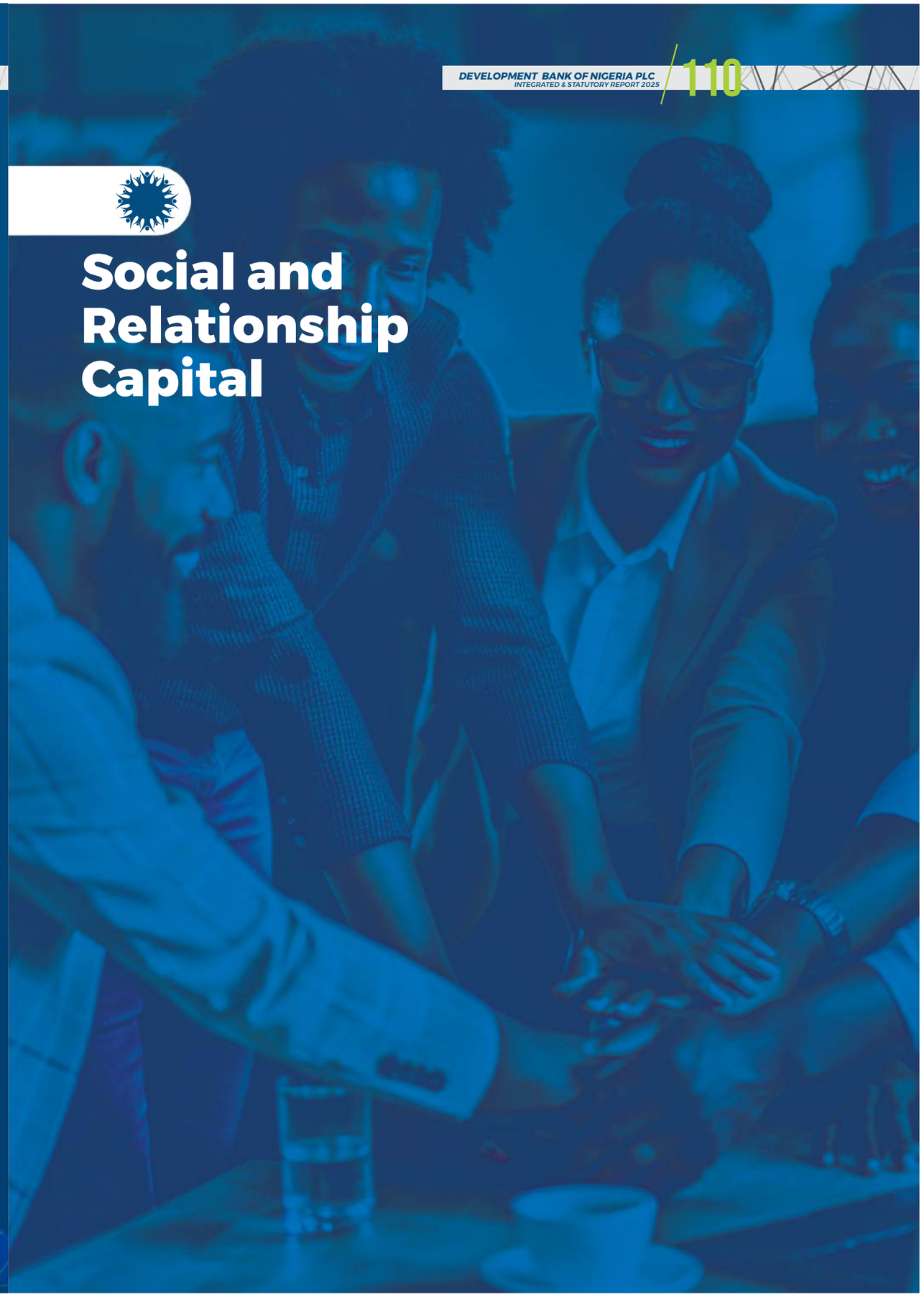
In view of the ongoing banking sector recapitalization, which is expected to inject approximately ₦4 trillion into the financial system and materially strengthen the capital adequacy of banks and enhance their lending capacity, the group recognizes both an opportunity to shore up its own equity base in parallel. As partner banks grow their lending capacity, the group will pursue an equity capital raise to further support participating financial institutions to increase lending to MSMEs. This capital strengthening will reinforce the group's balance sheet resilience, increase its capacity to underwrite risk assets, and provide an adequate buffer to absorb system shocks.

Overall, 2026 represents a transition year, balancing growth with resilience, as the group strengthens its funding base, adapts to a lower-yield environment, and positions itself for sustained scale and development impact through the remainder of the AMPLIFI cycle.

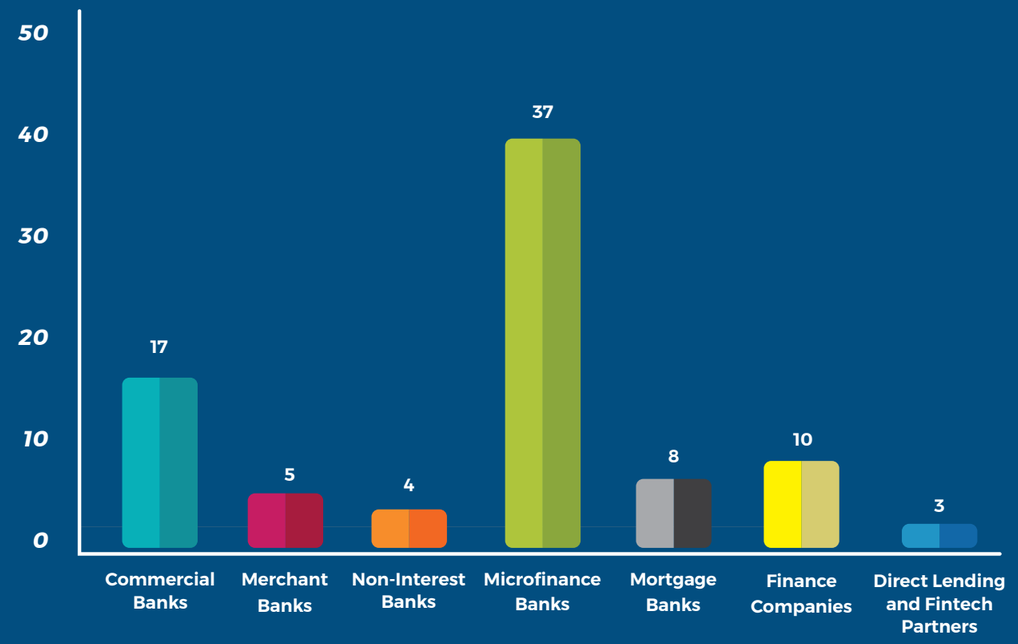


DELIVERING VALUE THROUGH OUR STRATEGY

Social and Relationship Capital



Composition of the PFIs onboarded



Summary of Performance

DBN has steadily grown its loan portfolio over the years. The total loans disbursed in the 2025 financial year were N359.2 billion, with an outstanding balance of N521.6 billion by year-end 2025. Detailed below is a snapshot of the Bank's growth in its lending activities since inception:

Financial Year	2017	2018	2019	2020	2021	2022	2023	2024	2025
Amount Disbursed ₦' Billion	0.2	30.2	132.7	323.2	482.2	631.8	787.4	1060.7	1416.8
Number of Loans to End Beneficiaries	296	35,416	100,713	134,858	208,371	313,058	313,058	711,818	1,001,776
Number of Onboarded PFIs	3	22	27	40	50	60	69	79	84

The Bank has continued to focus on creating impact through its lending activities. Over the years, the number of beneficiaries has increased from 296 in 2017 to 1,001,776 as of December 31st, 2025, with about 77% of beneficiaries being women.



Gender Mainstreaming and Inclusion

DBN embeds gender mainstreaming as a cross-cutting institutional priority, recognising gender inequality as a structural barrier to finance access, particularly for women-owned and women-led MSMEs. Implementation follows a risk-based, institution-wide approach, integrating gender considerations into policies, credit assessment, environmental and social safeguards, and development impact monitoring. Sex-disaggregated data is applied systematically to inform decision-making and measure outcomes.

Key delivery mechanisms include:



Process Automation

In a bid to improve the efficiency of our processes, the Bank has undertaken an upgrade of certain automated processes, especially in our lending activities. Some of these processes include:

- The PFI Onboarding Process
- The Customer Relationship Management Process
- The Loan Application and Disbursement Process
- The Interest Drawback Process
- The Loan Management and Administration Processes

The optimisation of these automated business processes will enable the Bank to improve turnaround time and maintain process integrity.



Strategic Partnerships

DBN, CBN, BOI and WORLD BANK Collaboration On WE-FI Code:

DBN progressed the implementation of the Women Entrepreneurs Finance (WE-FI) Code following its declaration of commitment in 2024. This included targeted national and international engagements to strengthen gender responsive finance. Key activities included a national WE-FI Code session convened with the Central Bank of Nigeria (CBN) and the Bank of Industry (BOI), participation in the Financial Alliance Summit in Rwanda, and a WE-FI Code engagement hosted by DBN in collaboration with the World Bank and CBN. The latter convened over 187 participants from banks, financial institutions, fintechs, and broader ecosystem stakeholders.

These engagements contributed to the deeper integration of gender considerations into institutional operations, reporting frameworks, and product development, supporting DBN's efforts to expand access to finance for women led MSMEs.



2 Million Euros GIZ/IKI Grant Project Implementation

As part of its mandate to expand access to finance for underserved MSMEs, particularly women led enterprises operating in green sectors, DBN secured a €2 million grant under the International Climate Initiative (IKI) Small Grants Programme, with co-financing from Global Affairs Canada and technical support from GIZ.

Recognising that Nigeria's climate finance ecosystem remains nascent and that many climate focused MSMEs are not yet debt ready, the initiative places emphasis on capacity building and pipeline development to prepare enterprises for future access to appropriate financing. The programme is expected to complement DBN's ongoing efforts to expand sustainable financing solutions and strengthen climate related MSME readiness.

In addition, DBN collaborated with GIZ to deliver climate adaptation training for staff, including targeted one on one sessions. This engagement strengthened internal capacity to support the Bank's green credit lines and initiatives linked to the Green Climate Fund (GCF).



MoU with ECOWAS Small Business Coalition (ESBC)

In line with DBN's mandate to enhance MSME capacity and market access, the Bank entered into a Memorandum of Understanding (MoU) with the ECOWAS Small Business Coalition (ESBC) to collaborate on the co-creation of a Continental Market Access Programme (CMAP). The collaboration focuses on jointly designing interventions to strengthen export readiness and mobilise financing for Nigerian MSMEs engaged in cross-border trade.







Livestock Productivity and Resilience Support Project (LPRES)

In 2024, the World Bank launched the Livestock Productivity and Resilience Support (LPRES) programme, with DBN serving as one of the implementing partners. The initiative provides targeted financing to the livestock sub sector to improve productivity, strengthen the resilience of livestock farmers and SMEs, and expand access to finance, infrastructure, and capacity development across the value chain.

Under the programme, the Bank received USD 70 million to support credit lines, credit guarantees through its subsidiary, Impact Credit Guarantee Limited (ICGL), and capacity building initiatives. These funds are accessed by our PFIs for on lending and credit guarantee support.

To strengthen sector knowledge and improve financing capabilities, DBN organised a training programme for PFIs and key stakeholders. The sessions focused on livestock value chain financing, sector specific lending tools, risk management, climate adaptation and resilience planning, and the development of tailored loan products for livestock enterprises.







Engagement sessions with PFIs

DBN maintains regular engagement with its PFIs via physical visits and virtual sessions to strengthen collaboration and alignment with key stakeholders. These engagements provide a structured platform for the Bank to understand the strategic priorities and operational focus of its PFIs, while identifying opportunities to deliver tailored financing and capacity building support. The sessions also enable DBN to share institutional updates, performance insights, and strategic priorities that guide product deployment across partner institutions.

Presented below are photographs from some customer engagement sessions in 2025:



The DBN team on a business visit to the Executive Director and other management staff of Stanbic IBTC Bank to discuss opportunities for deepening the partnership.



DBN team with the MD of Fidelity Bank, where increased partnership opportunities were emphasised.



DBN team on a business visit to the MD and executive management of LAPO Microfinance Bank to engage on potential strategic partnership opportunities in line with the Institution's business plans for the year



DBN team alongside the representatives of LAPO Microfinance Bank at the National Association of Microfinance Banks (NAMB) @20 Conference, where partnership opportunities were harnessed with existing and prospective PFIs.

Panel Representations and Advocacy Calls

DBN actively represents its mandate at industry panels and stakeholder forums, using these platforms to highlight MSME financing challenges and demonstrate how its PFI network facilitates sustainable funding. The engagements serve to broaden awareness of DBN's interventions, deepen ecosystem collaboration, and reinforce its commitment to inclusive economic growth and enterprise development across Nigeria.

Below are snapshots from panel representations and advocacy sessions:



DBN's Chief Operating Officer, Bonaventure Okhaimo, at the "Access to Automotive Components and Parts Africa" conference, where deliberations were made on practical strategies to bridge the financing gap in the Automotive business sector.



DBN's Head of Business Development & RelationshipManagement at "The Great Data Debate" on the sidelines of the G20 Summit in Johannesburg, South Africa, hosted by the SME Finance Forum, where, amongst other things, the adoption of alternative data to scale access to finance for MSMEs was discussed.



The Bank's Head, Credit Operations and Collections at the National Association of Microfinance Banks (NAMB) @20 Conference, discussing the role of DBN in empowering microfinance banks in Nigeria.



A DBN Relationship Manager participates in a panel session organised by the Manufacturers' Association of Nigeria, discussing strategies for bridging the gap between manufacturers and financiers through technology.



A DBN Direct Lending Relationship Manager participates in a webinar hosted by the Centre for Nigerian Dutch Dairy Development (CNDD), focused on LPRES initiatives and practical dairy financing models, including blended finance, cooperative lending, and innovative credit structures tailored to the sector.



DBN attended the World Livestock Summit (Sommet de l'Élevage) in Clermont-Ferrand, France, from 7–10 October 2025, represented by the Executive Director, Finance and Corporate Services, and the Head, Product Development and Strategic Alliances, as part of the Nigerian delegation. The summit convened global stakeholders across the livestock value chain to exchange best practices, showcase innovations, and explore sector development opportunities, reinforcing DBN's engagement with international platforms that advance value-chain development and sustainable agribusiness financing in Nigeria.



DBN's Head, Product Development and Strategic Alliances, represented the Bank at a side event during the Fourth International Conference on Financing for Development (FFD4) in Seville, Spain, co-convened with the United Nations Capital Development Fund. The session focused on mobilising finance through national and local financial institutions, showcased the Sanitation and Hygiene Fund (SHF) model, and reinforced alignment with the Finance in Common initiative and DBN's partnership-driven approach to financing sanitation and hygiene.



The Head, Credit Operations and Collections represented DBN at the 2025 Renewable Energy Conference, where discussions held on advancing energy access through policy, financing and inclusion.



DBN was represented at the inaugural National Sanitation Conference, a multi-stakeholder gathering convened by the Federal Ministry of Water Resources and Sanitation in collaboration with development partners to address Nigeria's sanitation challenges and accelerate progress toward universal access to safe sanitation and hygiene services.

Stakeholders Dinner Velvet Evening

On Friday, 5th December 2025, DBN hosted its inaugural customer appreciation dinner with PFIs, themed "Velvet Evening: Strengthening Partnerships for Greater Impact", in Lagos State. The event brought together senior stakeholders from deposit money banks, microfinance banks, fintechs, and other PFIs, including managing directors, executive directors, chief operating officers, treasurers, and heads of MSME business. It reinforced DBN's commitment to deepening institutional relationships and sustaining development impact through its PFI network.









NIGERIAN ASSOCIATION OF SMALL AND MEDIUM SCALE ENTERPRISES, LAGOS

NASME

DBN's Head, Product Development and Strategic Alliances, presented at the NASME 20th MSME Summit and Exhibition, themed "Revolutionising Job Creation, Income Generation, and Poverty Reduction through MSME Development and Growth." The Summit also featured the NASME MSME Youth Empowerment Programme, addressing youth entrepreneurship, competitiveness, and access to finance. Key discussions centred on leveraging the African Continental Free Trade Area (AfCFTA) to enhance MSME competitiveness and expand financing access for indigenous entrepreneurs.







African Union MSME Forum

DBN participated in the 4th African Union MSME Forum 2025 which convened continental stakeholders to advance MSME growth through digital innovation, market access, and affordable financing. The Bank engaged in a panel session and hosted a thematic side session titled "*Catalysing MSME Growth: Unlocking Access to Finance in a Digital Africa*," bringing together regulators, commercial banks, development finance institutions, fintech leaders, and aggregators to exchange practical, scalable models for expanding MSME finance access across the continent.

Delta State MSME Summit

The Bank was represented at the First Delta State MSME Summit 2025, themed *"Advancing Delta State MSMEs: From Vision to M.O.R.E. Value"*, organised by the Delta State Micro, Small and Medium Enterprises Development Agency (DEMSMEDA). The engagement reinforced DBN's commitment to deepening state-level partnerships to support MSME growth, youth entrepreneurship, and inclusive economic development.



Kano International Trade Fair Seminar

The Bank was represented at the 46th Kano International Trade Fair Seminar, themed "Empowering SMEs for Sustainable Development: The Pathway to Inclusive Growth" organised by the Kano Chamber of Commerce, Industry, Mines and Agriculture (KACCIMA). The session focused on the role of DBN in financing SMEs for growth and sustainability.



Development and Social Impact Report

DBN's Theory of Change

Despite being a key driver of the Nigerian economy, employing around 90% of the workforce and contributing over 45% to the GDP, the MSME funding gap is unbelievably significant. Therefore, the Development Bank of Nigeria (DBN) was established on the premise that:

- Providing wholesale funding to duly licensed and eligible financial intermediaries (PFIs) would enhance their access to MSME-appropriate financing. This, in turn, would enable PFIs to disburse a higher volume and a more diverse range of loans to the underserved MSME segment.
- The Bank's theory of change goes further to suggest that if DBN provides PFIs with a partial credit guarantee, then PFIs would be more willing to lend to MSMEs inherently considered a high-risk segment.
- Lastly, with the provision of technical assistance to PFIs, DBN aims to improve PFI's understanding of the MSME sector such that they are now better positioned to provide appropriate products and services to the sector. Similarly, DBN provides capacity building to MSMEs with the aim of improving their ability to access finance.

These purposeful courses of actions aim to collectively lead to improved access to finance for MSMEs and ultimately support the holistic socio-economic development of Nigeria through the creation of secure jobs and growing businesses.

I. *Key Assumptions:*

This theory of change is based on the following assumptions:

A. PFIs will find investing in MSMEs attractive / financially viable; DBN's activities will lead to improved confidence among PFI to lend to MSMEs.
B. Continuous engagement with regulators and other key stakeholders will reduce incidences of unfavourable policies that inhibit MSME financing.
C. Providing more structured access to finance to the MSME sector will drive growth in the sector.
D. MSME financing will directly drive job creation, revenue growth and formalization of the MSME sector.
E. DBN Technical Assistance is sufficient to drive the systematic change necessary across the PFI and MSME sectors.

These assumptions are validated using the following learning questions:

A. Has the MSME lending environment been transformed?
B. Have MSMEs experienced socio-economic growth?
C. Is DBN in a financial position to operate independently and sustainably?
D. Do credit guarantees have the expected catalytic effect?
E. Are new funders entering the MSME financing market alongside DBN?
F. Are MSMEs utilizing funds for their intended purpose?
G. Is DBN engaging with enough PFIs & MSMEs?
H. Are DBN capacity-building programs effective in scale and content?
I. Is lobbying effective enough for the government to adopt and launch proposed reforms?
J. Has DBN created new innovative products tailored to the specific needs of MSMEs?

Mission

To facilitate sustainable socio-economic development through the provision of finance to Nigeria's underserved MSME sector through eligible financial intermediaries

Impact

Supporting Nigeria's economic transformation and sustainable socio-economic growth through financial and non financial support mechanisms to enable vibrant, diverse and growing MSME sector

Outcome

Ecosystem

Improved investor confidence to support MSMEs, leading to new investors and sources of capital available in the eco system, alongside a variety of fit-for-purpose funding models for PFIs and supportive regulations and policies

MSME

- A diverse set of MSMEs receive greater access to affordable and supportive financing, when they put towards productive business uses, and have an improved financial understanding
- The MSME sector experiences economic growth as a result of financing, supporting the holistic socio-economic development of Nigeria through the creation of secure jobs and growing business

PFIs

- PFIs have improved access to funding through a variety of funding constructs (e.g guarantees or longer tenure loans) leading to an increased volume and diversity of PFI lenders and consequently a higher volume and diverse set of loans disbursed to MSMEs
- PFIs are equipped with increased understanding of the MSME sector and therefore become better positioned to provide appropriate products and services to the MSME sector

Outputs

Funding & Risk sharing

- Wholesale funding provided to PFIs and other intermediaries for onward lending to a diverse set of MSMEs to support socio-economic development
- Credit guarantees provided to PFIs
- High quality (i.e low PAR90) portfolio established by PFIs using DBN financing
- Rating fom lending aganecy received by DBN and periodically reviewed

Technical Assistance

- PFI capacity building in sustainable growth practices and MSME product/service offerings
- MSME capacity building to increase business resillience, improve operations and increase 'bankability'
- Support mechanisms provided to enterpreneurs

Policy and Advocacy

- Bilaterial relationships established with development banks and other organizations to identify opportunity areas in Nigeria MSME lending environment
- Industry relationships developed across the financial ecosystem and recommendations for policy/regulation reforms developed

Key Activities

- The value of lending raise (disaggregated by private sector type)
- The value of lending to PFIs
- PFIs receiving DBN fund (disaggegated by type of bank/institution and geography)
- PAR90 for MSME loans supported by DBN financing (disaggegated by product MSME gender, sector, geography)
- PFIs to receive credit guarantees and total N value
- Credit rating performance received by DBN
- PAR90 for MSME loans supported by DBN financing (disaggegated byproduct MSME gender, sector, geography)
- PFIs who receive credit guarantees and total the value
- 2Credit rating performance received by DBN

Impact Indicators

1. Share of bank credit going to the MSME sector
2. Contribution of the MSME sector to Nigeria's economic output (disaggregated by industrial sector)

Outcome

Ecosystem

3. % of DBN's loan book funded through new private sector sources and/or investors
4. Finance channelled to MSMEs through innovative and/or sustainable products and channels
5. Investors reporting increased confidence in providing funding to PFIs
6. # of MSME finance policies or regulatory instruments drafted with DBN input (disaggregated by aim, incl.focus on women MSMEs

MSME

7. The value of funds disbursed to MSMEs (disaggregated by gender, youth, sector, geography)
8. # of MSMEs receiving DBN fund (disaggregated by gender, youth, sector, geography)
9. # of MSMEs that report having access to more affordable and appropriate financial products and services (disaggregated by gender, youth, sector, geography)
10. # of MSMEs reporting productive uses of funds (disaggregated by gender, youth, sector, geography)
11. # total of jobs created by MSMEs (disaggregated by gender, youth, sector, geography & job type (formal & informal)
12. Total value of revenue growth at supported MSMEs and # of MSMEs reporting growth (disaggregated by gender, youth, sector, geography)

PFI

13. # PFIs that report an increased understanding of the MSME sector
14. # PFIs reporting an increased ability or willingness to lend to MSMEs due to DBN credit guarantees/loans/ capacity building
15. # PFIs reporting satisfaction with DBN in areas of competitive rate, competitive terms and efficient processing

Output Indicators

Funding & Risk sharing

16. The value of lending raised (disaggregated by private sector type)
17. The value of lending to PFIs
18. # PFIs receiving DBN fund (disaggregated by type of bank/institution and geography)
19. PAR90 for MSME loans supported by DBN financing (disaggregated by product & MSME gender, sector, geography)
20. # PFIs who receive credit guarantees and total the value
21. Credit rating performance received by DBN

Technical Assistance

22. # PFIs reached through capacity building training/ services
23. # MSMEs reached capacity building training services (disaggregated by virtual vs in-person)

Policy and Advocacy

24. # Partnerships developed and maintained (disaggregated by organization type)
25. # and type of engagements held with target organizations to maintain/grow partnerships

Our green indicators include:

- % growth of PFI green energy loan portfolio to MSMEs
- Quality of Green Loan portfolio (loan loss ratio) of PFIs
- Tonnes of CO_2 reduced (i.e. GHG emissions reductions)

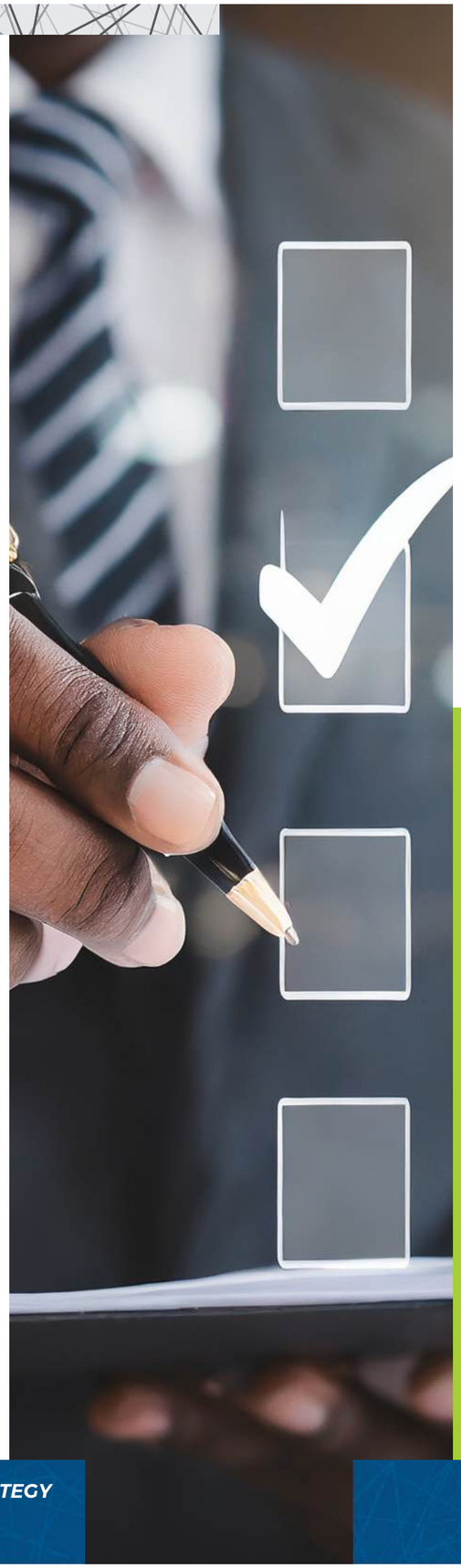
Monitoring and Evaluation

The anticipated outcome of DBN's activities spans three levels: the PFI, MSME, and ecosystem levels. The learning questions help determine whether the desired development outcomes are being realised at these levels. To answer these questions, the Bank implements a robust monitoring and evaluation process covering 28 indicators. The M&E process is implemented in two folds, described as follows:

- Quarterly (Internally): Every quarter, the Bank analyses data resulting from the lending activities of its PFIs. This analysis provides critical insights into the makeup of lending disaggregated by volume and count of the MSME sector, gender, age, regional distribution, first-time access, focus region, and the rate of loan accessibility and affordability. The report of this analysis shows the comparative performance of DBN's loan portfolio on a Q-on-Q basis, measured against its development impact indicators and targets, and consequently informs the Bank's product development and improvement.

- Annual M&E Exercise (Externally): To uphold the independence of the evaluation process, the Bank annually commissions a consulting firm to conduct a comprehensive assessment covering all 28 indicators, evaluating the Bank's performance across its PFI, MSME, and ecosystem outcome levels. This process, grounded in the Bank's theory of change and logical frameworks, remains impartial, as it is entirely overseen by the independent consulting firm. In addressing key evaluation questions, the consultant designs a research study that employs both qualitative and quantitative methods. Before fieldwork commences, a meticulous desk review of internally generated reports and databases is conducted, followed by the selection of a representative sample through randomised sampling techniques. Subsequently, tailored data collection tools are developed to elicit responses necessary for scrutinising existing reports, answering learning questions, and identifying any unintended consequences and results.

All PFI data is collected without interference from DBN, while MSME data is gathered independently of DBN and its PFIs. Upon completion of each evaluation exercise, the consultant presents recommendations that may include updates to the framework, taking into account any unintended results observed. Special attention is given to aligning these recommendations with the Bank's core development impact objectives, spanning its processes, operations, and policies.
The resulting report, inclusive of recommendations, is then submitted and presented to the Board committee. Key insights from this report are extracted and showcased in the Bank's integrated report, which is made available to the public.



Annual Monitoring and Evaluation Exercise

The 2024 Monitoring and Evaluation (M&E) assessment examined the performance and outcomes of DBN's impact, measuring results against the Bank's development objectives. The assessment provides evidence of DBN's contribution to enterprise growth, employment generation, resilience, and sustainability across multiple sectors of the Nigerian economy.

The evaluation combined quantitative analysis of DBN portfolio performance and PFI on-lending activities with qualitative outcome evidence drawn from MSME-level experiences, enabling assessment of both measurable development indicators and the financing pathways through which observed economic and social outcomes were generated.

A mixed-methods design was adopted, incorporating desk reviews, stakeholder consultations, structured questionnaires, in-depth interviews, field observations, and digital data collection platforms. This approach ensured data triangulation and analytical robustness, supporting credible attribution of observed outcomes to DBN's interventions.

Contribution to Job Creation and MSME Revenue Growth

The Bank's business model and focus on the MSME segment mean that, while the Bank has limited direct control over enterprise-level employment outcomes, it plays a catalytic role in enabling job creation through its PFIs. Jobs sustained, and new jobs generated as a result of DBN-financed loans, are collectively referred to as DBN-supported jobs. The estimated number of such jobs each year is driven by the labour intensity inherent in the sectoral pattern of disbursements.

In 2025, DBN-supported financing resulted in an estimated 447,173 jobs created and sustained, a 21% increase from 2024. Of this total, 127,136 were newly created jobs, while 320,037 existing jobs were sustained. DBN's tailored financing across productive sectors, including manufacturing, agriculture, healthcare, education, renewable energy, and transportation were instrumental in achieving these outcomes.

Similarly, DBN-supported MSMEs continue to record improved revenue growth. An independent monitoring survey conducted in 2024 among DBN end-borrowers revealed that approximately 80% experienced revenue increases attributable to the loans accessed, underscoring the effectiveness of financing in driving business expansion.



2024 M&E assessment – key findings

PFI satisfaction

- Overall satisfaction with DBN's MSME on-lending support was high, with 85.2% of surveyed PFIs reporting they were satisfied or very satisfied, and none expressing dissatisfaction, underscoring DBN's credibility as a reliable, development-oriented wholesale financier with well-structured and professionally managed funds

- Perceptions were mixed on interest rates, with 43% of PFIs requesting improved lending conditions, indicating an area for continued engagement

Capacity building

- 85.7% of surveyed PFIs participated in DBN-organised training during the period Satisfaction with the programme was strong: 71.4% rated the training as very useful and 14.3% as somewhat useful, reflecting an 86% overall positive rating

- 85.7% of participants confirmed that they applied the knowledge gained, demonstrating the practical relevance of the programme

- The dominant application of learning was in strengthening core credit processes, including improved loan appraisal, disbursement, monitoring, quality control, and due diligence on MSMEs, directly supporting portfolio quality and risk management objectives

Wholesale facility impact

- DBN's wholesale facility is accessible, well utilised, and incrementally supports MSME lending across its PFI network

- The findings confirm that DBN's financing meaningfully complements PFIs' own lending capacity; withdrawal of DBN support could result in a noticeable contraction in MSME lending for a significant minority of PFIs

- This highlights the critical importance of sustaining a well-structured and long-term DBN–PFI partnership in advancing MSME development outcomes

IMPACT STORIES



IMPACT STORIES

Building Infrastructure Through Strategic Financing



Thames & Hudson Architects Ltd

About the Enterprise

Thames & Hudson Architects Ltd is a licensed architectural and construction services firm established in 2017 and operational since 2018. The firm provides architectural design, project management, general contracting, and road construction services to both public and private sector clients, including government agencies and international development partners. It operates a project based management structure, employs a multidisciplinary professional team with approximately 30 percent female architects, and is led by four directors.

Financing Need

The firm required project financing to execute a consultancy assignment. As is common with government related projects, upfront funding was needed to cover planning, design documentation, and supervision milestones ahead of client payments, which are often delayed. Without access to external financing, project execution timelines and cash flow stability would have been constrained.

Financing Solution

Through a N900 million project financing facility provided by United Bank for Africa (UBA) and supported by a government guarantee under an existing tripartite arrangement, the firm secured the liquidity required to execute stages one to three of the project. The financing enabled the firm to deploy a full project team, deliver project milestones on schedule, and manage operational costs without reliance on delayed government disbursements.

Impact and Outcome

The financing supported the engagement of a seven-member project team, including three female professionals, while also generating indirect employment for local service providers. The project contributed approximately 25 percent of the firm's annual revenue for the year and strengthened operational efficiency and risk management. The firm also enhanced its project delivery capacity, adopted advanced technology tools to improve productivity, and reinforced its market position, while identifying policy and financing reforms required to improve SME access to credit within the construction and real estate services sector.





Thames and Hudson Architects Ltd utilised financing from United Bank for Africa (a DBN PFI)

DELIVERING VALUE THROUGH OUR STRATEGY

IMPACT STORIES

How Performance-Based Financing Transformed a Startup into a 75-Employee Renewable Energy Company



Prado Power

About the Enterprise

Prado Power Limited is a renewable energy project development company founded in 2015 by Washima Mede to address Nigeria's electricity deficit through clean, solar powered solutions. The company develops solar mini grids for communities, corporate organisations, and residential users, with a long term ambition to expand into additional renewable energy technologies. Initially funded through founder capital, Prado Power positioned itself within Nigeria's emerging renewable energy and mini grid ecosystem, particularly through opportunities created by the Nigeria Electrification Project (NEP).

Financing Need

Prior to accessing external financing, Prado Power operated with four employees in a single room office and faced significant funding constraints typical of early stage companies in emerging sectors. Conventional collateral requirements limited access to bank financing, despite growing demand for solar mini grid solutions and the company's technical capability. Without appropriate risk sharing financing, scaling projects, recruiting skilled personnel, and deploying larger systems remained constrained.

DBN Supported Financing

Prado Power accessed performance based, risk sharing financing from First City Monument Bank (FCMB), structured around project delivery milestones and requiring no traditional collateral. Following a formal application and site assessment by FCMB, a risk sharing agreement was executed, enabling the company to access financing upon successful completion of project milestones. This structure aligned financing with Prado Power's project based business model and the operational realities of the renewable energy sector.

Development Impact

The financing enabled Prado Power to expand from a small start up into a renewable energy company employing 75 staff across multiple states. The company now operates solar mini grids in several locations, delivering systems of approximately 45 to 50 kW and serving about 10,000 customer connections. Over the past five years, the company has recorded average annual revenue of about USD 2 million. In addition to business growth, Prado Power has contributed to skills development through training programmes and internships, promoted gender inclusion, and strengthened its capacity to scale into larger solar projects that support Nigeria's clean energy transition and rural electrification objectives.





Prado Power Limited utilised financing from First City Monument Bank (FCMB) (a DBN PFI

DELIVERING VALUE THROUGH OUR STRATEGY

IMPACT STORIES

Tailored Financing Enabled a Family-Run Poultry Business to Rebuild and Expand, Empowering Its Workers Along the Way



Jeromaski Farms Limited

About the Enterprise

Jeromaski Farms Limited is a family-owned commercial poultry business established in 1992 in Kaduna. Operating on 5.5 hectares, the farm produces table eggs and poultry feed for local markets. Prior to recent expansion, the business managed approximately 8,000 birds, constrained by high input costs and limited working capital, which restricted its ability to scale production.

Financing Need

The farm faced operational constraints including insufficient working capital, limited production infrastructure, and low output capacity. These challenges limited its ability to expand operations, meet growing market demand, and maintain stable profitability, placing pressure on the long-term sustainability of the enterprise.

DBN Supported Financing

Jeromaski Farms accessed a livestock focused financing facility through Stanbic IBTC Bank. The facility, designed to support enterprises within the livestock value chain, offered affordable financing that enabled the farm to expand its poultry stock, invest in feed production, and develop additional infrastructure. The financing also supported stronger market linkages with guaranteed off takers.

Development Impact

With DBN supported financing, the farm expanded its stock from 8,000 to 22,000 birds, with plans to reach 50,000 birds as additional pens are completed. Egg production has increased to between 400 and 500 crates per day, while feed production has grown from 700 to 1,500 tonnes quarterly, strengthening vertical integration and profitability. The farm currently provides 35 permanent jobs and engages additional casual labour during peak periods. Through staff welfare programmes, training, and performance incentives, the business continues to support employee wellbeing while expanding its market reach beyond Kaduna. The growth of Jeromaski Farms demonstrates the role of targeted livestock financing in strengthening agribusiness productivity, employment generation, and local economic development.





Jeromaski Farms Limited accessed financing from Stanbic IBTC Bank (A DBN PFI)

IMPACT STORIES

From Credit to Capital: The Chiros Frozen Foods Growth Story



Chiros Frozen Foods

About the Enterprise

Chiros Frozen Foods, based in Kaduna, was founded by Mr Chinedu Sunday Onyia and operates within the poultry processing and distribution segment of the livestock value chain. The business began by sourcing birds on credit from local farmers and repaying suppliers after sales. Despite operating with minimal startup capital and tight cash flow, the company gradually built credibility within the local poultry market through strong supplier relationships and consistent demand for its products.

Financing Need

Limited liquidity constrained the company's ability to scale operations. Reliance on credit-based procurement increased input costs and affected profitability, while rising demand for frozen chicken required greater processing capacity and a more stable supply chain. Without access to suitable financing, expansion of operations, workforce growth, and supply chain stability remained challenging.

DBN Supported Financing

In 2025, Chiros accessed a livestock focused financing facility through Stanbic IBTC Bank on favourable terms. The facility enabled the business to transition to a cash and carry procurement model, reducing input costs and strengthening supplier relationships. The financing also supported investments in energy efficiency, expansion of processing capacity, and working capital support for key suppliers.

Development Impact

With access to financing, Chiros expanded from a three-person operation to a structured enterprise employing 42 staff, including six permanent employees and 33 casual workers. Processing capacity increased to approximately 3,000 birds per session, enabling the company to supply major retailers, restaurants, and cold rooms across Kaduna and neighbouring areas. The business has contributed to job preservation and local livelihood support within the poultry value chain. Planned investments include the installation of a dedicated three phase power system, expanded cold room capacity, and additional supplier financing, positioning the company for further growth and increased sector participation.





Chiros Frozen Foods accessed financing from Stanbic IBTC Bank (A DBNPFI)

2025 IWD Event



The 2025 DBN International Women's Day event, held on March 6, 2025, underscored the critical need for swift and decisive measures to advance gender equality. **The programme featured the launch of DBN's 7-Year Gender Report**, along with a special documentary screening.










As part of its commitment to strengthening financial inclusion and delivering measurable development impact for MSMEs, DBN hosted the 5th edition of its Service Ambassadors Awards Ceremony in 2025. The awards recognised Participating Financial Institutions (PFIs) that demonstrated strong performance in expanding lending volumes, maintaining responsible credit practices, and effectively reaching underserved MSME segments during the 2024 financial year.

Institutions recognised across various award categories included United Bank for Africa (UBA) Plc, LAPO Microfinance Bank Ltd, Globus Bank Ltd, Letshego Microfinance Bank, Providus Bank Plc, First Bank of Nigeria Ltd, Standard Microfinance Bank Limited, Sterling Bank Plc, Alert Microfinance Bank, Wema Bank Plc, Baobab Microfinance Bank, Trust Microfinance Bank Limited, Advans La Fayette Microfinance Bank Limited, AB Microfinance Bank, NPF Microfinance Bank Limited, First City Monument Bank Plc, Infinity Trust Mortgage Bank Plc, Fidelity Bank Plc, FSDH Merchant Bank Limited, Addosser Microfinance Bank Limited, and Living Trust Mortgage Bank Plc.

United Bank for Africa (UBA) Plc received the Platinum Service Ambassador Award in 2025 in recognition of its exceptional performance in expanding MSME disbursements and delivering strong development impact through its lending activities during the 2024 financial year.








Human Capital

DBN's Employee Value Proposition



Learning and Development

At DBN, learning and development are deliberately positioned as a strategic propeller for building institutional capability and sustaining long-term performance. In 2025, the Bank strengthened its approach to employee development by prioritising learning interventions that directly support current business requirements while preparing staff for evolving organisational and sector demands.

The Bank focused on developing critical technical, leadership, and behavioural capabilities across all staff levels, ensuring that learning investments were aligned with identified skills gaps and succession needs. Training delivery was anchored on a blended learning model, combining targeted in-person programmes with virtual and self-paced learning to maximise reach, flexibility, and relevance.

To deepen access to continuous learning, DBN leveraged partnerships with reputable local and international training providers, alongside the Udemy Business platform, to offer employees on-demand learning opportunities. Learning interventions during the year focused on priority areas, including technical knowledge, leadership development, soft skills, development finance, and health and safety. Collectively, these initiatives reinforced a culture of continuous learning and strengthened the Bank's capacity to deliver on its mandate, as illustrated in the accompanying chart.

Learning Hours Chart

% Distribution of Learning Hours by Focus Areas



Employee Welfare

The Bank remains deeply committed to creating a rewarding and supportive work environment for its employees. In 2025, several strategic initiatives were implemented to prioritise the health, well-being, and overall satisfaction of our workforce.

- **Employee Health and Total Wellbeing**
  Throughout the year, the Bank championed innovative and sustainable programmes designed to enhance employee health and well-being. Collaboration with reputable healthcare providers and professional bodies enabled the delivery of the following key initiatives:
- **Competitive Reward and Benefits Management:** The Bank continues to periodically review its reward and benefits framework to ensure competitiveness within the industry and reinforce its commitment to fair and equitable remuneration.
- **Innovative Benefits Management:** In response to prevailing cost-of-living pressures, the Bank implemented targeted employee support measures, alongside benefits such as power support allowance, to enhance employee wellbeing, support retention, and sustain workforce productivity.
- **Comprehensive Medical Coverage:** The Bank provided free and extensive medical coverage for staff and their immediate families (spouse and up to four children). This included annual comprehensive health checks to assess health status and advise on necessary lifestyle adjustments.
- **Biannual Wellness Weeks:** Wellness events were organised twice a year, featuring health surveys, seminars on stress management and physical posture, financial wellness sessions, dance and aerobics classes, wellness competitions, and free medical screenings for all employees.
- **Psychological Counselling:** Employees were offered access to confidential psychological counselling services, supporting mental health and emotional resilience.
- **Recreational Facilities:** The Bank maintained recreational centres equipped for physical activities such as football, dance, aerobics, and other engagement programmes promoting a healthy lifestyle
- **Employee Assistance Programme (EAP):** The Bank sustained its corporate subscription with EAP Nigeria, providing ongoing professional support to employees facing personal or work-related challenges.
- **Employee Recognition for Outstanding Performance:** The Bank annually recognises staff members who have consistently demonstrated exceptional performance. Award categories such as the Long Service Awards, CEO Awards, and Excellence Awards serve as platforms for acknowledging contributions, recognising individual contributions, reinforcing a performance-driven culture, and encouraging sustained excellence in service delivery.
- **Work-Life Balance Support**: Recognising the importance of balancing professional and personal responsibilities, the Bank implemented flexible working hours, remote work options, and supportive leave policies tailored to personal and family needs. These measures foster a more adaptable and employee-friendly workplace.
- **Health and Safety Training:** The Bank prioritised occupational health and safety through ongoing training programmes covering emergency preparedness, first aid, and first responder skills. Regular fire drills and safety exercises ensured employees remained equipped to handle emergencies effectively.

Policy Enhancements

- **Staff Loan Policy:** The Bank enhanced its staff loan policy by introducing interest subsidies for mortgage, personal, and vehicle loans, aimed at supporting employees' financial well-being and reducing financial stress.
- **Staff Performance Bonus Policy:** The staff performance bonus policy was refined to strengthen incentives for high performance and further embed a culture of excellence while driving employee motivation within the Bank.
  All employees continue to enjoy benefits, including gym memberships and access to fitness and social clubs.

Employee Engagement and Work/Life Integration

Employee engagement and work-life integration remain central to the Bank's people strategy. Through supportive policies, flexible work practices, and inclusive initiatives, DBN promotes a balanced work environment that enables employees to perform effectively while managing personal responsibilities. These efforts contribute to higher engagement, improved well-being, and sustained productivity across the organisation. Initiatives implemented to enhance engagement included the following:

- Team Bonding Activities: Quarterly TGIF events to strengthen collaboration and team cohesion.
- Health and Wellness Weeks: Biannual wellness programmes focused on employee health and well-being.
- Team-Building Programmes: Bank-wide initiatives to promote unity and cross-functional collaboration.
- Town Hall Meetings: Regular forums to encourage open communication between management and employees.
- Focus Group Discussions: Cadre-based sessions to gather insights on employee experiences and concerns.
- Employee Feedback and Insight: Regular surveys on employee satisfaction, wellness, and internal customer satisfaction to gather actionable insights that inform ongoing workplace improvements.
- End-of-Year Celebration: Recognises Bank-wide and individual achievements, fostering camaraderie and team spirit.



Remote and Flexible Work

DBN continues to prioritise remote and flexible work arrangements as integral components of its workforce strategy. These arrangements enable employees to better balance their professional and personal commitments, supporting well-being and engagement. By fostering a culture of trust and responsibility, the Bank enhances productivity and resilience, ensuring business continuity amid evolving market dynamics and external challenges.

- **5-6 weeks paid annual leave, with the flexibility of staggering the days to meet personal needs**
- **4-month maternity leave and early closure for nursing mums upon return from leave**
- **Paternity leave of up to 5 working days**
- **Compassionate leave of up to 5 days per annum for bereavement and family emergencies**
- **Support for a purchased vacation where necessary, which provides employees with the opportunity to purchase additional vacation time**

These initiatives reflect DBN's unwavering commitment to creating a supportive and engaging work environment that prioritises the health, well-being, and satisfaction of our employees.

Career Growth and Opportunities

At DBN, empowering employees to achieve their professional and personal development goals is central to our people strategy. We encourage staff to take ownership of their growth while providing platforms and resources that build capabilities and foster collaboration on impactful projects. Continuous investment in learning and development enables employees to contribute meaningfully to both the Bank's mandate and broader societal goals.

In line with our commitment to social responsibility, employees actively participated in the 2025 World Environment Day (WED) campaign themed "Beat Plastic Pollution." This initiative was delivered through a structured, three-pronged sustainability approach:

The Good Neighbour Initiative, donating recycling bins to neighbouring organisations.

Green Clubs: Environmental education, delivering awareness sessions to secondary school students to promote early adoption of sustainable practices.

I. Reforestation efforts through tree planting exercises in Kpeygi Community, Abuja, and Senior High School, Abesan, Lagos.

These initiatives exemplify how DBN's development culture extends beyond the workplace, encouraging staff to engage in projects that align personal growth with social impact.

In 2025, DBN remained steadfast in its commitment to employee career growth and development by offering:

I. Capacity Building: Over 40 learning hours per employee, tailored to business and staff development needs.

II. Exam and Study Leave: Up to 10 working days for exams, with discretionary study leave based on eligibility as outlined in the staff handbook.

III. Professional Certification and Membership Support: The Bank supports continuous professional development by funding memberships and reimbursing approved certification exam fees. It has enhanced the membership subscription framework by setting subscription limits based on the number per staff cadre rather than the previous practice of fixed amounts, thereby increasing coverage and overall payouts to benefit more employees.

IV. Career Progression Opportunities: Fast-tracked career advancement for consistently high performers in alignment with our career and performance management frameworks.

V. Knowledge Management System: A robust platform for knowledge sharing and continuous learning within the organisation.

VI. Professional and Personal Development Platforms: Revamp of the Bank's coaching programme, to support personal development and professional effectiveness, thereby improving leadership development initiatives.

VII. Employee Support and Inclusion Policies: Developed requisite policies to safeguard the work environment, uphold diversity, equity, and inclusion, and enhance employee support.

VIII. People Strategy Transformation: A consultant-led review was undertaken to assess and benchmark the Bank's organisational structure, grading framework, and overall people strategy under Project Revamp. This exercise is designed to strengthen structural alignment and workforce effectiveness

Additionally, we encourage employees to leverage their colleagues' collective strengths and engage in projects that are both socially impactful and personally fulfilling. Through these initiatives, DBN continued to foster an environment that supports learning, career advancement, and holistic employee development.

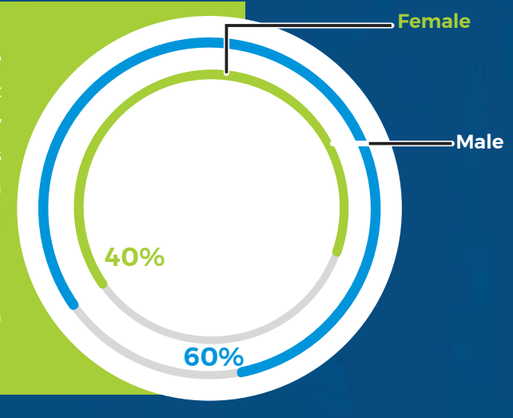


Diversity, Equity and Inclusion: The Heart of DBN's Culture

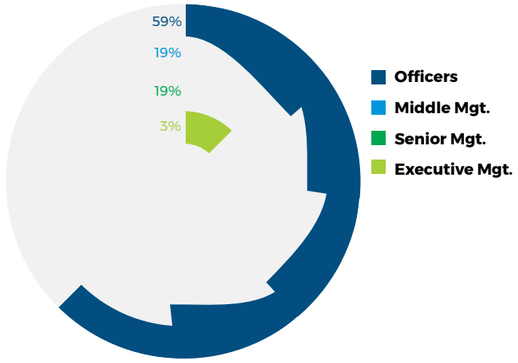
At DBN, diversity and inclusion are foundational to our culture and organisational success. We recognise that embracing diverse perspectives, backgrounds, and experiences drives innovation, fosters collaboration, and strengthens our ability to serve our stakeholders effectively. Committed to building a workplace where everyone feels valued, respected, and empowered, DBN actively promotes policies and practices that ensure fairness, equal opportunity, and a sense of belonging for all employees.

The DBN Workforce Diversity Policy establishes the core principles that promote an inclusive work environment free from harassment and discrimination, where every individual is valued and respected. It also guarantees that all employees receive equal opportunities based on merit and that recruitment processes are conducted with transparency, equity, and fairness.

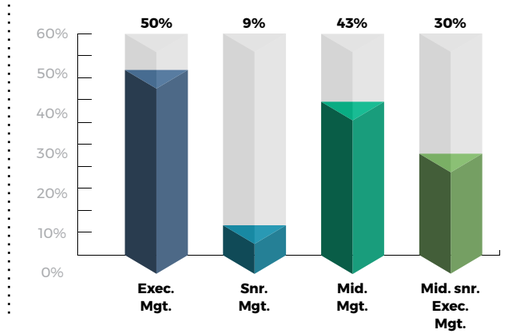
The charts below illustrate the Bank's diversity position as of December 2025.

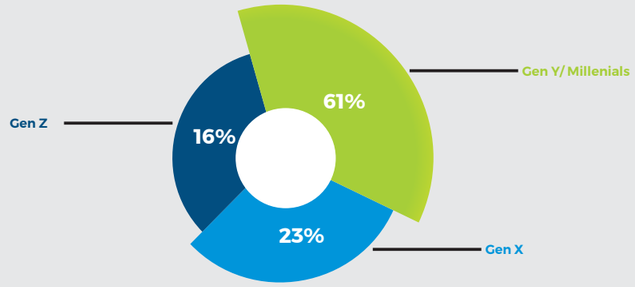


Professional Staff Distribution by Cadre



Female Representative at Management Level





The Bank is committed to strengthening workforce diversity and inclusion by prioritising achieving gender parity and ensuring adequate representation across diverse geographical regions.

KEY STATS AS AT DECEMBER 31, 2025	
Total number of staff (including outsourced staff and in-house consultants)	94
Female	38
Male	56
TRAINING	
Total Learning Hours	9,514
Percentage of Staff Trained	100%
COMPENSATION AND BENEFITS	
Group Life Assurance/Group Personal Accident Scheme	100%
Health Insurance Scheme	100%
Contributory Pension Scheme	100%
EMPLOYEE SATISFACTION SURVEY	
Employee Satisfaction Level	87%
Satisfaction index on a scale of 1 – 5	4.4
Employees likely to advocate for DBN as a Great Place to Work	88%

2025 Customer Service Week

Customer Service Week 2025 was held from 6 to 10 October 2025 to recognise and appreciate the contributions of DBN's customer facing teams, strengthen staff morale, and reaffirm the Bank's commitment to delivering high quality customer service. Activities were implemented in line with the approved objectives for the programme.

Key activities included Bank wide brand management training, the deployment of productivity boards and peer recognition walls, internal and external social media challenges, and the Mission Possible Awards. The week also featured a range of engagement activities designed to reinforce a customer centric culture across the Bank.

Below are images from the 2025 Customer Service Week celebrations.



DBN Innovation Week 4.0 – Driving Institutional Innovation for Development Impact

In December 2025, DBN delivered the fourth edition of its annual Innovation Week, reinforcing innovation as a key driver of the Bank's strategy, operational efficiency, and development impact. The event culminated in the final pitching session of Innovation Challenge 4.0, a staff driven initiative designed to generate scalable solutions aligned with DBN's strategic priorities and MSME development objectives.

Innovation Week 4.0 was held from 8 to 12 December 2025 under the theme "*From Ideas to Impact: Scaling MSME Growth.*", The process culminated in DBN Innovation Week 4.0, held from Monday, 8th December to Friday, 12th December 2025, under the theme "From Ideas to Impact: Scaling MSME Growth."

The week provided a platform for collaboration, knowledge exchange, and staff engagement, while hosting the grand finale of the innovation challenge. Finalists presented refined concepts during competitive pitch sessions, with submissions assessed on innovation, feasibility, strategic relevance, and potential development impact.

Strategic Focus

The 2025 Innovation Challenge was anchored on the theme "Amplifying Lending to Youth-Owned MSMEs", reflecting DBN's commitment to inclusive growth, youth economic empowerment, and increased access to finance for underserved segments. Employees were challenged to develop practical propositions capable of increasing DBN's lending volume to youth-owned MSMEs while aligning with the Bank's mandate and risk framework.

Value Creation & Impact

Innovation Week 4.0 strengthened DBN's human capital, fostered cross-functional collaboration, and generated actionable ideas to advance youth-focused MSME financing. The initiative demonstrates DBN's commitment to embedding innovation into its operating model to deliver sustainable development outcomes.

Key Highlights

- **Staff Engagement:** Strong participation across the Bank through interactive sessions, games, and collaborative activities. For the first time, all Lagos based staff were physically onsite throughout the week, significantly enhancing engagement.
- **Innovation Challenge Pitching:** Pitch sessions showcased staff creativity, analytical rigour, and solution-oriented thinking, with ideas evaluated based on innovation, feasibility, strategic alignment, and potential development impact.
- **Governance and Transparency:** The selection process incorporated a Bank wide voting exercise, Innovation Council deliberations, and an independent audit review of voting results to ensure transparency and institutional credibility.
- **Recognition and Rewards:** Champions and finalists were formally recognised at the close of the programme, reinforcing DBN's culture of innovation, excellence, and high performance.

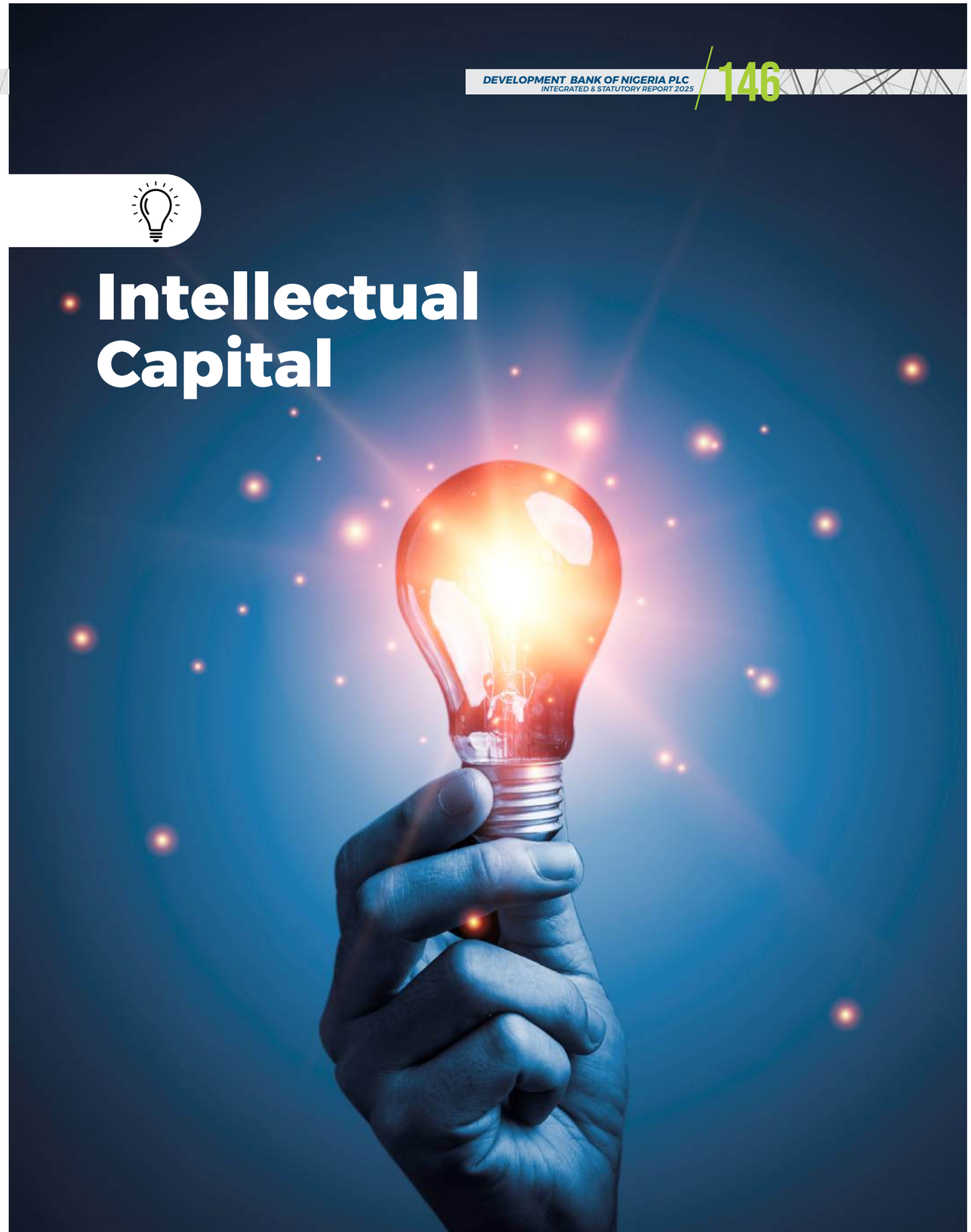








Intellectual Capital



DBN TECHPRENEUR SUMMIT 4.0

DBN hosted the fourth edition of the **DBN Techpreneur Summit**, a flagship platform aimed at advancing technology driven entrepreneurship within Nigeria's MSME ecosystem. Held under the theme "CTRL + SHIFT: Tech Empowered Movement for Naija," the summit highlighted the role of technology in transforming business models and driving sustainable enterprise growth. The initiative also aligns with DBN's AMPLIFI Strategy to support a more resilient, inclusive, and prosperous economy.

The summit took place on 19 June 2025 at the Continental Hotel, Lagos, and convened 345 participants, including startups, technology entrepreneurs, financial institutions, students, and broader ecosystem stakeholders.

The programme featured a keynote address by Solape Akinpelu, Co-Founder and Chief Executive Officer of Hervest, alongside a competitive startup pitch session, exhibitions by Participating Financial Institutions (PFIs) and startups, and structured networking engagements.

Key Highlights

Startup Pitch Competition: Seven startups presented innovative solutions, with three emerging winners and receiving a combined grant of ₦13 million to support business growth and innovation.

Ecosystem Engagement: Exhibition booths hosted by PFIs and startups were fully subscribed, reflecting strong participation across the technology and entrepreneurship ecosystem.

Knowledge Sharing: The summit featured keynote and interactive sessions that highlighted opportunities for technology driven enterprise development.

Strategic Showcases: The event also marked the launch of the MSME Data Asset and the premiere of a documentary highlighting the 2024 Techpreneur and Eco Innovation Challenge winners.

Overall, the DBN Techpreneur Summit 4.0 reinforced the Bank's commitment to innovation led MSME development, youth engagement, and ecosystem collaboration, while strengthening DBN's position within Nigeria's digital and entrepreneurial landscape.













DBN ANNUAL LECTURE 2025

The sixth edition of the DBN Annual Lecture, the Bank's flagship thought leadership platform, was held on 25 September 2025 at the Congress Hall, Transcorp Hilton, Abuja. The lecture, themed "Positioning Nigerian MSMEs for Growth in a Dynamic Policy Environment," convened policymakers, entrepreneurs, financial institutions, regulators, and development partners to examine the evolving policy landscape and its implications for MSME growth.

Held against the backdrop of significant fiscal, monetary, and regulatory reforms, including fuel subsidy removal, exchange rate unification, and adjustments to tax and financial regulations, the lecture provided a forum to examine the challenges and opportunities facing Nigerian MSMEs. Discussions emphasised the need for resilience, adaptability, and stronger engagement between policymakers and the private sector to support enterprise sustainability and growth.

The event featured a keynote address by Flora Mutahi, Founder and Chief Executive Officer of Melvin Marsh International Ltd, who highlighted the role of innovation, strategic leadership, and private sector resilience in navigating policy uncertainty. The keynote was followed by a post lecture discourse with Jelani Aliyu, MFR, Founder of Jelani Aliyu Consulting, and Professor Aliyu Dahiru Muhammad of Bayero University, Kano, who offered perspectives spanning industrial design, sustainability, and development finance.

A fireside chat with leading Nigerian entrepreneurs further enriched the dialogue, while sector focused breakout sessions in technology, creative industries, and manufacturing enabled practical knowledge sharing and peer engagement on competitiveness, access to finance, and long-term business resilience.

















Overall, the DBN Annual Lecture 2025 reinforced the Bank's commitment to policy engagement, knowledge leadership, and MSME development, positioning DBN as a platform for constructive dialogue that supports inclusive economic growth in Nigeria.







Working Paper Series



The Bank's publication provides in-depth reports on current economic issues affecting MSMEs in Nigeria and Sub-Saharan Africa. The working paper series is typically works in progress published to stimulate public discussion of ongoing research and events of importance to business affecting key economies we follow. Over 300 articles have been published in the DBN working paper series.

Journal of Economics and Sustainable Growth



The Journal of Economics and Sustainable Growth publishes scholarly research and commentary on developments in economics and finance in Nigeria and the Africa. The focus of the journal is on applied and policy-oriented research, which can serve as a basis for public policy discussions on the role MSMEs play in the growth of these economies. The journal seeks to foster dialogue among researchers, policymakers and practitioners to identify policies that can help deepen and broaden our understanding of issues in development finance in emerging economies.
Over 70 articles have been published.



Entrepreneurship Training Program

Capacity development remains a key pillar of DBN's mandate to promote sustainable and inclusive economic growth through stronger MSMEs. While access to finance is essential, the Bank recognises that financing alone does not ensure enterprise survival, growth, or long-term resilience. Many MSMEs in Nigeria continue to face structural capacity constraints in areas such as business planning, financial management, governance, regulatory compliance, and market access, which limit their ability to attract and effectively utilise financing.

These challenges are particularly pronounced among early stage and informal enterprises, as well as businesses operating in underserved and conflict affected regions. Limited exposure to structured entrepreneurship training and weak managerial capacity have contributed to low productivity, high enterprise failure rates, and restricted participation in formal financial systems.

To address these constraints, DBN incorporates targeted capacity development initiatives within its broader development finance strategy. A central component of this approach is BizAid, the Bank's digital learning platform designed to deliver entrepreneurship and business development training at scale. The platform expands access to structured learning by providing MSMEs across Nigeria's six geopolitical zones with flexible, self-paced, and cost-free training opportunities.

BizAid hosts a range of standardised courses covering core business competencies, including financial management, regulatory compliance, sustainability, and innovation. The platform also incorporates assessments and certification to validate learning outcomes and strengthen the managerial capacity of participating MSMEs.







Entrepreneurship Training Program

The Entrepreneurship Training Programme (ETP) is DBN's flagship capacity development initiative aimed at strengthening MSME capabilities, improving bankability, and expanding access to finance. The programme equips entrepreneurs with practical business, financial, and management skills required to support enterprise growth, operational resilience, and long-term socio-economic impact. Between 2019 and 2025, DBN trained approximately 60,000 MSMEs across Nigeria's six geopolitical zones.

The programme delivers a structured and demand driven curriculum covering key areas of enterprise development. These include marketing and sales strategies, accounting and bookkeeping, credit management and access to finance, sustainability practices for small businesses, the Women's Entrepreneurship Mindset (WEM) Toolkit, generative artificial intelligence for MSMEs, project management, human resource management, SME laws and regulations, business scaling and exporting, and business branding and communication.











Phase 1: Online Training (LMS)

The year 2025 marked the 7th edition of DBN's Entrepreneurship Training Programme, which was implemented in two complementary phases to ensure wide reach, equity, and deeper developmental impact.

The first phase was delivered through DBN's Learning Management System (LMS) on the BizAid platform, with no restrictive eligibility requirements, expanding access and promoting inclusivity. Through the LMS, participants completed the course and demonstrated the knowledge gained through quizzes and capstone assessments. Successful learners were issued DBN-branded certificates to recognise their efforts.



In 2025, a total of 48,310 MSMEs were trained through the LMS across various regions of the country.





Phase 2: Regional In-Person Workshops

High-performing participants from the online phase were shortlisted for the in-person training workshops. Approximately 900 MSMEs were invited to attend intensive three-day workshops held in 12 locations across the six geopolitical zones, with participants assigned to the nearest location to reduce participation barriers.

The in-person workshops were conducted in the following locations:

North-West: Sokoto and Kano
North-East: Bauchi and Gombe
North-Central: Benue and Abuja
South-West: Lagos and Ibadan
South-South: Delta and Port Harcourt
South-East: Ogun and Enugu











Grant Distribution, Regional Equity, and Gender Outcomes

In addition to capacity development, the pitching sessions provided participating MSMEs with the opportunity to compete for grant funding. A total of 99 million naira was awarded to 48 MSMEs across Nigeria's six geopolitical zones. The grant allocation was intentionally structured to promote regional equity, with each geopolitical zone receiving an equal allocation of 16.5 million naira, ensuring balanced participation and nationwide impact.









Women owned businesses accounted for approximately 60 percent of the total grant value awarded, indicating strong participation of women in bankable enterprises and reinforcing DBN's focus on supporting high potential women entrepreneurs.

Overall, the Entrepreneurship Training Programme continues to demonstrate DBN's catalytic role in strengthening MSME capacity, promoting equitable regional participation, advancing gender inclusion, and supporting sustainable and inclusive economic growth across Nigeria.





These workshops provided opportunities for peer mentorship, project-based learning, networking with DBN's PFIs, expert-led business plan reviews, and live pitching sessions. Participants benefited from structured feedback from industry experts, enabling them to refine their business models and better position their enterprises for future funding opportunities.

North-East/ North-West Women Entrepreneurship and Vocational Skills Development Program

In September 2025, DBN organised a two-day entrepreneurship and vocational skills development programme for women entrepreneurs in Kano and Yola in collaboration with the Organisation for Environmental Agriculture and Health Development (OEAHD). The programme targeted 200 indigenous women entrepreneurs and aimed to strengthen their economic participation through practical skills training, entrepreneurship education, and improved access to financial services.

Participants received hands on training in soap making and henna application, alongside sessions on entrepreneurship, business management, and financial literacy. The programme also provided guidance on business formalisation, including registration with the Corporate Affairs Commission (CAC) and regulatory compliance to support credibility and access to finance.

Engagements were facilitated with key institutions including DBN, the Bank of Industry (BOI), the Corporate Affairs Commission (CAC), and the Standards Organisation of Nigeria (SON), exposing participants to funding opportunities, quality standards, and regulatory requirements. While only a few businesses completed CAC registration during the programme, ongoing mentorship and post training support were introduced to encourage further formalisation.

Delivered through workshops, practical demonstrations, mentoring, and group discussions, the training adopted a bilingual approach in Hausa and English to ensure accessibility and effective participation.

The initiative strengthened entrepreneurial capacity, improved financial awareness, and fostered linkages between women entrepreneurs and financial institutions, reinforcing DBN's commitment to women's economic empowerment and inclusive MSME development.



















Technical Assistance To PFIs on Environmental And Social Risk Governance (ESG)

In furtherance of efforts to strengthen Environmental and Social Risk Governance (ESG) practices and address identified capacity gaps within the microfinance bank and other financial institutions sub-sector, DBN organised a targeted technical assistance programme for its PFIs on 20th and 21st November 2025.

The programme was attended by key personnel from the ESG, risk management, and compliance functions of the participating financial institutions. The training focused on enhancing parti-cipants' capacity to identify, assess, and manage environmental, social, and governance risks within lending and operational activities.

Specific emphasis was placed on financing environmentally sustainable projects, including renewable energy and sustainable agriculture initiatives, as well as on promoting diversity and inclusion, fair labour practices, sound corporate governance, and strict regulatory compliance. The training also focused on the reporting style for the expected FINCLUDE funds in 2026.

Below are photographs from the session:



2025 MFB Community of Practice

In line with its mandate to strengthen the institutional capacity of PFIs, DBN convened a two-day Community of Practice session on Anti Money Laundering and Counter Financing of Terrorism, as well as Corporate Governance for Microfinance Banks and Other Financial Institutions on 31 July and 1 August 2025.

The session brought together 66 participants from more than 30 microfinance banks, including senior executives, compliance officers, and risk management professionals. Technical sessions were delivered by subject matter experts from the Central Bank of Nigeria (CBN) and the Institute of Directors Centre for Corporate Governance (IoDCCG).

The engagement enhanced participants' understanding of evolving regulatory requirements while strengthening governance, risk management, and compliance practices within participating institutions. It also fostered peer learning and collaboration, supporting the development of more resilient microfinance institutions and strengthening their capacity to sustainably finance MSMEs.





DBN Innovation Hub Model

In 2025, DBN strengthened its non-financial support initiatives through the operationalisation of the DBN Innovation Hub, a strategic platform established to support MSME growth, innovation, and improved bankability, particularly within underserved regions. The Hub reflects the Bank's approach to MSME development, recognising that access to finance must be complemented by enterprise support, innovation enablement, and stronger ecosystem collaboration.

The DBN Innovation Hub functions as a dedicated enterprise development platform that brings together entrepreneurs, business development service providers, policymakers, and financial institutions within a shared ecosystem. Located in Kaduna, the Hub primarily serves the Northwest and Northeast regions. It provides MSMEs with access to collaborative workspaces, incubation and acceleration programmes, technical mentorship, business advisory services, and support for market access and investor engagement. The facility is designed to strengthen business systems, governance structures, and operational capacity, enabling enterprises to progress from early stage operations into more structured and finance ready businesses.

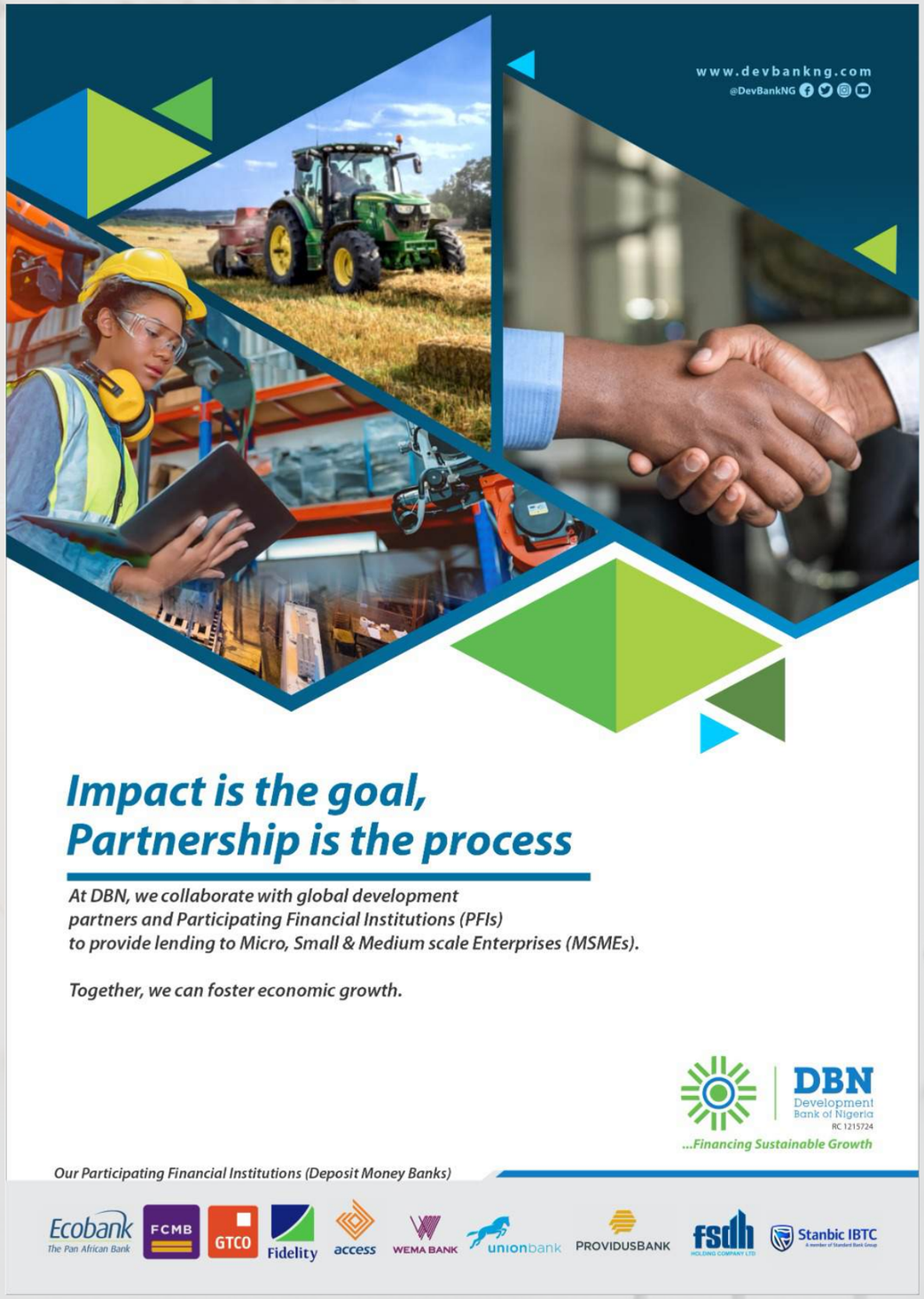
Accelerator Programme

A central feature of the Hub is the DBN Innovation Hub Accelerator Programme, a structured twelve-month programme delivered through partnerships with ecosystem operators. The initiative focuses on strengthening core enterprise capabilities, including business modelling, governance practices, financial management, and operational systems required for growth. Participating MSMEs receive targeted mentorship, advisory support, and guidance on financing pathways, including potential access to grants and linkages with financial institutions.

Value Creation and Impact

The Innovation Hub is expected to deliver value across multiple stakeholders. For MSMEs, it supports stronger managerial capacity, improved governance, expanded market opportunities, and enhanced readiness for external financing. For financial institutions, the Hub contributes to the development of a pipeline of more structured and investment ready enterprises aligned with DBN's wholesale financing model. Ecosystem partners benefit from a coordinated platform that facilitates collaboration among public sector institutions, private sector actors, and development partners. At the broader economic level, the initiative supports enterprise development, job creation, and the competitiveness of MSMEs across Northern Nigeria.

The Kaduna Innovation Hub also serves as a pilot for a scalable enterprise development model. Insights and lessons from its implementation will guide the potential expansion of similar hubs across other regions, reinforcing DBN's commitment to integrated interventions that combine finance, innovation, and capacity development to drive inclusive economic growth.



UNSHF Stakeholders Engagement Workshop

DBN, in partnership with the United Nations Sanitation and Hygiene Fund (UNSHF), hosted a stakeholders' engagement workshop titled "Inclusive Financing for Scalable Sanitation and Hygiene Solutions" on 10 September 2025 at the Protea Hotel, Victoria Island, Lagos. The workshop convened stakeholders from the sanitation, health, environment, finance, and development sectors, including representatives from development partners, regulatory institutions, the media, and industry professionals from within and outside Nigeria.

The one-day event featured welcome remarks from DBN and UNSHF, case study presentations from sector stakeholders such as UNICEF, WaterAid, and Water.org, and a goodwill message from government representatives. The programme also included expert discussions, breakout sessions, team presentations, and financial modelling sessions focused on strengthening the sanitation and hygiene ecosystem.

Key outcomes highlighted the need to catalyse investment in public sanitation infrastructure and support enterprises operating across the sanitation and hygiene value chain. Participants also identified significant knowledge gaps within the sector, underscoring the importance of targeted capacity building for business operators alongside improved access to finance to support sector expansion.













Women Investment Readiness Accelerator

The Women Investment Readiness Accelerator (WIRA) is a high-impact, intensive accelerator training programme and mentorship designed to empower 100 high-potential, women-led businesses. Sponsored by DBN with funding from Agence Française de Développement (AFD), the programme is being implemented by Sterling One Foundation and is tailored specifically for women entrepreneurs who have not previously accessed institutional financing. The programme was designed to strengthen the investment readiness of women-led businesses by equipping them with critical business skills, financial literacy, investment structuring knowledge, and tailored mentorship.

Over its implementation cycle, WIRA supported 100 women entrepreneurs, guiding them through a structured 14-module curriculum, personalised coaching, and practical assignments. Through this process, 48 women (48%) emerged fully investment ready, a remarkable increase from the 7% baseline readiness recorded at the start of the programme. WIRA serves as a catalytic intervention improving women's access to finance and expanding the pipeline of fundable women-led enterprises in Nigeria's business and impact ecosystem.













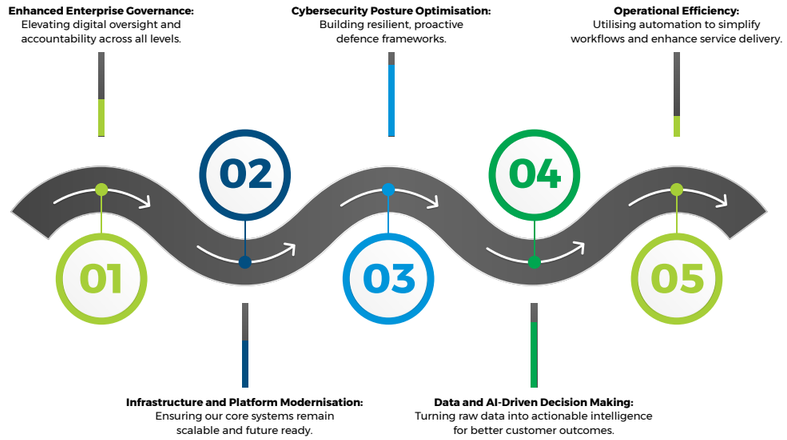


Manufactured Capital

Charting the Digital Future: Digital Strategy and Transformation

In 2025, we partnered with Ernst & Young (EY) to articulate a forward-looking digital strategy, specifically designed to accelerate the goals within our AMPLIFI Strategic Plan.

> Through a rigorous assessment using EY's digital readiness framework, the Bank achieved the status of a "Digitally Mature Enterprise" across five key focus areas.



Execution is already delivering tangible results. We have significantly enhanced our Loan Management System (LMS) to streamline the credit lifecycle and successfully integrated Microsoft 365 Copilot, embedding generative AI into our daily workflows to boost productivity and precision.

Commitment to Global Standards and Resilience: ISO Revalidation Exercise

Trust is built on consistency. In 2025, the Bank underwent a rigorous ISO Revalidation Exercise, subjecting our internal processes to intensive third-party scrutiny. We successfully maintained our certifications for:



These credentials reaffirm that our operations are built on a foundation of global best practices, ensuring we remain resilient in the face of any disruption.

DELIVERING VALUE THROUGH OUR STRATEGY

Safeguarding our Digital Sovereignty: Information Security

As digital threats evolve, so do our defences. We have prioritised the protection of our stakeholders' data by upgrading our cybersecurity infrastructure with AI-powered solutions that offer real-time threat detection and mitigation.

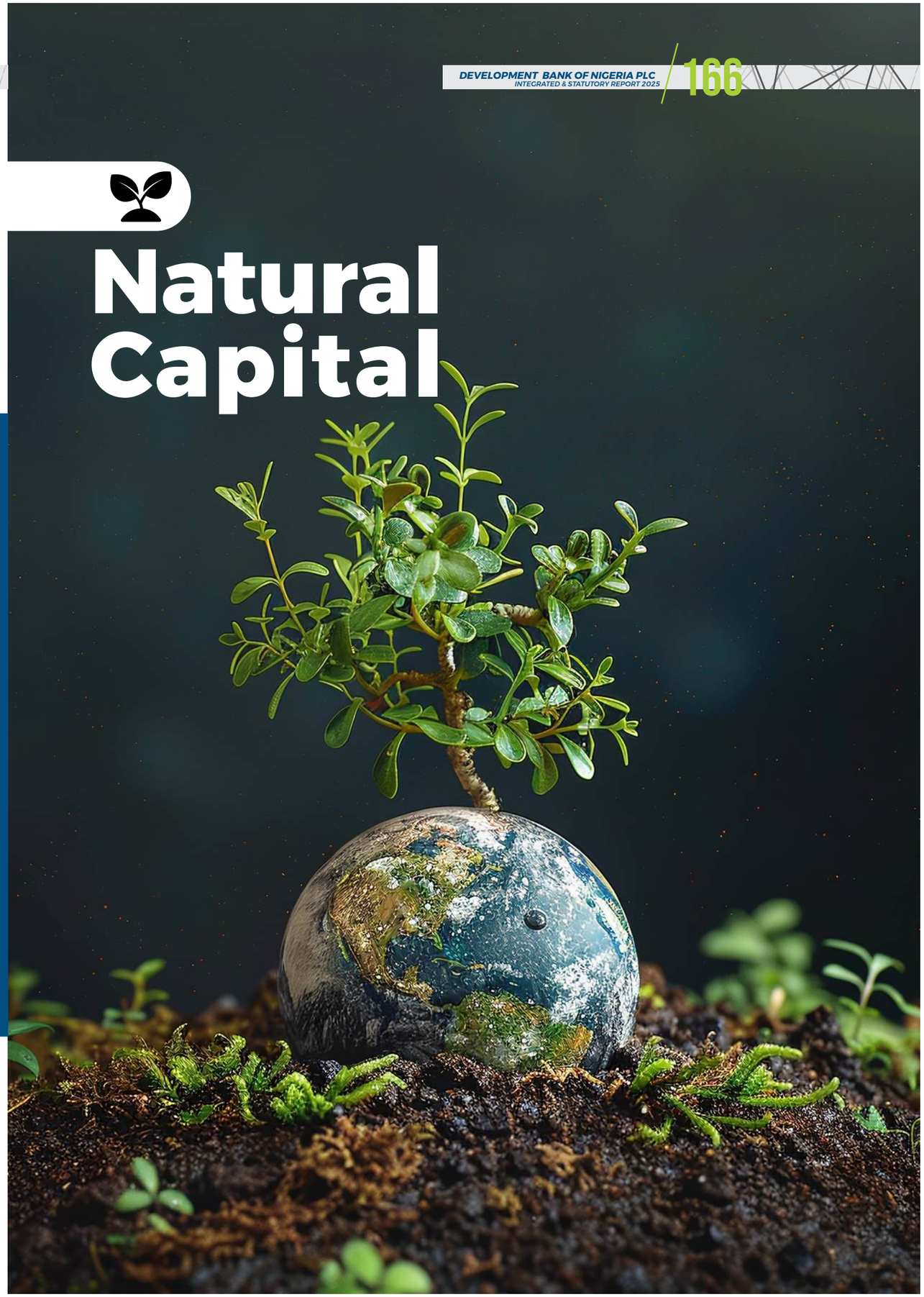
However, technology is only part of the solution. We have fostered a security-first culture through comprehensive, bank-wide awareness campaigns. This dual approach, combining cutting-edge technology with human vigilance, resulted in a successful NDPR compliance audit by the Nigeria Data Protection Commission (NDPC) with zero infractions. This milestone reinforces our unwavering commitment to data privacy and the continued trust of our stakeholders.

DBN MSME Data Asset

As part of its ongoing investment in digital and institutional infrastructure, DBN has developed Nigeria's first MSME Data Asset, a web-based analytics platform designed to strengthen how MSME performance, financing gaps, and economic contributions are measured and understood. The platform represents a strategic enhancement of DBN's manufactured capital, providing a scalable, governed, and data-driven foundation for evidence-based development of finance decision-making. See link to MSME Data Asset: https://data.devbankng.com/Biz

- **A national digital infrastructure for MSME intelligence:** The MSME Data Asset integrates multiple authoritative data sources into a single, centralised system, eliminating data silos and establishing a reliable source of truth for MSME analytics across employment, GDP contribution, sectoral performance, and financing gaps.
- **Strengthening decision-making, transparency, and efficiency:** Through automated workflows, interactive dashboards, and standardised reporting, the platform enhances operational efficiency, improves accessibility for stakeholders, and supports transparent regulatory and performance reporting.
- **Long-term institutional value and sustainability:** Embedded with robust data governance and compliance frameworks, the MSME Data Asset is a durable institutional capability that reinforces DBN's ability to design targeted interventions, support sustainable MSME growth, and scale its development impact over time.

Natural Capital



2025 World Environment Day

As part of the 2025 World Environment Day (WED) celebrations, DBN expanded on key sustainability initiatives launched over the past years. The 2025 WED event was structured around three core pillars, **Recycling, Education and Reforestation,** aimed at maximising environmental impact through employee engagement and community-driven activities. Below are pictures for the event.










DBN Green Clubs

The Green Clubs programme was instituted to develop environmentally conscious future leaders by embedding sustainability principles within school environments, particularly in rural and low-cost junior and senior secondary institutions.

In 2025, the DBN Green Clubs projects reached 211 secondary students (green champions) in Lagos, Abuja, and Kaduna. Through structured facilitator training and lively, hands-on activities in our five partner schools, our green champions gained practical skills in recycling, circular economy thinking, tree planting, biodiversity care, and environmental stewardship.

The impact was clear: recycling understanding jumped from 41% to 85%, knowledge of planting reached as high as 86%, and girls played strong leadership roles throughout. Though minor logistical challenges arose, the project sparked creativity, responsibility, and proactive environmental action among youth.









Impact Credit Guarantee Limited

About ICGL

Impact Credit Guarantee Limited (ICGL) is a fully owned subsidiary of DBN, established in 2019 to fulfil one of the Bank's three mandates – provision of partial credit guarantees for PFIs to encourage them to improve access to finance for MSMEs through lending.

Product Offerings

ICGL currently offer two types of guarantee products to PFIs on facilities extended to MSMEs.

Individual Guarantee: this guarantees a single loan made by a financial institution to a single borrower whose identity is known to the guarantor. The guarantee decision is at the discretion of ICGL after individual appraisal.

Blanket Guarantee: Under this structure, guarantees are extended on loans originated by PFIs, with the authority to approve eligible facilities delegated to the participating institution. While the guarantees apply to individual loans, PFIs are empowered to make guarantee decisions within agreed eligibility criteria and operational guidelines.

ICGL's standard product offering has the following characteristics:
Guarantee coverage of 60% of the loan amount.
Maximum loan size of N450million and N1.8billion for MSMEs and small corporates respectively.
Maximum loan tenor of 5 years.

Corporate Philosophy



VISION
To be a leading nationwide sustainable credit guarantee company, facilitating access to finance to MSMEs through eligible PFIs.

MANDATE
To facilitate access to finance among MSMEs through eligible PFIs in a sustainable and market-oriented way by providing credit guarantees and technical assistance to PFIs.

MISSION
To improve access to finance for MSMEs in Nigeria through the provision of partial credit guarantees and technical assistance to PFIs.

CORE VALUES



All sector inclusive.

In addition to the standard product, the company offers thematic products that address specific issues. In 2024 the company launched a specialised guarantee product under the Federal Government of Nigeria (FGN)'s Livestock Productivity and Resilience Support Project (LPRES) which then commenced guarantee uptake in 2025. The project seeks to build on recent FGN strategies and policies to promote a productive and resilient livestock sector. The characteristics of ICGL's LPRES guarantee are:
Guarantee coverage of 75% of the loan amount.
Maximum loan size of N3.2billion.
Maximum tenor of 12months for working capital loan and term loan evaluated on case-by-case basis.
Eligible borrowers are agribusiness and producers engaged primarily in beef, dairy and poultry rearing and production, as well as those in their value chain.



ICGL Corporate Governance

The Board of Directors of Impact Credit Guarantee Limited is tasked with providing effective leadership and strategic direction to the Company. To effectively discharge its responsibilities, the Board of Directors ensures that it is comprised of the right balance of skills and experience.

During the year, there was a change in the company's board composition with one (1) non-executive director – Bonaventure Okhaimo – resigning, and one (1) independent non-executive director – Zainab Aliyu – joining.

As at year end, the Board comprised of six (6) directors; four (4) independent non-executive directors, one (1) non-executive director who represents Development Bank of Nigeria Plc., and the Managing Director/Chief Executive Officer. The Board of Directors is headed by a Chairman, who is an independent non-executive director.

The roles of the Chairman and the Managing Director/Chief Executive Officer are separated and held by different people. The Chairman is responsible for providing overall leadership for the Company and the Board while the Managing Director/Chief Executive Officer is the head of management.



Abubakar Jimoh
Chairman, Board of Directors

Abubakar Aribidesi Jimoh is the founder and Group Chief Executive Officer of TrustBanc Holdings Limited, a non-operating financial holding company. He holds a bachelor and master's degree in Finance at the University of Lagos. He is a Chartered Financial Analyst, Certified General Accountant, Chartered Internal Auditor and Financial Risk Manager. .

He has over 25 years of experience in the banking industry and has managed and built profitable financial institutions that have grown to become market leaders in their various market segments. Abubakar started out as a National Youth Service Corps member at Lion Bank in 1988 before joining Prime Merchant Bank Limited (Corporate Banking), where he served as the AM/ Head of Special Projects in 1990. He also served as Head of Securities Trading and Treasury, Express Discount Limited (1993); Manager (RBC Investments, IAS), RBC Financial Group, Toronto (1999); Division Chief, Private Sector Portfolio Management, African Development Bank (2005); Divisional Head/GM, Balance Sheet Management/Market Risk & Investor Relations, UBA Group (2008); and Managing Director/Chief Operating Officer (2011), Coronation Merchant Bank Limited (Formerly Associate Discount House Limited ADH). He is currently the Group Chief Executive Officer of TrustBanc Holdings Limited, a company he founded in 2013, which focuses on wealth management, ethical and conventional investment management, security trading, lending, and forex.

Abubakar is a graduate of London Business School and Lagos Business School where he underwent trainings in Strategic Investment Management and Advanced Management. He is a fellow of the Chartered Institute of Bankers and Institute of Chartered Accountants, Nigeria as well as a former member of the Central Bank of Nigeria-led Bankers' Committee.



Anthony Asonye
Managing Director/Chief Executive Officer

Anthony Asonye has over 24 years Banking and Development Finance experience cutting across key leadership roles in Banking Operations, Risk Management and Business Development.

He joined the Development Bank of Nigeria PLC Group in May 2019 as the pioneer CEO of Impact Credit Guarantee Limited, a wholly owned subsidiary of the Development Bank of Nigeria PLC.

Anthony joined the United Bank for Africa PLC as a management trainee and his career has spanned Diamond Bank PLC, Stanbic IBTC Bank PLC, Standard Chartered Bank Limited and Union Bank PLC where he rose to key management positions in Risk and Business notably Head, Credit Analysis; Divisional Executive, Commercial Banking and Head, SME Banking.

As an experienced risk manager and business development enthusiast, he championed the automation of MSME, Consumer and Small Corporate Lending with the implementation of the KASTLE ULS at Diamond Bank PLC (now Access Bank Plc) and CAMS Lending Solution at Stanbic IBTC.

Anthony is an Accounting graduate of the University of Calabar and holds an MBA degree from the University of Benin. He is a Fellow of the Institute of Chartered Accountants of Nigeria and a Standard Bank certified credit coach.

He has attended several managerial and leadership programmes including the Executive Development programme of the Wharton Business School, The University of Pennsylvania, USA.



Chioma Sideso
Independent Non-Executive Director

Chioma Sideso is a seasoned strategic leader with experience in complex developing markets. She has over fifteen years board experience in highly regulated sectors as an executive director, independent director and non-executive director ranging from start-ups to well established private and publicly listed companies in industries as diverse as logistics, mining, insurance, and financial services.

She spent over a decade as the CEO of NSIA Insurance Ltd, a Pan-African financial services provider with a vast footprint across Africa, participating in steering the African expansion strategy. With strengths in governance, strategy, performance improvement and culture change, she is an experienced business leader and board director with a successful record of growing and transforming businesses in diverse sectors. She has extensive knowledge of doing business in Africa and has chaired cross functional/cultural multilingual teams to ensure growth strategies are achieved. Chioma has facilitated numerous development programs promoting financial inclusion and supported projects indicative of the strong ESG business model adopted.

She built her early career in banking and insurance and began forging a path in Nigeria's insurance industry where she became passionate about change management and transformation. Under her leadership, NSIA received recognition as an "Employer of Choice".

Chioma pursued a law degree at the University of Kent, Canterbury before completing her MBA at the University of Leicester UK. She is an Associate of the Chartered Insurance Institute (ACII) UK, has received a Professional Diploma in Marketing from the Chartered Institute of Marketing (CIM) UK and is currently enroute to becoming a Chartered Director with the Institute of Directors UK.

Chioma is an avid traveller and enjoys an active lifestyle filled with sports, travel, and the pursuit of new experiences.



Baqi Salihu
Independent Non-Executive Director

Baqi Salihu is a seasoned professional with over 18 years of substantive experience in Mobile Telecoms Engineering, Operations, RF Planning & Optimization, and Digital Services. He is a highly accomplished and result-oriented ICT expert with a proven record of building, managing, and growing technology departments and organizations.

Baqi started his career in mobile communication in 2003 with ZTE Corporation of China in the Research Division. He has also worked in MTN Nigeria between 2005 and 2008 before joining Etisalat Nigeria in December 2008.

Baqi holds a bachelor's degree in electrical and computer engineering from the Federal University of Technology, Minna. He also has a post graduate certificate in Artificial Intelligence and Machine Learning from the McCombs School of Business, University of Texas.

Baqi led Network Quality of service and Support Department as Acting Director from November 13, 2017 and as the substantive Director of the same department since May 2018. He additionally led Network Engineering and Network Deployment up till December 2020. He has been the Deputy Chief Technical Officer since January 2021. He joined the then Etisalat in December 15, 2008, where he has been building new and refining existing technology solutions to deliver value to all stakeholders.

He has completed a two-year Massachusetts Institute of Technology Regional Entrepreneurship Acceleration Program by 2021.



Dr. Tony Okpanachi
Non-Executive Director

Dr. Tony Okpanachi is the MD/CEO of DBN and the Chairman of Impact Credit Guarantee Limited since incorporation. He is a seasoned banker with over 26 years' experience. Before his appointment as MD/CEO of DBN, he was the Deputy Managing Director of Ecobank Nigeria Limited from April 2013. Prior to that, he was the Managing Director, Ecobank Kenya and Cluster Managing Director for East Africa (comprising Kenya, Uganda, Tanzania, Burundi, Rwanda, South Sudan and Ethiopia). He was also at various times Managing Director of Ecobank Malawi and Regional Coordinator for Lagos and South West of Ecobank Nigeria.

He holds an MBA from Manchester Business School UK, a Master of Science degree in Economics from University of Lagos and a Bachelor of Science degree in Economics from Ahmadu Bello University, Zaria, Nigeria. He has attended several Executive Management Development Programmes on Leadership, Corporate Governance, Credit and Risk-Management in leading institutions.



Zainab Aliyu
Independent Non-Executive Director

Zainab Aliyu is a UK- and Big 4-trained Fellow of the Association of Chartered Certified Accountants (ACCA), with over 18 years of strategic finance and operations leadership experience across the energy, telecoms, and entrepreneurial sectors.

Her career spans FTSE- and AIM-listed companies, bringing deep expertise in corporate governance, financial strategy, risk management, compliance, and business transformation. She is recognised as a results-driven executive who has led high-impact initiatives in IFRS implementation, cash flow optimisation, cost control, and operational efficiency, consistently delivering measurable value.

Her board portfolio also includes roles at Robert & John (Telecoms & EdTech) as Chair of Governance & Remuneration Committee; Leadway Pensure, where she serves on key committees in Finance & Strategy, Risk & Compliance, and Audit; and Interconnect Clearing House on the Finance & General Purposes Committee.

Previously, she held senior finance leadership roles including Director of Finance at Yerwa Aid & Relief Foundation and Financial Controller at Oriental Energy Resources, achieving significant savings and efficiencies. Earlier in her career, she honed her world-class auditing skills at Baker Hughes and Deloitte LLP, leading critical compliance and operational audit projects.

Beyond her corporate roles, Zainab is the Founder & CEO of AABOUX, a contemporary luxury leather brand merging African heritage craftsmanship with innovation, sustainability, and community impact. She is passionate about driving entrepreneurship with purpose and advancing women in leadership.

At ICGL, Zainab currently serves on the Board as an Independent Non-Executive Director, contributing her expertise to strengthen governance, oversight, and strategic direction.

The Board of Impact Credit Guarantee Limited has four (4) committees through which its oversight of the company and its affairs is exercised. These committees are:

Board Audit Committee (BAC)
Board Guarantee Appraisal Committee (BGAC)
Board Nomination & Governance Committee (BNGC)
Board Risk Committee (BRC)

Committee	BAC	BGAC	BNGC	BRC
Chairperson	Zainab Aliyu	Tony Okpanachi	Chioma Sideso	Baqi Salihu
Members	Chioma Sideso Baqi Salihu Bonaventure Okhaimo (till resignation)	Baqi Salihu Chioma Sideso Zainab Aliyu	Tony Okpanachi Baqi Salihu Zainab Aliyu	Tony Okpanachi Baqi Salihu Zainab Aliyu Bonaventure Okhaimo (till resignation)
Purpose & Function	The purpose of the Board Audit Committee is to assist the Board in the performance of its oversight responsibility in relation to: a) reviewing the integrity of the data and information provided in the Financial Reports. b) monitoring the quality and integrity of the Company's Financial Statements, Internal Control, financial reporting and operating procedures. c) ensuring the independence of and monitoring the activities of the External and Internal Audit functions of the Company. d) obtaining and reviewing the reports by the Internal Auditor on the strength and quality of Internal controls, including any issue or recommendations for improvement, raised by the most recent internal control review of the Company.	The purpose of the Guarantee Appraisal Committee of the Board of Directors ("Board") of ICGL is to oversee the following: a. To consider, approve, and where applicable, recommend to the Board, applications for the provision of credit guarantees with respect to loans granted by PFI's to MSMEs operating in Nigeria. b. To consider, approve and regularly review the credit guarantee policies for the Company, which shall be prepared and periodically updated by management. The objective of the Credit Guarantee Policies shall be to ensure the quality of the Company's Credit Guarantee portfolio and to maintain profitability of the Company	The purpose of the Governance Committee ("Committee") of the Board of Directors ("Board") of ICGL is to oversee the following: a. To recommend to the Board and render advice to it from time to time as may be required on the structure, composition and operations of the Board and the Company in general. b. To recommend to the Board an appropriate remuneration policy for the Company's Directors and Executive Management and determine the remuneration of Executive Directors and Management. c. To identify individuals qualified to serve on the Board and recommend them to the Board, for the approval of the general meeting in accordance with the Company's Articles of Association and to fill vacancies for the remainder of the unexpired term of any elected Director/s. d. To set performance objectives for Directors.	The purpose of the Board Risk Committee is to assist the Board in fulfilling its oversight responsibility in relation to the: a) Management of all risks within the Company. b) Review and recommendation of the Company's Risk Management Policies including its risk appetite and risk strategy. c) Review of the adequacy and effectiveness of the Company's Risk Management processes and controls. d) Oversight of Management's process for the identification and assessment of risks across the Company and the adequacy of prevention, detection, and reporting mechanisms. e) Review of the Company's compliance level with applicable laws and regulatory requirements that may impact its risk profile.

Purpose & Function	e) reviewing the terms of engagement and recommending the appointment or re-appointment and compensation of the Company's External Auditors, to the Board and the Shareholders. f) reviewing with the External Auditor, any audit scope, limitations or problems encountered, the Management Letter and Management responses to same. g) reviewing the independence of the External Auditors and ensuring that there is no conflict of interest where non-audit services are provided by the External Auditors. h) considering any related party transactions that may arise within the Company. i) reporting regularly to the Board with respect to the effectiveness of the system of internal controls, accounting and operating procedures. j) reviewing and ensuring that adequate whistle-blowing policies and procedures are in place and that the issues reported through the whistle-blowing mechanism are summarised and presented to the board		e. To oversee the Board's annual evaluation of its performance and the performance of other Board Committees. f. To ensure and oversee the establishment and effectiveness of any policies and processes which will be required for the effective fulfillment of its duties.	f) Review of changes in the economic and business environment, including emerging trends and other factors relevant to the Company's risk profile. g) Review and recommendation for approval of the Board Risk Management procedures and controls for new products and services. h) Annual review and recommendation for the approval of the Board, of the Company's Information Technology (IT) data governance framework to ensure that IT data risks are adequately mitigated and relevant assets are managed effectively. i) Adequacy, appropriateness and effectiveness of risk management and internal control practices. j) Monitoring of compliance of business units and support functions with the risk policies and procedures of the Company; and k) The effectiveness of the system of internal controls, accounting and operating procedures.

Risk Profiles and Controls

ICGL operates within a clearly defined moderate risk appetite, aligned with our strategic objectives and sustainability mandate as a credit guarantee company. Our risk profile is primarily driven by the inherent risk in our business, which includes credit risk, operational risk, strategic risk, external risk and investment and treasury risk and are actively identified, assessed, and monitored through a structured risk management framework that is aligned with regulatory requirements and industry best practices. Oversight is provided by the ICGL board, which approves risk appetite and key policies, while management is responsible for implementing effective controls. ICGL also maintains a robust control environment, supported by internal control and compliance activities, risk management and audit functions, ensuring emerging risks are promptly identified and mitigated to preserve capital and sustain long-term performance

E&S Framework in ICGL

ICGL employs a secondary business model by partnering with PFIs to provide the ultimate guaranteed financing to MSMEs and small corporates. ICGL does not originate any loans or deal with MSMEs without the involvement of the PFIs. Its guarantees are silent, i.e. the MSME beneficiaries are unaware of the guarantees. Accordingly, ICGL aims to build strong partnerships with PFIs and achieve risk-adjusted returns through a strategy focused on incentivising lending to the MSMEs and a strong risk management process.

Considering this secondary business model, the main objective of ICGL's policy is to provide a framework to avoid, mitigate or minimise adverse E&S impacts caused by MSMEs and small corporates whose loans are guaranteed by ICGL . The PFIs that ICGL partners with are licensed and regulated by the CBN, have implemented the NSBP as required, and have functioning ESRM systems in place, as confirmed from the due diligence carried out during the onboarding stage.

Scope of Application of PFI E&S Framework for Guaranteed Portfolio

ICGL's requirement for ESRM by the PFI covers only those MSME loans that are guaranteed by ICGL. In cases where ICGL provides portfolio and/or blanket guarantees (i.e. where the end borrower and use of funds is not specified up front), the approach to ESRM will apply to the entire portfolio that the PFI originates from the commencement of the guarantee cooperation. In cases of individual guarantees (i.e. where the end borrower and use of funds areis specified up front), ESRM will apply to the specific transaction.

ICGL's Exclusion List

ICGL's exclusion list outlines activities that the company will not support through the provision of credit guarantees. The exclusion list is compliant with Nigerian laws and is aligned with the exclusion requirements of its shareholders and stakeholders. The exclusion list is reviewed annually to ensure compliance with national regulations in Nigeria and alignment with its shareholders and stakeholders prohibited activities. Each transaction is screened against the exclusion list to ensure the company's guarantee portfolio aligns with its policy.

Environmental and Social Risk Management

ICGL has adopted an Environmental and Social Management System (ESMS) that governs its guarantee and financing business. The Environmental and Social (E&S) risk frameworks and practices of PFIs are assessed before onboarding while the E&S risk assessments are carried out on guarantee proposals to ensure policy compliance. These help to identify residual risks in transactions and appropriately categorise each transaction.

The environmental and social risk framework of the company categorise PFIs into three (3) categories of high risk, medium risk and low risk. A PFI will not be eligible for any guarantee support from ICGL if it is categorised as high risk unless exceptional approval is obtained from the Management Credit and Risk Committee (MCRC). However, where a PFI is considered eligible, i.e. for medium risk and low risk categories, further due diligence and assessment of their E&S framework will be carried out through the examination of the E&S policy, procedures and tools.

The company does not provide a guarantee for transactions that have high E&S risks.

Stakeholder Engagement, Awards and Ratings

As part of ongoing efforts to deepen access to finance within the livestock value chain and enhance the utilisation of the LPRES Credit Guarantee Scheme, engagements were held with PFIs and key ecosystem stakeholders. These activities significantly enhanced the visibility of the LPRES programme within the livestock financing ecosystem and improved interaction between PFIs and livestock-focused MSMEs.

DBN Access-to-Finance Clinic

DBN) in collaboration with LPRES stakeholders, convened a twoday AccesstoFinance Clinic aimed at strengthening financing opportunities for actors within the livestock value chain. The event brought together PFIs, livestock agribusiness MSMEs, policymakers, and technical experts to address persistent challenges in accessing finance and to promote improved use of derisking mechanisms within the sector.

The clinic provided a platform for participants to gain technical knowledge on DBN's credit line, its risk-sharing facility, and associated financing modalities. It also enhanced awareness of the LPRES credit guarantee provisions and their operational processes. The engagement further served to reinforce collaboration among PFIs, MSMEs, and development partners, while aligning national efforts to expand agribusiness financing through structured de-risking tools.

The engagement resulted in stronger PFI understanding of the LPRES guarantee window, including its coverage parameters, eligibility criteria, and operational processes. PFIs demonstrated increased interest in onboarding livestock MSMEs under the LPRES guarantee. Additionally, the clinic helped identify a pipeline of livestock enterprises requiring financing support and suitable for further engagement.

EDC-ICGL Livestock Financing Engagement

In collaboration with the Enterprise Development Centre (EDC), ICGL organised a forum to deepen discussions between livestockfocused MSMEs and PFIs on accesstofinance challenges and opportunities. The session provided an avenue to introduce the support mechanisms offered by ICGL and expand the visibility of the LPRES guarantee among lending institutions.

This engagement facilitated direct dialogue on financing needs, constraints faced by MSMEs, and potential solutions that PFIs could explore. It also highlighted how ICGL and LPRES tools can enhance access to credit, particularly by reducing lending risks associated with livestock agribusiness. PFIs were sensitised to the untapped opportunities within the livestock value chain, and MSMEs gained improved confidence in the availability of institutions willing to support their financing aspirations.

The session strengthened collaboration among PFIs, MSMEs, and ICGL in structuring livestock-oriented loan applications. It also contributed to the development of a pipeline of MSMEs positioned for recommendation under the LPRES guarantee facility.

Ratings

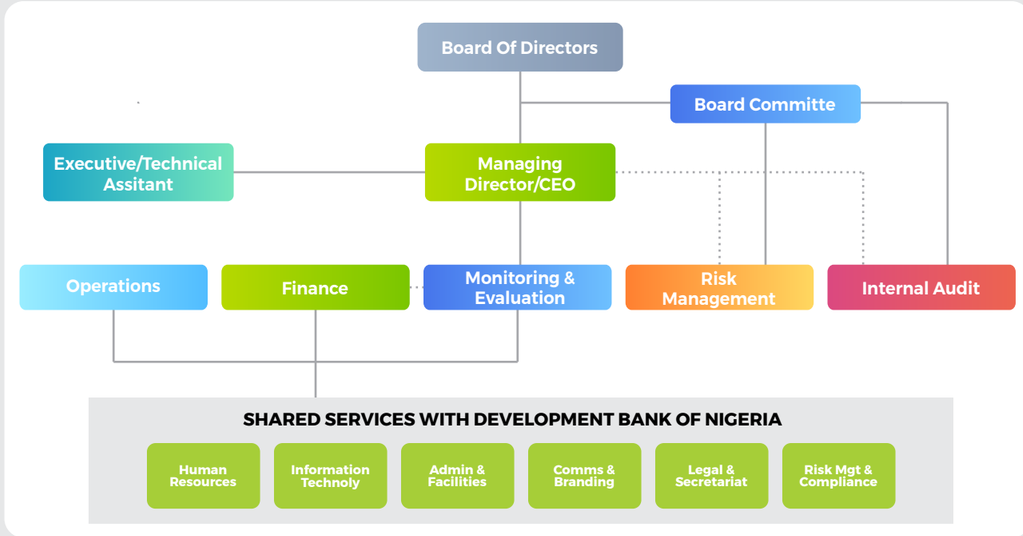
During the year, Agusto & Co upgraded the Company's ratings from "Aa-" to "Aa" (long term) and "A1+" (short term); demonstrating good capitalisation and strong pool of liquid assets that supports ability to meet obligations from called guarantees promptly; and good profitability that continues to upload the capital base and endeared shareholders' support. The Company was also assigned a "2" ESG score, denoting that environmental, social, and governance issues have minimal impact on the Company's credit risk.

> As at December 2025, women accounted for 38 percent of the workforce, an increase from 30 percent in the prior year. In addition, 33 percent of the company's board members are female, reflecting ICGL's continued focus on advancing gender inclusion and women's empowerment.

People

ICGL closed the 2025 financial year with a workforce of 13 employees, operating a lean structure supported by DBN through a shared services arrangement. The company continues to regard its people as its most valuable asset.

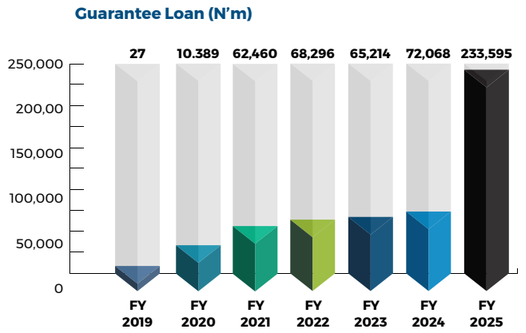
ICGL promotes gender equality and strives to maintain gender balance in the workplace. As of December 2025, 38% of the company's staff were female from 30% of prior year. Additionally, the company's Board members comprise 33% female (an improvement from 17% in 2024). This is a clear testimony to the company's commitment to gender equality and women empowerment.

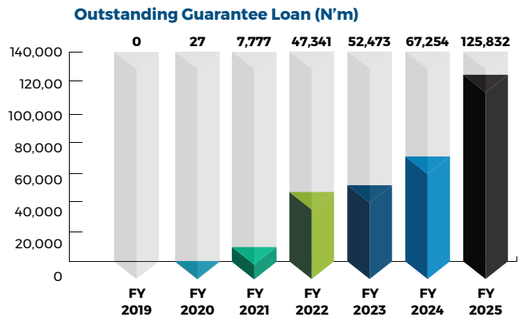


Highlights

Financial and Business

ICGL continued to play its counter-cyclical role supporting MSMEs and Small Corporates through these challenging times, and in the process guaranteed N233.6billion loans granted through 39,426 Letters of Guarantee (LOGs) to MSMEs and Small Corporates during the year through eleven (11) partner banks. The company closed the year 2025 with outstanding guaranteed loan of N 125.8 billion.





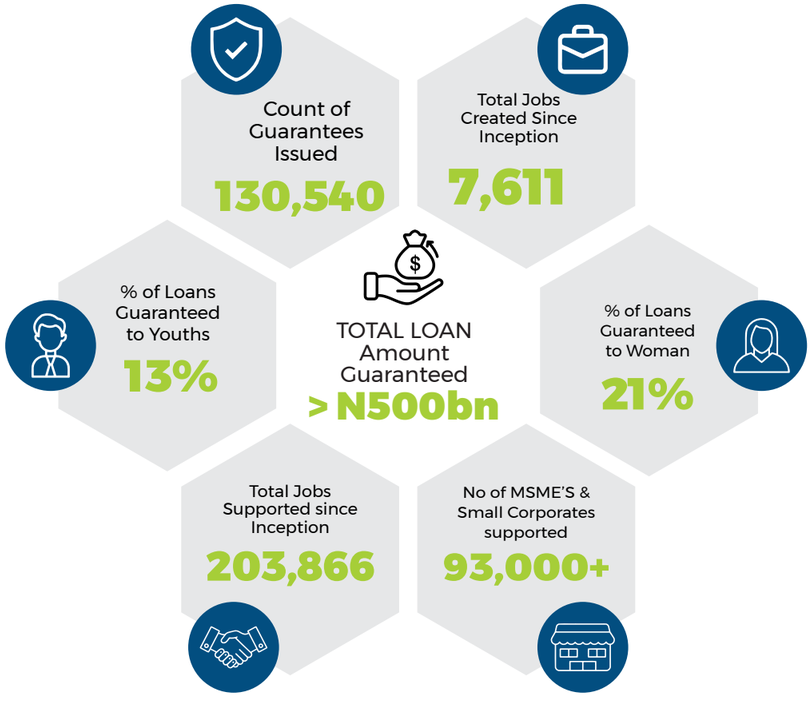
Development Impact Report

In 2025, Impact Credit Guarantee Limited (ICGL) strengthened its leadership in expanding access to finance through credit guarantees for micro, small and medium enterprises (MSMEs) across Nigeria.
The company's impact sheet as at 31 December 2025 is as follows:

IMPACT CREDIT GUARANTEE LIMITED
RC: 1566979
A Subsidiary of Development Bank of Nigeria Plc

Impact Sheet
AS OF DECEMBER 2025

As of 31 december 2025, impact credit guarantee limited has guaranteed over N500 Billion loans and supported over 93,000 MSME's and small corporates in Nigeria.



Rated Aa by Augusto & Co

Inception-to-Date: A Story of Growth

ICGL's cumulative impact demonstrates substantial and sustained progress. Since its establishment, the organisation has supported 93,273 MSMEs and small corporates. Women-owned MSMEs have received ₦78.867 billion (21.38 % of total guaranteed value) across 65,402 transactions, while youthowned MSMEs have benefited- from ₦34.504 billion, representing 13 % of the cumulative volumes and covering 21,086 MSMEs.

Regionally, Lagos State has maintained the highest share of guarantees, with ₦150.3 billion loans guaranteed and 38,167 transactions recorded to date, while other regions continue to experience meaningful engagement, ensuring nationwide coverage. Additionally, ICGL has supported 203,866 jobs since its inception.

Update on ICGL's 2025 CSR

ICGL supported a climate and plastic pollution awareness campaign at State Senior High School, Abesan Ipaja, Lagos, educating students on environmental stewardship, proper waste management, recycling, and resource efficiency. It also carried out tree-planting activities with the students to promote sustainability.

In addition, the Company made a financial donation to the Dream Nurture Foundation to support girls under its care, demonstrating its commitment to vulnerable groups and contributing to their future well-being.

Besides internally developed programmes, the company continued to participate actively and supported women empowerment initiatives such as the International Women's Day.









07

FINANCIAL PERFORMANCE

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Corporate Information

Board of Directors:

Kyari Abba Bukar	Independent Non-Executive Director
Anthony Okpanachi	Managing Director
Aminu Umar-Sadiq	Non-Executive Director
Henry Baldeh	Non-Executive Director
Ijeoma D. Ozulumba	Executive Director
Folakemi Fatogbe	Independent Director
Imoni Akpofure	Independent Director
Mohammed M. Bintube	Independent Director
U.K. Eke	Independent Director
Juliet Anammah	Independent Director

Company Secretary
/Legal Adviser

Shofola Osho

Independent auditor:

KPMG Professional Services
KPMG Tower
Bishop Aboyade Cole Street
Victoria Island
PMB 40014, Falomo
Lagos

Bankers:

Central Bank of Nigeria
Access Bank Plc
Ecobank Nigeria Limited
Fidelity Bank Plc
First Bank of Nigeria Limited
First City Monument Bank Limited
Guaranty Trust Bank Plc
Stanbic IBTC Bank Plc
Union Bank of Nigeria Plc
United Bank for Africa Plc
Zenith Bank Plc
Wema Bank Plc

Tax Identification Number:

18945711-0001

RC No.:

1215724

Registered office:

Plot 1386A Tigris Crescent,
Maitama, F.C.T
Abuja, Nigeria

The directors present their annual report on the affairs of Development Bank of Nigeria Plc ("DBN" or "the Bank"), and its subsidiary (together "the Group" or "DBN Group"), together with the audited consolidated and separate financial statements and the independent auditor's report for the year ended 31 December 2025.

Legal Form
Development Bank of Nigeria Plc was incorporated in Nigeria under the Companies and Allied Matters Act as a Public Liability Company on 19 September 2014. It was granted an operating license by the Central Bank of Nigeria to carry on operations as a Wholesale Development Finance Institution (WDFI) on 29 March 2017. The Bank commenced operations on 1 November, 2017.

Principal activity
Development Bank of Nigeria Plc ("DBN") is a financial institution set up to bridge the gap created by the inability of other development banks, micro-finance banks and commercial banks to satisfy the funding needs of the Micro, Small & Medium Enterprises (MSMEs) in Nigeria. The principal mission of the DBN is to improve the access of micro, small and medium enterprises to longer tenured finance. The Bank plays a focal and catalytic role in providing funding and risk-sharing facilities to MSMEs and small corporates through financial intermediaries. The operation of the Bank will also play an important role in developing the Nigerian financial sector by incentivizing financial institutions, predominantly deposit-money and microfinance banks, to lend to the productive sector, using technical assistance to augment their capacity where necessary and by providing them with funding facilities designed to meet the needs of these smaller customers.

The Bank has one subsidiary, Impact Credit Guarantee Limited, which was incorporated on 8 March 2019 with the aim of carrying on the business of issuing credit guarantees to participating financial institutions (PFI) in respect of loans granted to eligible businesses in the Micro, Small and Medium Enterprises (MSME) sector

Operating results
Gross earnings of the Group and Bank stood at N129.31 billion and N114.60 billion respectively (2024: Group: N84.03 billion; Bank: N78.30 billion). The Group and Bank recorded a profit after taxation of N64.55 billion and N53.72 billion respectively (2024: Group: N38.75 billion; Bank: N35.31 billion). Highlights of the Group's and Bank's operating results for the year under review are as follows:

In thousands of Naira	Group		Bank	
	31 December 2025	**31 December 2024**	**31 December 2025**	31 December 2024
Gross earnings	129,314,040	84,031,915	114,607,171	78,298,450
Interest expenses	(17,450,519)	(13,958,939)	(17,450,519)	(13,958,939)
Fee and commission expenses	(71,547)	(39,373)	(26,349)	(20,467)
Guarantee expenses	(1,094,552)	(575,857)	-	-
Impairment losses on financial assets	337,571	(1,173,536)	351,169	(1,180,231)
Personnel expenses	(7,589,706)	(4,366,465)	(6,611,079)	(3,889,556)
Depreciation and amortization	(757,907)	(643,555)	(724,191)	(613,823)
General and administrative expenses	(9,544,567)	(5,663,279)	(8,652,911)	(5,128,938)
Profit before tax	93,142,813	57,610,910	81,493,291	53,506,496
Tax expense	(28,587,395)	(18,864,199)	(27,776,212)	(18,196,917)
Profit for the year after taxation	64,555,418	38,746,711	53,717,079	35,309,579
Retained earnings	151,706,447	110,238,761	133,611,773	103,484,353
Statutory reserve	67,623,053	51,507,930	67,623,053	51,507,930
Regulatory risk reserve	11,055,408	9,415,872	11,055,408	9,415,872

Dividend

The Board has proposed to pay N85.00k (Dec 2024: N58.35k) per share as dividend in relation to 2025 financial year.

Board of Directors

The directors who served during the reporting period are as follows:

Henry Baldeh	Non-Executive Director	**Imoni Akpofure**	Independent Non-Executive Director
Anthony Okpanachi	Managing Director	**Mohammed Mustapha Bintube**	Independent Non-Executive Director
Ijeoma D. Ozulumba	Executive Director	**U.K. Eke Independent**	Independent Non-Executive Director
Aminu Umar-Sadiq*	Non-Executive Director	**Juliet Anammah**	Independent Non-Executive Director
Kyari Abba Bukar	Independent Non-Executive Director		
Folakemi Fatogbe	Independent Non-Executive Director		

Retired from the Board effective 30 July 2025

Directors and their interests
The directors do not have any interest required to be disclosed under section 303 of the Companies and Allied Matters Act (CAMA), 2020 (2024: Nil).

Directors' interests in contracts
In accordance with section 303 of the Companies and Allied Matters Act (CAMA), 2020, none of the directors have notified the Bank of any declarable interests in contracts with the Bank.

Ownership
The issued and fully paid-up share capital of the Bank was 100,000,000 (2024: 100,000,000) ordinary shares of N1 each. The shareholding structure as at the balance sheet date were as shown below:

Shareholders	**31 Dec 25**		**31 Dec 24**	
In thousands	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage
Ministry of Finance Incorporated (MOFI)	59,868,000	59.87%	59,868,000	59.87%
Nigeria Sovereign Investment Authority (NSIA)	14,967,000	14.97%	14,967,000	14.97%
African Development Bank (AfDB)	17,975,000	17.97%	17,975,000	17.97%
European Investment Bank (EIB)	7,190,000	7.19%	7,190,000	7.19%
Total	**100,000,000**	**100.00%**	**100,000,000**	**100.00%**

The Federal Government of Nigeria is the Bank's major shareholder with the shares held in trust by the Ministry of Finance Incorporated.

Events after the end of the reporting period
There were no events after the end of the reporting period which could have a material effect on the consolidated and separate financial statements of the Group and Bank which have not been recognized and/or disclosed in the consolidated and separate financial statements.

Property and equipment
Information relating to changes in property and equipment is given in Note 22 to the consolidated and separate financial statements.

Donations and charitable contributions
The Group and Bank identifies with the aspiration of the country and the business environment in which it operates. To this end, the Group and Bank made donations of N162.25 million (31December 2024: N69.15 million) to various organizations during the period: (see note 16)

31 December 2025	
Purpose	***Amount (N)***
Sponsorship for Women Empowerment CSR Initiative	40,000,000
Sponsorship for AANDFI 5TH Anniversary	20,000,000
Sponsorship for Afrexim Annual Meeting	20,000,000
Sponsorship of National Small and Medium Enterprise	14,000,000
Sponsorship of AU MSME Forum	10,000,000
Sponsorship of International Anti-Corruption Day Event	10,000,000
Sponsorship of BAFI Awards	5,000,000
Sponsorship for National Council on Climate Change	3,500,000
Sponsorship of 2025 NASME International Women's Day	3,000,000
Sponsorship of FICAN	2,750,000
Sponsorship for The Nigeria Economic Society	2,500,000
Sponsorship of 2025 Children's Day Carnival	2,500,000
Sponsorship for investiture of RotaryClub of Ikoyi	2,500,000
Sponsorship for NBCC Presidential Inauguration Dinner	2,500,000
Sponsorship of Delta State MSME Summit	2,500,000
Sponsorship for the Launch of Opolo Global Innovation	2,000,000
Sponsorship for Baba Lawan	2,000,000
Sponsorship of Lagos Women Run	2,000,000
Sponsorship of Golden Aura Limited	2,000,000
Sponsorship of Women Voices in Focus	2,000,000
Sponsorship of the 24th WIMBIZ Annual Conference	1,500,000
Co-Sponsorship of the 2025 AGM for ACAEBIN	1,000,000
Sponsorship of the Abuja Charity Marathon	1,000,000
Sponsorship of NIWIIT 10th National Conference	1,000,000
Sponsorship of the 61st ICAN Investiture	1,000,000
Sponsorship of Eminent Emerging Entrepreneurs	1,000,000
Sponsorship of Vanguard News	1,000,000
Sponsorship of Sports Dialogue	1,000,000
Sponsorship of YBG Conference	1,000,000
Sponsorship of CDG Season's show	1,000,000
Sponsorship of International Conference/Art Exhibition for Children Needs	500,000
Sponsorship of the Maiden National Sanitation Conference	500,000
Total	***162,250,000***

31 December 2024 *Purpose*	*Amount (N)*
Partnership with Womenovate for World Education Day Event Sponsorship	500,000
Sponsorship of AAF Annual Leadership Colloquium and Award	500,000
Sponsorship of 2024 IBB Golf Club's Tournament	1,000,000
Sponsorship of SAIL Empowerment Foundation	3,000,000
Sponsorship of Africa Social Impact Summit 2024	10,000,000
Sponsorship of US-Trade Summit	10,000,000
Sponsorship of ANDFI's 4th Annual Conference	5,000,000
Sponshorship payment for 2nd annual NCG Summit	500,000
Sponsorship for Techprenuers with Green Solution	10,000,000
Sponsorship of CIBN's 17th Annual Conference	2,500,000
Sponsorship of ICSAN Conference	500,000
Sponsor the 30th Nigerian Economic Summit	1,000,000
Sponsorship for Africa Climate Forum 2024	500,000
Sponsorship of 19th NASME MSME Summit and Exhibition	2,000,000
Sponsorship Support to Cover Training of 200 Entrepreneurs	1,000,000
Sponsorship Support for COP29 Events	4,000,000
Sponsorship of AADFI's 50th Anniversary Celebration	17,150,000
Total	*69,150,000*

Human resources

(i) Employment of disabled persons
The Group maintains a policy of giving fair consideration to applications for employment made by disabled persons with due regard to their abilities and aptitudes. The Group's policies prohibit discrimination against disabled persons in the recruitment, training and career development of employees. In the event of members of staff becoming disabled, efforts will be made to ensure that their employment with the Group continues and appropriate training is arranged to ensure that they fit into the Group's working environment. No disable person was employed during the year (2024: Nil).

(ii) Health, safety and welfare at work
The Group maintains business premises designed with a view to guaranteeing the safety and healthy living conditions of its employees and customers alike. The Group operates both a Group Personal Accident and Group Life Insurance cover for the benefit of its employees. It also operates a contributory pension plan in line with the Pension Reform Act 2014 (as amended).

(iii) Employee involvement and training
The Group ensures that employees are informed on matters concerning them. Formal channels are also employed in communicationwith employees with an appropriate two-way feedback mechanism. In accordance with the Bank's policy of continuous development, the Bank draws up annual training programs. The programs include on the job training, classroom sessions and webbased training programs which are available to all staff.

(iv) Gender analysis of staff
The average number of employees of the Group and Bank during the year by gender and level is as follows:

Group

31 December 2025

(a) Analysis of total employees	Gender Number			Gender Percentage	
	Male	Female	Total	Male	Female
Employees	49	33	82	60%	40%
	49	**33**	**82**	**60%**	**40%**
(b) Analysis of Board and senior management staff	Gender Number			Gender Percentage	
	Male	Female	Total	Male	Female
Board Members (Executive and Non-executive directors)	9	6	15	60%	40%
Senior Management	12	2	14	86%	14%
	21	**8**	**29**	**72%**	**28%**

31 December 2024

(a) Analysis of total employees	Gender Number			Gender Percentage	
	Male	Female	Total	Male	Female
Employees	48	24	72	67%	33%
	48	**24**	**72**	**67%**	**33%**
(b) Analysis of Board and senior management staff	Gender Number			Gender Percentage	
	Male	Female	Total	Male	Female
Board Members (Executive and Non-executive directors)	10	5	15	67%	33%
Senior Management	11	1	12	92%	8%
	21	**6**	**27**	**78%**	**22%**

Bank

31 December 2025

(a) Analysis of total employees	Gender Number			Gender Percentage	
	Male	Female	Total	Male	Female
Employees	41	28	69	59%	41%
	41	**28**	**69**	**59%**	**41%**
(b) Analysis of Board and senior management staff	Gender Number			Gender Percentage	
	Male	Female	Total	Male	Female
Board Members (Executive and Non-executive directors)	5	4	9	56%	44%
Senior Management	10	1	11	91%	9%
	15	**5**	**20**	**75%**	**25%**

31 December 2024

(a) Analysis of total employees	Gender Number			Gender Percentage	
	Male	Female	Total	Male	Female
Employees	41	21	62	66%	34%
	41	**21**	**62**	**66%**	**34%**
(b) Analysis of Board and senior management staff	Gender Number			Gender Percentage	
	Male	Female	Total	Male	Female
Board Members (Executive and Non-executive directors)	6	4	10	60%	40%
Senior Management	10	1	11	91%	9%
	16	**5**	**21**	**77%**	**23%**

(v) **Subsidiary Company - Impact Credit guarantee Limited**
The Bank has a subsidiary known as Impact Credit Guarantee Limited ("ICGL"). ICGL was established in 2019, through the support of the World Bank, The company's objective is to provide partial credit guarantees on loans provided by banks, to eligible Micro, Small and Medium Scale Enterprises (MSMEs) and small corporates in Nigeria. In 2025, ICGL guaranteed 35,034 loans (31 December 2024: 14,790 loans) in the sum of N77.77 billion (2024: N63.78 billion).

During the year, the Company had onboarded two new Participating Financial Institutions (31 December 2024: Nil). The Company also recorded a gross earnings of N16.01 billion (31 December 2024: N7.42 billion); with earnings from core activities accounting for 18% (31 December 2024: 12%); and ended the year with a profit before tax of N11.48 billion (31 December 2024: N4.12 billion). The Board of ICGL consists of six (6) Directors whose nomination has been approved by the Central Bank of Nigeria.

Auditors
Messrs. KPMG Professional Services have indicated, in line with best governance practice, Principle 20.2 of the Nigerian Code of Corporate Governance 2018 and Part III. Regulation 9 of the Audit Regulations 2020 both issued by the Financial Reporting Council of Nigeria, that they would be retiring as the Bank's External Auditors.

BY ORDER OF THE BOARD

Shofola Osho
FRC/2016/NBA/00000014944
Company Secretary
Plot 1386A Tigris Crescent,
Maitama, F.C.T Abuja, Nigeria
25 February 2026

Corporate Governance

Corporate Governance is the system by which companies are directed and controlled. The Governance architecture of the Development Bank of Nigeria Plc. ("DBN") was developed with adherence to the best corporate governance practices. DBN adopts and implements standards of governance which are above the minimum requirements. This approach has influenced how the bank undertakes its business, manages its interactions with shareholders and stakeholders, and assesses the effectiveness of its governance, controls and systems, on a continuous basis. It has also ensured that the bank is able to achieve widest compliance with prevailing corporate governance codes and other requirements.

The Board

The Board of Directors of DBN provides overall leadership, entrepreneurial and strategic direction for the bank. In this regard, the Board advances the adoption of practices which promote an ethical culture and responsible corporate citizenship, in all aspects of the bank's operations. This serves to ensure the enhancement and protection of long-term value for all stakeholders. The Board is comprised of accomplished industry leaders, and tested and trusted technocrats with varied competencies, the DBN Board has developed an overarching strategy for the progress of the bank and the attainment of its corporate objectives. The Board reviews on an ongoing basis, the implementation and attainment of that strategy and provides guidance to Management in that regard, ensuring that the bank acts in the best interest of all stakeholders.

In addition to its oversight of the bank's business in general, the Board keeps under review, the bank's Information Security and Performance Monitoring systems, the systems for Internal Controls, Compliance, Risk Management, Governance and Financial reporting.

The Board sets out both the long and short-term strategic objectives of the bank and undertakes a continuous assessment of its activities, those of its committees, individual directors, Management, and the bank in general, with the aim of ensuring optimal performance at all times. With the full complement of industry knowledge, information and technical support from relevant professional advisers and Development Partners, the Board advances the attainment of the bank's objectives.

To ensure it remains effective in the discharge of its responsibilities, the Board keeps under review the skills, competencies, and experience that are required for optimal performance and ensures that the Board remains comprised of an appropriate balance of these skills, competencies and experience. This practice not only enhances the performance of the Board but engenders its independence and integrity. The Board also pays very careful attention to issues around diversity (gender, age, geography, etc) in its composition, those of its Committees, the Management and staff of the bank.

As at the end of the financial year, the Board was comprised of nine (9) board positions, of which six (6), are Independent Non-Executive Director positions. Of the remaining four (4) positions, one (1) is held by a Non-Executive Director, who is a shareholder representative, while the other two (2) are executive director positions held by the Managing Director/Chief Executive Officer and the Executive Director, Finance and Corporate Services.

There is a separation in the roles of the Board Chairman and of the Chief Executive Officer.

The Chairman is responsible for providing overall leadership for the bank and the Board, as well as eliciting the constructive participation of all directors in the affairs of the Board and the bank. The Chairman also takes the lead in the engagements with shareholders, and where necessary, other key stakeholders.

In the absence of a substantive Board Chairman in the financial year, the Board, in accordance with section 289 (4) of the Companies and Allied Matters Act, 2020, nominated an Independent Non-Executive Director from among its members to chair its meetings. It is expected that the Ministry of Finance Incorporated (Mofi) would conclude on the process of nominating a substantive Board Chairman in the coming financial year. This obligation is a specific reservation of powers for MoFI, and is in accordance with DBN's Shareholders Agreement.

The Managing Director/Chief Executive Officer is the head of management, and he runs the daily operations of the bank, on delegation from the Board.

The bank has a Delegation of Authority framework which details the delegation of authority, from the Board to its Committees and to the Management, through the MD/CEO.

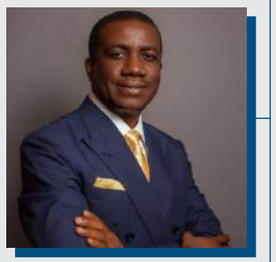
There is a preponderance of Independent Non-Executive Directors on the Board. This is novel in our jurisdiction and sets DBN apart from its peers and other players in Development Finance space in Nigeria. The independent non-executive directors bring to bear, objectivity and neutrality, including specialized/expert skills, in board decision-making, such that stakeholder trust and confidence is assured in all the bank's dealings. The objective input provided by the overwhelming presence of independent non-executive directors also facilitates optimal compliance with statutory rules and regulations, and ensures the inclusion of stakeholders' interests, in the board decision-making process, and ultimately, in the operations of the bank.

The non-executive directors contribute their knowledge, expertise, and judgment on issues of strategy, business performance, banking operations, development finance and technology, amongst others. The non-executive directors also ensure a unique linkage between the bank and its four institutional shareholders, the African Development Bank Group, the European Investment Bank, the Ministry of Finance Incorporated and the Nigeria Sovereign Investment Authority. This ensures that the bank continues to receive the support of all shareholders, including the Development Partners: the World Bank Group, the Agencie Francaise de Developpment, the KFW Development Bank, amongst others, for its initiatives and activities.

In keeping with its undertaking with a key Development Partner, the World Bank, and pursuant to the authorization provided in the Shareholders' Agreement and the Memorandum and Articles of Association, the Board of Directors granted Observer status to the World Bank Group, to all meetings of the Board.

A representative of the World Bank who is nominated and approved by the Board of Directors as an Observer is permitted to attend all meetings of the Board and to receive all the information provided to the Directors.

The Observer does not contribute to the Board's deliberations, is not remunerated by the bank, and does not vote on items before the Board. The Board freely solicits information from the World Bank Observer on technical issues based on the expertise and breadth of experience possessed by the Observer, but the Board is not bound to act on such information. The World Bank Observer provides assurances to its principal that the DBN Board and the bank are operating optimally and in alignment with Agreements.



Dr. Tony Okpanachi
Managing Director / Chief Executive Officer

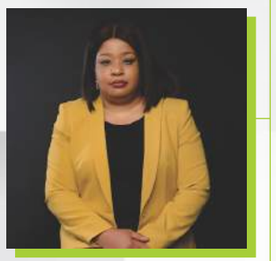
Dr Tony Okpanachi was appointed Managing Director/Chief Executive Officer of the Bank in January 2017.

He is a seasoned banker with over thirty years experience. Before he was appointed MD/CEOof the Bank, he was the Deputy Managing Director of Ecobank Nigeria Limited, a position he held since April 2013. Before that, he was the Managing Director, Ecobank Kenya, and cluster Managing Director for East Africa, Ecobank (comprising Kenya, Uganda, Tanzania, Burundi, Rwanda, South Sudan, and Ethiopia). He was also, at various times, Managing Director of Ecobank Malawi and Regional Coordinator for Lagos and South-West, at Ecobank Nigeria.

Earlier in his professional career, he managed various portfolios, including treasury management, retail business development, corporate finance, corporate services, branch management, and relationship management, amongst others.

Dr Okpanachi sits on the Board of ICGL, a subsidiary of DBN, as a non-executive director.

He holds a doctorate degree (PhD) in development economics from Nile University, a Master's degree in Business Administration (MBA) from the Manchester Business School, UK, a Master of Science degree in Economics from the University of Lagos, and a Bachelor of Science degree in Economics, from the Ahmadu Bello University, Zaria, Nigeria. He has attended several executive management development programmes in leadership, corporate governance, credit and risk-management at leading institutions – Harvard Business School, Harvard Kennedy School, INSEAD, IMD, etc. He is a fellow of the Chartered Institute of Bankers (FCIB) and also a fellow of the Chartered Institute of Stockbrokers (FCIS).



Mrs Ijeoma D. Ozulumba
Executive Director, Finance and Corporate Services

Mrs Ijeoma Ozulumba, was appointed as an Executive Director at Development bank of Nigeria Plc. in March 2021.
She is a finance professional with over 30 years experience in banking, accounting, auditing, finance, and business strategy. She started her professional career at Price Waterhouse (Now PwC), in the audit and business advisory services division and has held progressively senior roles in financial services in Nigeria and Canada.

Over the span of her career, Ijeoma has participated in and led teams and departments in finance, strategy, business development, corporate banking, service management and internal audit. She worked at various times at Diamond Bank, Continental Trust Bank Ltd (Now part of UBA Plc) and MBC International Bank Ltd (now part of First Bank), both as financial controller, FinBank Plc (FCMB), as chief financial officer, Bank of Montreal, and Scotia Bank, both in Canada, as Basel risk consultant and finance manager.
Her international experience in financial management, bank startup, integration, financial performance management, Basel risk management, capital raising and mergers and acquisitions has resulted in significant achievements in various pioneering roles in bank business model change, repositioning and strategy development and implementation.

At DBN, Ijeoma has responsibility for the finance and corporate services directorate, comprising treasury, investor relations, corporate development, financial reporting, budget and performance management, information technology and corporate communications.

Mrs Ozulumba holds a bachelor's degree from the University of Benin, Nigeria, an MBA with a specialisation in International Business Management from Royal Holloway, University of London and an MPhil (cum laude) in Development Finance from Stellenbosch Business School. Ijeoma has attended various executive training programmes at Harvard, Wharton, Oxford and is an alumnus of the Lagos Business School.

She is a Fellow of the Institute of Chartered Accountants of Nigeria (FCA), a Certified Professional Accountant of Canada (CPA), a Project Management Professional (PMP), an Honorary Senior Member of the Chartered Institute of Bankers of Nigeria (CIBN) and an Associate of the Institute of Directors (IoD), Nigeria.



Mr Kyari Bukar
Independent Non-Executive Director

Mr Kyari Bukar was appointed in March 2021.

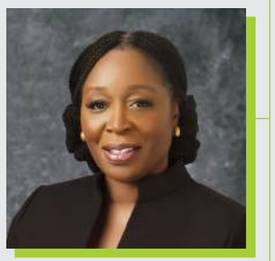
Mr Kyari Bukar is the Managing Director/Co-Founder of Trans Sahara Investment Corporation, a Private Equity firm based in Lagos, Nigeria..

He has an outstanding career in engineering and technology having been a former MD/CEO at Central Securities Clearing System Plc, Lagos and ValuCard Nigeria (Unified Payments Ltd), Lagos respectively and Executive Director at FSB International Bank Plc.

Before joining FSB International Bank, he served in various roles as a manufacturing development engineer, a marketing programme manager, a senior IT consultant, and as a manager across various sectors of the Hewlett-Packard corporation in the United States of America.

Kyari Bukar was the former Chairman of the Board of Directors of the Nigerian Economic Summit Group (NESG) and currently serves on several other boards: Chairman, SUNU Assurances Plc; Chairman, Ventures Platform; Chairman, ARCA Payments Ltd; Chairman, GTI Asset Management Ltd; Chairman, Ernest Shonekan Centre for Legislative Reform and Economic Development; Chairman, Ignite Capital and Director, Nigeria Economic Summit Group LTG.

He holds a bachelor's degree in physics from Ahmadu Bello University Zaria, Nigeria, and a master's degree in Nuclear Engineering from Oregon State University Corvallis, USA.



Ms Folakemi Fatogbe
Independent Non-Executive Director

Ms Folakemi Fatogbe was appointed in February 2024.

Ms Fatogbe brings a wealth of multidimensional experience from a thirty-year career spanning central, development, and commercial banking; economic development; corporate governance; consulting; property development; and entrepreneurship.

Her career antecedents include senior roles in local as well as international organisations including: the Bank of England, the UK's Financial Services Authority, The NatWest Group, Lloyds TSB Financial Markets; NCR Teradata, The Royal Bank of Scotland, Phillip's Consulting, the CBN and latterly as an entrepreneur and founder of the Made-in-Nigeria clothing and accessories brand, OYAATO, and The De-Risking Lab, a risk advisory consultancy.

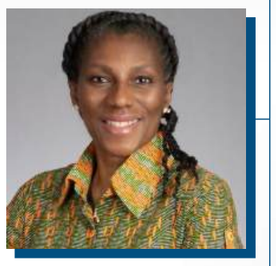
Prior to setting up as a double entrepreneur, in the deep throes of the global financial crisis, she was headhunted to join the new CBN Governor in reforming the Nigerian financial sector and strengthening the Bank as his Special Adviser on Risk Management and Banking Reforms.

Ms Fatogbe was subsequently tasked with setting up an enterprise risk management function for the Bank, which led to her combining her role as special adviser with that of being the Bank's pioneer Director of Risk Management.

Her sound strategy and risk management skills were instrumental in the considerable work that was done at the Bank to avert a banking crisis in Nigeria during and in the immediate aftermath of the global financial crisis. The CBN subsequently received international recognition and won many awards for its handling of the crisis, including an invitation to address the US Congress on the same.

Ms Fatogbe continues to be driven by her passion to deploy her experience, skills and creative skills to further impactful use for Nigeria and the wider African continent.

Ms Fatogbe is a fellow of the Chartered Risk Management Institute and holds an MBA in Finance and International Business from Cardiff Business School as well as a bachelor's degree in communication arts from the University of Ibadan. She is also a published author of a leadership book: "Inspiring a Generation."



Juliet Anammah
Independent Non-Executive Director

Mrs Juliet Anammah was appointed in February 2024.

Mrs Juliet Anammah is the Founder/Executive Chair of CG&R Strategy LLC, a specialised firm offering strategic consulting services in route-to-consumer strategies, decarbonising FMCG operating models, and market entry into Africa.

Mrs Anammah was CEO of Jumia Nigeria from 2015 to 2020. She led the company from a startup online retailer to becoming an integrated eCommerce platform comprising a marketplace, logistics and payments, culminating in the Group's 2019 IPO on the NYSE. Jumia is Africa's first tech company to be listed on the NYSE.

From 2020 to 2023, she was Jumia Group's Chief Sustainability Officer and also chaired the Jumia Nigeria board.

Prior to Jumia, she was the Partner/Managing Director of Accenture's West African consumer goods and retail consulting practice – a practice she set up from scratch in 2004.

She began her career in 1991 at Sanofi Aventis, a French pharmaceutical company, where she managed roles spanning sales, marketing, and product management until 1999.

Juliet chairs the Board of Nigerian Breweries (a Heineken OpCo). She also serves as an independent non-executive director on the Boards of Flour Mills of Nigeria and Accion Group LLC.

She also serves on the advisory boards of the World Retail Congress and Stanford University's Global Centre for Sustainable Digital Finance. She is a member of the GITEX IMPACT Global CSO Club.

She is a qualified Pharmacist with an MBA in Finance and is an alumnus of Wharton College Business School.



Ms Imoni Akpofure
Independent Non-Executive Director

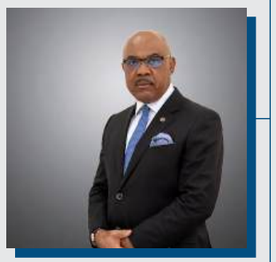
Ms Imoni Akpofure was appointed in February 2024.

Ms Imoni Akpofure brings immense experience to the DBN Board. With over 30 years' expertise in finance and sustainability, Ms Imoni Akpofure serves as member and trustee on the boards of various foundations and organisations in developed and developing economies, notably across Africa.

Ms Imoni Akpofure was the Regional Director for Africa at CDC Group Plc (now BII), the United Kingdom's development finance institution, which invests in viable private businesses in developing countries with the aim of bootstrapping economic growth.

Ms Imoni Akpofure held various senior positions at the International Finance Corporation (IFC), where she worked for over 18 years, across various roles, including the role of Director for Western Europe. She currently serves as a director on the Board of Africa50, a Morocco-based pan-African infrastructure fund, and as a trustee on the Boards of the Engineers in Business Fellowship, UK, TechnoServe Inc. and the Gamaliel and Susan Onosode Foundation (GAMSU), Nigeria. She is also a member of the Investment Committees of Africa50, the Africa Renewable Energy Fund II (AREFII) and the Fund for Agricultural Finance in Nigeria (FAFIN).

Ms Imoni Akpofure holds a bachelor's degree in civil engineering from Imperial College, London, a Master of Science degree in Environmental Engineering from Newcastle University, London, and a master's in business administration from INSEAD.



Mr Urum (UK) Eke MFR
Independent Non-Executive Director

Mr U.K. Eke, MFR, was appointed in February 2024.

With over 36 years' experience in financial services covering auditing, business assurance, consulting, strategy, taxation, process re-engineering and capital market operations, Mr U. K. Eke, MFR, a financial services expert, is an excellent addition to the DBN Board.

He is currently the Executive Chairman of Fairchild Group, a fully integrated business advisory firm based in Lagos, Nigeria, that provides solutions to corporates across business strategy, consulting, corporate finance, debt and equity structuring, real estate, and procurement.

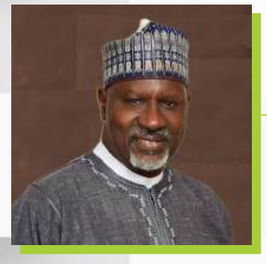
Mr U. K. Eke, MFR, was the Group Managing Director of FBN Holdings Plc and also served as a non-executive director on the Boards of First Bank of Nigeria Limited (FirstBank), FBNQuest Merchant Bank Limited, FirstBank London and First Pensions Custodian Limited. He joined the Board of FirstBank, an FBN Holdings Company, in 2011 as Executive Director, Public Sector South, and until his appointment as Group Managing Director of FBN Holdings Plc, was responsible for all retail, commercial and public sector businesses in Southern Nigeria, with concurrent responsibility for private banking and wealth management.

Mr U. K. Eke, MFR, commenced his professional career at the global audit firm Deloitte Haskins and Sells International (Chartered Accountants) before entering banking in 1991. Prior to joining FirstBank, Mr U. K. Eke, MFR, was the Executive Director, Regional Businesses, Lagos and West, at Diamond Bank Plc, and was part of the executive management team that solidified Diamond Bank Plc's position as a leading commercial bank in Nigeria.

Mr U. K. Eke, MFR, is a Fellow of the Chartered Institute of Bankers of Nigeria (CIBN), Fellow, Institute of Management Consultants (IMC), Fellow, Chartered Institute of Directors (CIoD) and Fellow, Institute of Chartered Accountants of Nigeria (ICAN). He holds a first degree in political science from the University of Lagos and a master's degree in business administration in Project Management Technology from the Federal University of Technology, Owerri.

He is a holder of a National Award, Member of the Federal Republic (MFR) and a recipient of the prestigious Zik Prize in Professional Leadership.

He is the Chairman of the Board of Governors, CIoD Centre for Corporate Governance, and a Member of the Advisory Board, University of Wolverhampton, United Kingdom Centre for African Entrepreneurship and Leadership (CAEL).



Mallam Mohammed Mustapha Bintube
Independent Non-Executive Director

Mallam Mohammed M. Bintube was appointed in February 2024.

Mallam. Mohammed M. Bintube is a consummate banker with over 35 years of experience in the Banking industry, most of which was spent at board-level and other leadership positions.

He is currently the Chairman of Jaiz Bank Plc, a licensed non-interest bank, and Buraq Capital Limited, an investment management firm, licensed by the Securities and Exchange Commission. His boardroom experience and lead board roles include Chairman, Board of Directors of Emerging Africa Trustees Limited (2022 to date); Chairman, Board of Directors of Neelds Realty (2021 to date); Chairman, Qalam Travels and Tours (2021 to date); Chairman, Board Credit and Governance Committee of the Bank of Industry (2017-2022); Chairman of the Board Licensing and amp; Regulatory Committee of the Nigeria Communications Commission (2010- 2015); Chairman of the Board Finance and amp; General Purpose Committee of the Nigerian Reinsurance Corporation (1991 -1993). He is a member of the National Council on Privatisation of the Federal Government of Nigeria, chaired by His Excellency, the Vice President of the Federal Republic of Nigeria.

Active in public service and community development, he is a member of several significant committees and societies through which he contributes his share to the success of socially impactful initiatives and national development. His educational achievements and prestigious awards, such as the IET Award, underscore his commitment to continuous learning, leadership, and excellence.

Mallam Mohammed M. Bintube holds a Bachelor of Science Degree in Business Administration from Ahmadu Bello University, Zaria (1981) and an Advanced Diploma in Banking and Finance from Fin-Africa, Milan, Italy (1989). He has attended several Executive and Leadership programmes within and outside the country.



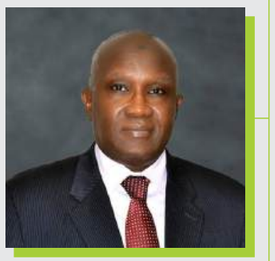
Mr Aminu Umar-Sadiq
Non-Executive Director

Mr Aminu Umar-Sadiq was appointed in March 2023.

He is the MD/CEO of the Nigeria Sovereign Investment Authority (NSIA) and brings a wealth of global experience in the financial services sector to his board position.

Mr Aminu Umar-Sadiq holds bachelor's and master's degrees in engineering sciences from the University of Oxford. He has significant experience in the financial services sector spanning public finance management, mergers and acquisitions, private equity, and asset management. In his most recent role at Nigeria Sovereign Investment Authority (NSIA), he served as the Executive Director responsible for all direct investments and portfolio management activities of the Nigeria Infrastructure Fund (NIF), the NSIA's multi-product, cross-sector domestic infrastructure fund.

In a strategic decision by the NSIA board, Mr Aminu Umar-Sadiq resigned from the Board in July 2025. The NSIA has nominated another representative, whom the DBN Board has presented to CBN for relevant pre-approvals.



Mr Henry Batchi Baldeh
Non-Executive Director

Mr Batchi Baldeh was appointed in May 2019.
He is a seasoned banker and power and utility management specialist who has worked in over 10 countries across Africa during his career, which spans well over 3 decades. He is currently the Director of Power Systems Development at the African Development Bank (AfDB), with oversight for power, climate and green finance.

Before joining the AfDB, he worked across several roles and functions, including at the World Bank, Lesotho Electricity Corporation, Gampower Limited, UHC Gambia, and Gambia Utilities Corporation, as an Advisor, Freelance Consultant, and Executive Director.
He also served in several Managing Director roles for companies such as Ansata Consulting, Gambia; Gambia National Water and Electricity Company and Utilities Handling Corporation.
He holds a master's degree in business administration (general management major) from Boston University, USA and a Bachelor of Science degree in Electrical and Electronic Engineering from the University of Newcastle-Upon-Tyne, England.
He is a member of the Institute of Engineering and Technology, United Kingdom and also a Fellow of the Institute of Directors, South Africa.



Mr Omar Sefiani
Alternate Director (Non-Executive)

Mr Omar Sefiani was appointed as an alternate director to Mr Batchi Baldeh in August 2022.
He is the division manager of the Investment Division at the African Development Bank Group. He is a finance expert and seasoned development banker. His career spans key roles at Citigroup, London, United Kingdom, Morgan Stanley, London, United Kingdom and Credit Agricole CIB, the corporate and investment banking arm of Crédit Agricole Group, France.

He holds a Master of Science degree from the prestigious École Nationale de la Statistique et de l'Administration Économique, Paris, France, and majored in Finance. He also holds a Master of Science degree from the Ecole Polytechnique, Paris, France and majored in Applied Mathematics and Economics. The coursework for that degree covered Development Economics, Political Economics, Macroeconomics, Microeconomics and Game Theory.

Governing Principles

The board of directors is committed to adopting and adhering to good corporate governance practices. The board acknowledges that corporate governance is an intrinsic element of business success, and as such, continually evaluates and upscales its governance practices to ensure that these are capable of enshrining in the Bank, procedures and structures that are required to build a virile corporate culture which serve to ensure that the Bank's business not only remains profitable, but is also sustainable, delivers value to shareholders and is responsive to the concerns and aspirations of shareholders.

Corporate Governance is a key focal point for the bank, in its aspiration of being the reference point for international best practices in the financial services industry in Nigeria. Based on this, the Board deliberately implements standards of governance that exceed minimum expectations and requirements.

The board is headed by the Chairman who is *primus interpares* in relation to other members of the Board. The roles of the Chairman and Managing Director/Chief Executive Officer are separate, and this duality is an intrinsic corporate governance principle at the bank. To preserve this duality and the intrinsic synergies between the roles of the Chairman and Managing Director/Chief Executive, the ascension of a Managing Director/Chief Executive Officer, to the office of Chairman, is discouraged and this is codified in the Board Charter.

The board has an approved charter, which governs its operations and activities. The board is of sufficient size relative to the Bank's operations, risks, and mandate of the Bank. There is an appropriate mix of knowledge, skills and experience, including business, commercial and industry experience on the Board. A majority of the non-executive directors are independent. Irrespective of their designations, all directors exercise independent judgement when deciding on matters before the Board.

Decisions of the Board are reached by consensus after thorough deliberation. If any matter is to be put to a vote, the Board charter and the Bank's Articles of Association provide that the chairman shall have a casting vote if there is a tie in voting.

All directors disclose their memberships on other boards, and there are no concurrent directorships with respect to other boards, such as would interfere with their exercise of independent judgment or their effectiveness as directors of the DBN.

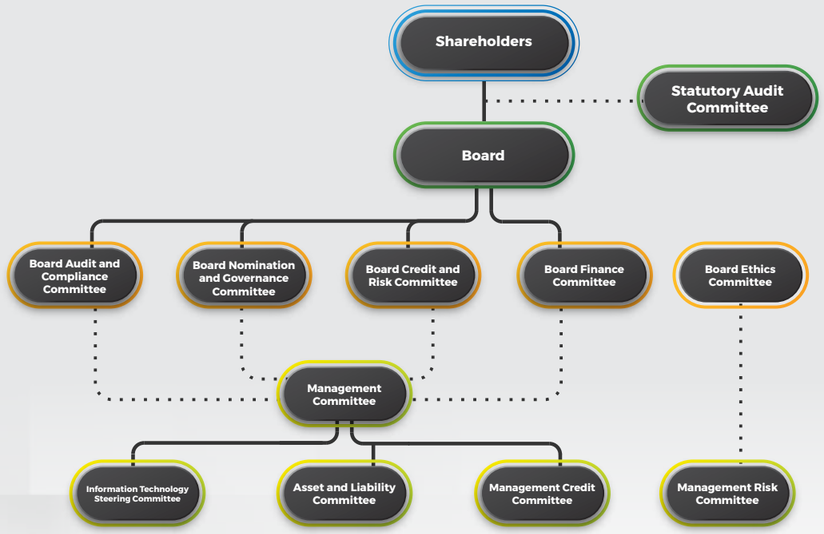
The board has five (5) committees through which its oversight of the bank and its affairs is exercised. These committees are the Board Audit and Compliance Committee, the Board Credit and Risk Committee, the Board Finance Committee, the Board Nomination and Governance Committee and the Board Ethics Committee.

All committees have charters that are approved by the Board of Directors. These charters, including the Board charter have been submitted to the Central Bank of Nigeria in compliance with the regulations. The committees' charters detail the terms of reference, membership, quorum and authorizations of each committee.

All board committees are chaired by independent non-executive directors. The chairman of the Board is not a member of any board committee.

The board is composed of an appropriate balance of skills, expertise, and experience, aligned to the Bank's strategic objectives, regulatory environment and the specific functions and responsibilities of the Board and its committees.

Below is our Governance structure:



The bank's Delegation of Authority framework details the authority matrix within the Bank, as well as the delegation framework from the Board to its committees and from the Board to management through the MD/CEO.

By the principle of delegation, the Bank's management, led by the MD/CEO, is responsible for the day-to-day running of the business. Pursuant to this delegation, Management has five (5) committees

1. The Management Committee
2. The Management Risk Committee
3. The Management Credit Committee
4. The Assets and Liability Management Committee
5. The Information Technology Steering Committee.

These committees align with management responsibilities and report to the Board of Directors. The management committee is the overarching committee to which all other management committees report.

In addition to the existence of the Board and committee charters, the Board enriches the Bank's governance practices by adhering to the principles and recommended practices set out in the Nigerian Code of Corporate Governance, 2018.

As a development finance institution licensed by the CBN, the Bank also complies with the CBN's Code of Corporate Governance for development finance institutions and the Corporate Governance Guidelines for Public Companies issued by the Securities and Exchange Commission.

With the support of the development partners, the World Bank, the African Development Bank Group, the KFW Development Bank, the Agence Française de Développement, the Board continually strives for excellence in governance and deliberately seeks out and adopts tested practices that guarantee the sanctity of the Bank's business. This practice continues to differentiate DBN as a clear leader in corporate governance in the development finance space in Nigeria.

Procedure for Board Appointments

Further to Article 9.5 of the bank's Articles of Association, the first directors of the bank were appointed by shareholders based on agreed minimum criteria. The procedure for appointing the first independent directors involved the establishment by the shareholders of an Initial Nominations Committee comprising five (5) experts and professionals.

The Initial Nominations Committee was supported by an independent executive search firm which screened potential directorship nominees against criteria that were agreed upon by shareholders, before the commencement of the executive search.

A recommended shortlist of candidates was presented to the shareholders by the Initial Nominations Committee, from where a final decision was taken. The selected candidates were then presented to the CBN for approval, and thereafter the Initial Nominations Committee was dissolved.

After the inauguration of the board, appointments to the board are undertaken by recourse to the bank's Shareholders' Agreement, the Memorandum and Articles of Association, prevailing regulations and this process has suitable board-level oversight.

Shareholders are by the provisions of the Articles of Association, permitted to nominate representatives to the board. Such nominees would however have to be approved by the board of directors, and cleared by the Central Bank of Nigeria, before the assumption of duty. All shareholders of the bank, except the European Investment Bank, have exercised their right to appoint directors to the DBN board.

The board ensures that the appointment of directors continues to remain rigorous and extensive, and tailored to ensure that the bank appoints only people of integrity, the right skills, expertise and exposure.

Independent Non-Executive Directors

The preponderance of independent non-executive directors on DBN's board is unique in the financial services industry in Nigeria. The situation is a testament to the value which shareholders attach to objectivity and the infusion of stakeholder interests into decisions around the bank and its operations.

Before the assumption of duty, the bank's independent non-executive directors were screened by the Board and approved by the CBN.

The board keeps under review the status of the independent non-executive directors, to ensure that they remain independent and effective. A key remit of the annual board evaluation which is undertaken through an external consultant is to review the continued independence and effectiveness of the bank's independent non-executive directors, and to provide assurances, not only to the board but also to the shareholders and other stakeholders, that the independent non-executive directors remain independent.

To ensure that the board and the bank continues to harness the unique value intrinsic to the independent non-executive directors, and to preserve their objectivity, the board unanimously adopted as a standard, the definition of Independence as provided in Principle 7 of the Nigerian Code of Corporate Governance. Therefore, at DBN, an independent non-executive director is a director who is independent in character and judgment and is free from any relationships or circumstances concerning the bank, its management, or substantial shareholders as may, or appear to, impair his or her ability to make an independent judgment.

In the opinion of the board of directors, the following six (6) independent non-executive directors fulfilled the standard of Independence as enunciated in Principle 7 of the Nigerian Code of Corporate Governance, in the financial year:

S/N	Name of Director	Appointed in	Length of stay on the Board
1.	Mr Kyari Bukar	March 2021	4 years, 9 months
2.	Ms Folakemi Fatogbe	February 2024	1 year, 10 months
3.	Mrs Juliet Anammah	February 2024	1 year, 10 months
4.	Ms Imoni Akpofure	February 2024	1 year, 10 months
5.	Mr U.K. Eke MFR	February 2024	1 year, 10 months
6.	Mallam Mohammed M. Bintube	February 2024	1 year, 10 months

Board Meetings

The board meets quarterly, with additional meetings scheduled and held as required to effectively steer the Bank's business. Before the start of every financial year, the Board approves a schedule of board activity dates for that year. The schedule includes the dates for both the Board and board committees' meetings, the Annual General Meeting, the NCCG Article 3.6 meeting, and the annual board/management retreat.

Notices of all board meetings are provided to directors in advance, and meeting agendas are pre-approved by the chairman of the Board for board meetings and by the chairpersons of respective committees for their committees.

The Managing Director/Chief Executive Officer provides quarterly reports to the board on the activities of Management. These reports typically provide information on the bank's business performance, financial performance, and business outlook; while functional heads such as the Chief Operating Officer, the Chief Risk Officer, the Chief Financial Officer, and the Head, Internal Audit, also make presentations to the board, through relevant board committees.

Directors participate actively in decision-making, and the preponderance of independent non executive directors on the board ensures that independent judgment is brought to bear on board decisions. The board ensures that its deliberations and decisions are appropriately minuted by the Company Secretary; its decisions and directives are implemented, and its minutes are properly archived for future reference.

In the period under review, the Board met six (6) times. The schedule below details the dates of meetings and the attendance at the board, and board committee meetings which were held during the financial year:

Board Meeting Dates

	Total Attendance	Feb 27	Apr 29	Jul 30	Sep 11	Oct 29	Nov 25
Mr Aminu Umar-Sadiq*	2/3	-	√	√	Not applicable		
Mr Batchi Baldeh	6/6	√	√	√	√	√	√
Mr Kyari Bukar	6/6	√	√	√	√	√	√
Mr Mohammed Mustapha Bintube	5/6	√	√	√	√	√	-
Ms Folakemi Fatogbe	6/6	√	√	√	√	√	√
Mrs Juliet Anammah	6/6	√	√	√	√	√	√
Mr U.K. Eke MFR	6/6	√	√	√	√	√	√
Ms Imoni Akpofure	6/6	√	√	√	√	√	√
Dr Tony Okpanachi	6/6	√	√	√	√	√	√
Mrs Ijeoma Ozulumba	6/6	√	√	√	√	√	√

** Resigned from the Board effective July 31, 2025.*

In terms of structure, composition, and responsibilities, all five (5) board committees—the Board Audit and Compliance Committee, the Board Credit and Risk Committee, the Board Finance Committee, the Board Nomination and Governance Committee and the Board Ethics Committee are compliant with the principles of the Nigerian Code of Corporate Governance 2018 and the requirements of the CBN Code of Corporate Governance for Development Finance Institutions. Each board committee is composed of members whose expertise, knowledge and experience are relevant to its mandate, ensuring effective oversight and informed decision-making in the discharge of its functions. All committees have charters approved by the Board of Directors.

In compliance with both regulatory and best-practice requirements, the Board Audit and Compliance Committee and the Board Nomination and Governance Committee are composed solely of independent non-executive directors. The Board Ethics Committee, which is responsible for ensuring the adoption of ethical standards and business practices by the Bank, is also comprised solely of independent non-executive directors.

All board committees meet quarterly or as required, ahead of board meetings. To ensure that all directors contribute effectively to discussions at board meetings, directors have access to all committee papers, which are uploaded on the Bank's board portal. This ensures that all directors are apprised of board activities and are provided with the information required to function and contribute effectively to board-level decision-making.

At the end of each committee meeting, the company secretary prepares the minutes and uploads them to the Board portal. A high-level summary of the committee's decisions is also provided to the committee chairperson. These facilitate the presentation by the respective board committee chairpersons of the report on the committees' deliberations and decisions, including recommendations to the Board, on items presented by management.

Below are the Board committees, their composition, and details of their authorisation:

Membership		
Mr Kyari Bukar	Independent Non-Executive Director	Chairman
Mrs Juliet Anammah	Independent Non- Executive Director	Member
Mallam Mohammed M. Bintube	Independent Non- Executive Director	Member
Mr U.K. Eke, MFR	Independent Non-Executive Director	Member

Key Responsibilities

- To review the Nomination and Governance Committee Charter and recommend same for board approval.
- To make recommendations to the Board for the appointment of senior management staff, subject to processes set out for such appointments.
- To evaluate the Bank's human resources needs and recommend to the Board plans and actions to maintain an optimal staff profile in the Bank.
- To review and advise the Board on succession planning for the Board, board committees and senior management staff.
- Periodically access and advise the Board on the extent to which the required skills are represented on the Board.
- To review and recommend to the Board for approval, policies and manuals on human resources, conditions of service, compensation packages for the staff and the managing director.
- To review the performance of the Board of the Bank's subsidiary, Impact Credit Guarantee Limited.
- To review and advise the Board on directors' allowances and other entitlements to enable the Board to recommend, as appropriate, to the general meeting for approval.

The attendance of members at meetings of the committee in the year is as shown below:

Board Nomination and Governance Committee Meeting Dates

Members	Attendance / Nos of Meetings	Feb 13	Apr 15	July 18	Oct 16	Oct 27	Nov 21
Mr Kyari Abba Bukar	6/6	√	√	√	√	√	√
Mr U.K. Eke MFR	6/6	√	√	√	√	√	√
Mrs Juliet Anammah	6/6	√	√	√	√	√	√
Mallam Mohammed M. Bintube	5/6	√	√	√	√	√	-

Board Audit and Compliance Committee

Membership		
Ms Imoni Akpofure	Independent Non-Executive Director	Chairperson
Mr Kyari Bukar	Independent Non- Executive Director	Member
Ms Folakemi Fatogbe	Independent Non- Executive Director	Member
Mallam Mohammed M. Bintube	Independent Non-Executive Director	Member
Mr U.K. Eke MFR	Independent Non-Executive Director	Member

Key Responsibilities

- To review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- To review with management and the external auditors the results of the audit, including any difficulties encountered.
- To review the annual financial statements and consider whether they are complete, consistent with information known to committee members, and reflect appropriate accounting principles.
- To review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance.
- To review the findings of any examinations by regulatory agencies, and any auditor observations.

The attendance of members at meetings of the committee in the year is as shown below:

Board Audit and Compliance Meeting Dates

	Attendance / Nos of Meetings	Feb 10	Apr 17	July 17	Oct 17	Nov 18
Ms Imoni Akpofure	5/5	√	√	√	√	√
Ms Folakemi Fatogbe	5/5	√	√	√	√	√
Mr Kyari Bukar	5/5	√	√	√	√	√
Mr UK Eke MFR	5/5	√	√	√	√	√
Mallam Mohammed M. Bintube	5/5	√	√	√	√	√

Board Credit and Risk Committee

Membership		
Ms Folakemi Fatogbe	Independent non-executive director	Chairperson
Mr Aminu Umar-Sadiq	Non-executive director	Member
Mr Batchi Baldeh	Non-executive director	Member
Mrs Juliet Anammah	Independent non-executive director	Member
Dr Tony Okpanachi	MD/CEO	Member
Mrs Ijeoma Ozulumba	Executive Director	Member

Key Responsibilities

- To ensure there is an efficient risk management framework for the identification, quantification and management of business risks facing the Bank.
- To evaluate the Bank`s risk profile and the action plans in place to manage the risk.
- To review the lending policy, including the master lending agreement and the pricing model of the Bank and recommend the same for board approval.
- To oversee and report to the Board on the performance of the Bank's subsidiary, Impact Credit Guarantee Limited.

The attendance of members at meetings of the committee in the year is as shown below:

Board Credit and Risk Committee Meeting Dates

Members	Attendance / Nos of Meetings	Feb 14	Feb 24	Apr 25	July 17	Oct 23	Nov 21
Ms Folakemi Fatogbe	5/5	√	√	√	√	√	√
Mrs Juliet Anammah	5/5	√	√	√	√	√	√
Mr Batchi Baldeh	5/5	√	√	√	√	√	√
Mr Aminu Umar-Sadiq*	5/5	√	-	-	√	Not applicable	
Dr Tony Okpanachi	5/5	√	√	√	√	√	√
Mrs Ijeoma Ozulumba	5/5	√	√	√	√	√	√

** Resigned from the Board effective July 31, 2025*

Board Finance Committee

Membership		
Mr U.K. Eke MFR	Independent non-executive director	Chairman
Mr Aminu Umar-Sadiq	Non-Executive Director	Member
Mr Batchi Baldeh	Non-Executive Director	Member
Dr Anthony Okpanachi	MD/CEO	Member
Mr Kyari Bukar	Independent Non-Executive Director	Member
Mrs Ijeoma Ozulumba	Non-Executive Director	Member

Key Responsibilities

- To review and make recommendations to the Board on the Bank's financial strategy, financial forecasts, operating budgets, financial performance, capital expenditures and expense management programmes relating to the Bank's strategic plan.
- To review and make recommendations to the Board on the Bank's capital structure and corporate finance strategy, including capital adequacy and capital planning process, stress-testing and related activities, capital raising and capital distributions, the issuance of equity and debt securities, financing plans generally, debt ratings; share repurchase philosophy and strategy; share redemption and purchase activities; and dividend policy.
- To review and recommend to the Board on matters about treasury operations, investment strategies, banking and cash management arrangements; and financial risk management (interest rate, foreign exchange, sensitivities, etc.)

The attendance of members at meetings of the committee in the year is as shown below:

Board Finance Committee Meeting Dates

Members	Attendance / Nos of Meetings	Feb 13	Apr 15	July 21	Oct 17	Nov 18
Mr U.K. Eke MFR	5/5	√	√	√	√	√
Mr Batchi Baldeh	5/5	√	√	√	√	√
Mr Aminu Umar-Sadiq*	2/5	√	-	√	Not applicable	
Ms Imoni Akpofure	5/5	√	√	√	√	√
Mr Kyari Abba Bukar	5/5	√	√	√	√	√
Dr Tony Okpanachi	5/5	√	√	√	√	√
Mrs Ijeoma Ozulumba	5/5	√	√	√	√	√

** Resigned from the Board effective July 31, 2025*

Board Ethics Committee

Membership		
Mallam Mohammed M. Bintube	Independent Non-Executive Director	Chairperson
Mrs Juliet Anammah	Independent Non-Executive Director	Member
Ms Folakemi Fatogbe	Independent Non-Executive Director	Member
Ms Imoni Akpofure	Independent Non-Executive Director	Member

Key Responsibilities

- To keep under review, ethical business practices and advise the Board on their adoption by the Bank.
- To oversee the implementation and monitoring of the Bank's sustainability agenda and advise the Board on the adequacy of the system for non-financial disclosures on issues such as corporate social responsibility, corporate citizenship, reporting obligations under the Freedom of Information Act, 2011, and disclosures required in relation to senior management.
- To review the conduct of directors on referral from the Board and to make recommendations to the Board on the propriety of such conduct.
- To ensure that appropriate steps are taken to communicate throughout the Bank, the Bank's corporate values, professional standards, and codes of conduct, together with supporting policies.
- To review and advise the Board on appropriate steps concerning any adverse findings in respect of ethical compliance, arising from regulatory inspections.
- To enhance responsible bank and management behaviour towards sustainable growth and long-term value creation, including considering environmental, climate change, social criteria, and corporate social responsibility.

The attendance of members at meetings of the committee in the year is as shown below:

Board Audit and Compliance Meeting Dates

	Attendance / Nos of Meetings	Feb 10	Apr 17	July 16	Oct 17
Mallam Mohammed Mustapha Bintube	4/4	√	√	√	√
Mrs Juliet Anammah	4/4	√	√	√	√
Ms Folakemi Fatogbe	4/4	√	√	√	√
Ms Imoni Akpofure	4/4	√	√	√	√

Directors Remuneration

The bank has an approved Board Remuneration Policy. The policy ensures that board and executive remuneration are aligned with the long-term interests of the Bank and shareholders. Non-executive directors' remuneration is limited to directors' fees, sitting allowances, which are paid for board and board committee meetings attended, and reimbursables, which are paid for expenses incurred by directors, in the discharge of official duties.

The Board Nomination and Governance Committee considers the levels of board and executive compensation and advises the Board on all matters relating to compensation in the Bank.

Directors' fees, the main component of board remuneration, are paid in equal instalments six months apart, and in arrears (July and Jan).

Sitting allowances are paid for each meeting attended by the directors via bank transfers to their designated bank accounts. Concerning directors who are shareholder representatives on the board, their remuneration is paid directly to the appointing institution. There is a disparity in the quantum of Directors' fees and sitting allowances which are paid to directors who are shareholder representatives, relative to other directors. This disparity is based on an agreement amongst shareholders of the bank.

The compensation of the Managing Director/Chief Executive Officer and the Executive Director is linked to performance and is specifically designed to prevent excessive risk-taking. The Managing Director/Chief Executive Officer and the Executive Director do not receive Directors Fees or sitting allowances for board meetings attendances. Also, as a serving executive, the Managing Director/Chief Executive Officer does not receive any Directors Fee or sitting allowances with respect to his board position at the bank's wholly owned subsidiary, Impact Credit Guarantee Limited.

Details of directors' remuneration are as set out in page 226 of the audited financial statements.

Directors Training and Continuous Development

Induction is provided to newly appointed directors upon appointment. A new director receives an induction pack which contains information about the Bank and its business and operations.

A new director also receives other relevant information relating to their duties and responsibilities, details of emoluments, and general information that would ensure they are able to fulfil the responsibilities of their office.

To ensure that directors remain conversant with recent trends and developments, the Bank provides routine training tailored to the needs of both the directors and the Bank. The bank's modalities for induction and training of directors are enshrined in the Bank's Framework on Induction Training and Continuous Development for Directors.

The directors attended several competency-based training sessions during the year.

Rotation of Directors

In compliance with section 285 of the Companies and Allied Matters Act, 2020 and Article 10.3.3 of the bank's Articles of Association which require that directors of bank retire by rotation, three directors would be retiring at the Annual General Meeting, and being eligible, would-be seeking re-election.

The biographical details of the directors to retire by rotation shall be provided in the notes to the Resolutions to be presented to shareholders ahead of the Annual General Meeting.

Board Evaluation

With adherence to the principles enunciated in the Nigerian Code of Corporate Governance 2018, the CBN Code of Corporate Governance for Development Finance Institutions, the guidelines issued by the Securities and Exchange Commission (i.e. SEC Corporate Governance Guidelines) and Article 16 of the Bank's Articles of Association, the Board of directors ensures that there is an annual evaluation of the Board, its committees and individual directors, which is undertaken by an independent consultant.

The scope of the evaluation covers the corporate governance requirements of the Nigerian Code of Corporate Governance, the CBN Code of Corporate Governance for Development Finance Institutions, the SEC Corporate Governance Guidelines, the provisions of the Companies and Allied Matters Act and the Bank's Memorandum and Articles of Association. In addition to the aforementioned, the evaluation also specifically assesses the performance and effectiveness of the Bank's independent non-executive directors as required by section (f) of CBN circular BSD/DIR/GEN/CIR/VOL.1/013 titled "Guidelines for the Appointment of Independent Directors".

The evaluation outcome is presented to shareholders at the AGM and, in compliance with the CBN Code of Corporate Governance for Development Finance Institutions, is also submitted to the CBN.

Messrs PricewaterhouseCoopers were appointed to undertake the evaluation of the Board for the financial year.

pwc

20 February 2026

The Shareholders
Development Bank of Nigeria Plc
The Clan Place
Plot 1368A Tigris Crescent
Maitama
Abuja

Dear Sir/Madam ,

REPORT OF THE INDEPENDENT CONSULTANT ON THE OUTCOME OF THE BOARD EVALUATION OF DEVELOPMENT BANK OF NIGERIA PLC. FOR THE PERIOD ENDED 31 DECEMBER 2025

PricewaterhouseCoopers ("PwC")performed an evaluation of Development Bank of Nigeria Plc's Board of Directors , as required by Principle 14.1 of theNigerian Code of Corporate Governance 2018 ("the NCCG") and Section 2.9.1o of the Central Bank of Nigeria (CBN) Code of Corporate Governance for Development Finance Institutions in Nigeria ("the CBN Code") and the SEC Corporate Governance Guidelines ("SCGG") for the period ended 31 December 2025.

Our responsibility was to assess the corporate governance practices of the Board of Directors and the performance of the individual Directors within the scope of our Letter of Engagement dated 07 November 2025. We also facilitated a Self and Peer Assessment of each Director's performance in the year under review. This assessment covered each Director's time commitment to the business of the Company and continuous learning and development. Each Individual Director 's Assessment Report was prepared and made available to them respectively, while a consolidated report of the performance of all Directors was submitted to the Chairman of the Board Nomination and Governance Committee (BNGC).

In carrying out the Evaluation , we relied on representations made by members of the Board and Management of the Company, and on the documents provided for our review.

The Board of Directors have complied significantly with the provisions of the Codes. Areas of compliance include oversight over the Bank's enterprise risk management, internal controls and compliance with regulatory requirements , the financial and non-financial reporting by Management and oversight over the implementation of the Bank's Strategy.

Details of other findings and recommendations are contained in the full report. Matters outlined in the Report are only those that came to our attention during the Evaluation . The Evaluation is limited in nature and does not necessarily disclose all significant matters about the Company or reveal any irregularities. As such, we do not express any opinion on activities reported.

Yours faithfully ,

Chioma Obaro
Partner

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Partners: S Abu, O Adekoya, T Adeleke, G Adepetu, W Adetokunbo-Ajayi, S Adu, A Akingbade, O Alakhume, A Atitebi, C Azobu, A Banjo, E Erhie, K Erikume, H Jaiyeola, T Labeodan, U Muogilim, C Obaro, C Ojechi, U Ojinmah, O Oladipo, W Olowofoyeku, P Omontuemhen, O Osinubi, T Oyaniran, O Ubah, Y Yusuf

MANAGEMENT TEAM

Dr Tony Okpanachi
Managing Director / Chief Executive Officer
Dr. Tony Okpanachi was appointed Managing Director/CEO of Development Bank of Nigeria Plc (DBN) in January 2017.

He is a seasoned banker with over 30 years of experience. Before he was appointed Managing Director/CEO of the Bank, he was the Deputy Managing Director of Ecobank Nigeria Limited, a position he held since April 2013. Before that, he was the Managing Director, Ecobank Kenya, and Cluster Managing Director for East Africa, Ecobank (comprising Kenya, Uganda, Tanzania, Burundi, Rwanda, South Sudan, and Ethiopia). He was also at various times, Managing Director of Ecobank Malawi and Regional Coordinator for Lagos and South West, at Ecobank Nigeria.

Earlier in his professional career, he managed various portfolios including Treasury Management, Retail Business Development, Corporate Finance, Corporate Services, Branch Management, and Relationship Management. amongst others.

Dr. Okpanachi sits on the Board of Impact Credit Guarantee Limited, a subsidiary of DBN as a non-executive director.

He holds a Doctorate degree (Ph.D.) in Development Economics from Nile University, a Master's degree in Business Administration (MBA) from the Manchester Business School UK, a Master of Science degree in Economics, from the University of Lagos, and a Bachelor of Science degree in Economics, from the Ahmadu Bello University, Zaria, Nigeria. He has attended several Executive Management Development Programmes in Leadership, Corporate Governance, Credit and Risk-Management at leading institutions – Harvard Business School, Harvard Kennedy School, INSEAD, IMD, etc. He is a fellow of the Chartered Institute of Bankers (FCIB) and also a fellow of the Chartered Institute of Stockbrokers (FCIS).

Mrs Ijeoma D. Ozulumba
Executive Director, Finance and Corporate Services
Mrs. Ijeoma Ozulumba, was appointed as an Executive Director at Development bank of Nigeria Plc in March 2021.

She is a finance professional with over three (3) decades experience in banking, accounting, auditing, finance, and business strategy. She started her professional career at Pricewaterhouse (now PwC), in the audit and business advisory services division and has held progressively senior roles in financial services in Nigeria and Canada.

Over the span of her career, Mrs. Ozulumba has participated in and led teams and departments in finance, strategy, business development, corporate banking, service management and internal audit. She worked at various times at Diamond Bank, Continental Trust Bank Limited (Now part of UBA Plc) and MBC International Bank Limited (Now part of First Bank of Nigeria Limited), both as Financial Controller, FinBank Plc (FCMB) as Chief Financial Officer, Bank of Montreal, and Scotia Bank both in Canada as Basel Risk Consultant and Finance Manager.

Her international experience in financial management, bank startup, integration, financial performance management, Basel risk management, capital raising and Mergers & Acquisitions, has resulted in significant achievements in various pioneering roles in bank business model change, repositioning and in strategy development and implementation.

At Development Bank of Nigeria Plc, Mrs. Ozulumba has responsibility for the finance and corporate services directorate, comprising treasury, investor relations, corporate development, financial reporting, budget & performance management, information technology and corporate communications.

Mrs. Ozulumba holds a bachelor's degree from the University of Benin, Nigeria, an MBA with a specialization in International Business Management from Royal Holloway, University of London and an MPhil (cum laude) in Development Finance from Stellenbosch Business School. Mrs. Ozulumba has attended various executive training programmes at Harvard, Wharton, Oxford and is an alumnus of the Lagos Business School.

She is a Fellow of the Institute of Chartered Accountants of Nigeria (FCA), a Certified Professional Accountant of Canada (CPA), a Project Management Professional (PMP), an Honorary Senior Member of the Chartered Institute of Bankers of Nigeria (CIBN) and an Associate of the Institute of Directors (IoD), Nigeria.

Dr. Olu Adegbola
Chief Risk Officer
Olu Adegbola started his banking career with United Bank for Africa Plc. He has over 27 years banking experience, with over 16 years in senior management level across Governance, Risk and Compliance (GRC) functions. He is the pioneer Chief Risk and Compliance Officer, Development Bank of Nigeria Plc.

He was the pioneer Head, Group Risk Management and Compliance at First Holdco (Parent Company of First Bank Group), and instrumental in setting up the Internal Audit function of First Holdco with oversight responsibility across the Group.

He was the Pioneer Head, liquidity and Market Risk Management, and with oversight responsibility across the following departments: Compliance, Operational Risk, Information Security and Credit Strategy at Sterling Bank Plc. He was the Financial Controller, NBM Bank Ltd., one of the legacy banks of the current Sterling Bank Plc.

He is exposed to several local and international trainings. He holds a Doctorate degree (Ph.D.) in Economics from Nile University, a Master of Science degree in Finance, a Postgraduate Diploma in Economics and a Master of Science degree in Economics all from the University of Lagos; an MBA from Obafemi Awolowo University, and a Bachelor of Science degree in accounting (second class upper division) from the University of Ilorin.

He is a Fellow of the Institute of Chartered Accountant of Nigeria (FCA), a Fellow of the Chartered Institute of Bankers of Nigeria FCIB), and a Senior Associate of the Chartered Risk Management Institute of Nigeria.

Mr Idris Salihu
Head, Corporate Services
Idris Salihu is a seasoned professional with nearly three decades of experience in banking, corporate services, and strategic development. Currently, he serves as the Group Head of Corporate Services at the Development Bank of Nigeria (DBN), where he oversees departments critical to operational excellence, including Information Technology, Administration, Procurement, and Corporate Communications. His tenure at DBN has been marked by achievements such as the development of a digital strategy, implementation of critical business transformation initiatives to ensure operational efficiency/cost optimization, ISO certifications in Information Security, Business Continuity, and IT Service Management, alongside the implementation of a digital Loan Management System to accelerate funding for MSMEs.

Idris has also driven significant progress in corporate communications, including multi-channel marketing campaigns and strategic public relations initiatives, enhancing DBN's brand presence and engagement. This includes setting up and executing major projects for DBN.

Previously, Idris served as Regional Manager for Jaiz Bank Plc, where he led North Central Business Development, expanding

business growth and strengthening client relations. His extensive background includes key corporate affairs and communications functions, including public sector business development roles at Fidelity Bank Plc. He also served on a National assignment on secondment from Fidelity Bank to the Federal Government's Nigerian Vision 20:2020 project under the umbrella of the National Planning Commission and the Business Support Group (BSG), the arm responsible for coordinating the private sector participation in the visioning project where he served as Secretary, Media and Publicity as well member, Small and Medium Scale Enterprises thematic area.

Holding an MBA in Marketing and a BA in Arts, Salihu's work is characterised by his commitment to promoting ethical practices, fostering professional growth, and driving sustainable development across the financial and public sectors, reflecting his dedication to Nigeria's socio-economic advancement. He has also attended several executive management development programs, including those at Harvard, Stanford Business School, IMD, and numerous other Ivy League institutions offering executive development programs.

Dr Joshua Ohioma
Head, Internal Audit
Joshua Ohioma is the Head, Internal Audit of Development Bank of Nigeria PLC. A professional with over 25 years' combined experience in banking, auditing and consulting. He started his professional career in audit practice in 1991. He thereafter joined the banking industry with Diamond Bank in 1996 performing roles in Internal Control, Credit & Marketing and also coordinating branch business and profitability as Branch Manager.

He later practiced Tax Advisory Services in PricewaterhouseCoopers (PWC), United Kingdom before joining First Bank of Nigeria Limited (FBN) in 2005 where he acquired valuable experience in Internal Audit, Internal Controls, Compliance and Risk Management under various senior management roles.

He holds a Doctorate degree in Business Administration and an MPhil in Management from the UCAM Universidad Católica San Antonio de Murcia. He is also a graduate of Economics with a postgraduate qualification in Business Administration. He is also a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN), a Certified Risk Analyst, ISO 27001 Lead Auditor and an alumnus of Lagos Business School (Senior Management Programme).

He is a Past Chairman of ICAN Lagos & District Society, a Development Dimension International (DDI) Certified Facilitator, a Coach and a Resource Person in various training platforms, seminars and workshops.

Professor Joseph Nnanna
Chief Economist
Professor Joseph Nnanna is a seasoned professional with numerous years of experience in the U.S mortgage, banking, manufacturing, and telecommunication industry before joining academia.

His professional career commenced in the mortgage industry as a staff Accountant responsible for budgeting, audit, and month-end close functions. He also worked as a risk analyst at J.P. Morgan Chase bank and at various times served in managerial roles in Lehigh Hanson, one of the largest producers of crushed stone and gravel in the US and Blue Lynx Media a subsidiary of the Tribune company a leader in the Telecommunication industry in the US.

Before joining DBN, Prof. Nnanna was a tenured Professor of Business and Economics at Northwestern Oklahoma State University (USA). His primary research focus was on corporate governance in emerging economies, macroeconomics, development finance and Trade. His scholarly works have been published in; Macroeconomics and Finance in Emerging Market Economies, the journal of Chinese Economics and Foreign Trade Studies, Journal of Social Economics, CBN Bullion, Journal of Business Perspectives, International Journal of Business Economics and Management to name a few. While in academia Professor Nnanna taught at the undergraduate, graduate, and doctoral levels in Macro and Micro Economics as well as Management courses. Furthermore, he has presented scholarly works and delivered lectures in various countries around the world.
He earned a Bachelor of Business Administration and MBA degrees in Accounting, a Master of Art degree in Economics and a Doctorate in Corporate Governance and Economics from Southwestern Oklahoma State University, Florida Metropolitan University, The University of Oklahoma and Argosy University respectively. He is a member of the American Economic Association.

Mr Shofola Osho
Company Secretary/Legal Adviser
Shofola Osho has over 28 years' experience in providing Governance, Risk and Compliance support for major Corporates. He commenced his corporate career as a Legal Officer with Stallion Property & Development Company Limited (*A Joint venture company of the Nigerian National Petroleum Corporation and Oando Plc*).

At Siemens Nigeria, he provided local content support for the implementation of the Siemens Anti-Bribery Controls and was a participant at the Talent at Compliance Program at the Siemens Leadership Center, Feldafing, Germany.

At Access Bank Plc, he was a member of the Legal Stream of "Project Star" (the N50 billion merger between the Intercontinental Bank Group by Access Bank Plc). He was a test participant at the Central Bank of Nigeria User Acceptance Test for the CBN Competency Assessment Portal. At FirstBank, Shofola was Assistant Company Secretary and a member of the inaugural stream of the FirstBank Senior Management Development Programme (SMDP01).

He holds a Bachelor of Laws (LL.B Hons) degree from the University of Lagos and a Master's degree in International Commercial Law from the University of Salford Manchester, United Kingdom. He was called to the Nigerian Bar in 1999.
He is a Fellow of the Institute of Chartered Secretaries and Administrators of Nigeria (ICSAN), Fellow, Institute of Credit Administration, Nigeria, Member, Society For Corporate Governance, Nigeria and Member, Chartered Institute of Directors, Nigeria.

Disclosure of Managers Remuneration

In compliance with section 257 of the Companies and Allied Matters Act, 2020, the Board shall disclose to shareholders, at the AGM, the remuneration of the Bank's managers.

Statutory Audit Committee			
The Statutory Audit Committee of the Bank is comprised of the following members:			
1.	Mr Ahmed Salau	Shareholder Representative	Chairperson
2.	Dr Tade Fadare	Shareholder Representative	Member
3.	Mrs Kemi Owonubi	Shareholder Representative	Member
4.	Mr U.K. Eke MFR	Independent non-executive director	Member
5.	Ms Imoni Akpofure	Independent non-executive director	Member

The duties of the Statutory Audit Committee as enshrined in Section 404 (7) of the Companies and Allied Matters Act, 2020, and relevant Codes of Corporate Governance are to:

- Ascertain whether the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices.
- Review the scope and planning of audit requirements.
- Review the findings on management matters in conjunction with the external auditor and management's responses there on.
- Keep under review the effectiveness of the Company's system of accounting and internal control.
- Make recommendations to the Board concerning the appointment, removal and remuneration of the external auditors of the Company, ensuring the independence and objectivity of the external auditors and that no conflict of interest could impair their independent judgement.
- Authorize the internal auditor to carry out investigations into any activities of the Company which may be of interest or concern to the Committee.

The tenure of each member of the Statutory Audit Committee lasts from the date of election at an Annual General Meeting till the next Annual General Meeting. The membership of the Committee may, however, be renewed through re-election.

The profiles of members of the Statutory Audit Committee are on pages 43 - 46.

Report of the Statutory Audit Committee

For the year ended 31 December 2025

To the members of the Development Bank of Nigeria Plc

In accordance with the provisions of Section 404 (7) of the Companies and Allied Matters Act (CAMA), 2020, the members of the Statutory Audit Committee of the Development Bank of Nigeria Plc hereby report on the audited financial statements for the year ended 31 December 2025 as follows:

We have exercised our statutory functions under section 404 (7) of the Companies and Allied Matters Act (CAMA), 2020 and acknowledge the co-operation of management and staff in the conduct of these responsibilities.

We are of the opinion that the accounting and reporting policies of the Bank are in agreement with legal requirements and agreed ethical practices and that the scope and planning of both the external and internal audits for the year ended 31 December 2025 were satisfactory and reinforce the Bank's internal control systems.

We have deliberated on the findings of the external auditors who have confirmed that the necessary cooperation was received from management in the course of their audit and we are satisfied with management responses thereon and with the effectiveness of the Bank's system of accounting and internal controls.

Ahmed Rufai Salau
Chairperson
Statutory Audit Committee
FRC/2013/ICAN/00000000968
25 February 2026

Members of the Statutory Audit Committee are:

Ahmed Rufai Salau	Chairperson
Tade Fadare	Member
Kemi Owonubi	Member
Imoni Akpofure	Member
U. K. Eke, MFR	Member

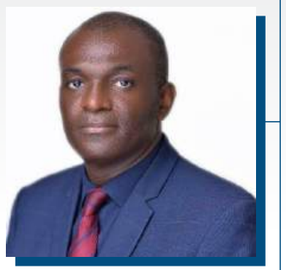
Profile of Members of the Statutory Audit Committee



Mr. Ahmed Salau holds a Bachelor of Science degree in Accounting from the Bayero University, Kano; and Master's degree in Business Administration in Finance, from the Ahmadu Bello University, Zaria, Kaduna State. He is a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN); a Certified Information System Auditor (CISA) and a Certified Fraud Examiner (CFE).

Prior to Joining Nigeria Sovereign Investment Authority as the Head, Internal Audit, he worked as the Chief Internal Auditor at the Abuja Electricity Distribution Company. He also worked as the Head, Internal Audit, at Legacy Pension Managers (now FCMB Pension), and at different times in his career, the Senior Audit Officer at Trustfund Pensions and the Senior Account Manager at Transcorp Hilton Hotel, Abuja FCT.

Mr Ahmed Salau, FCA
Chairman

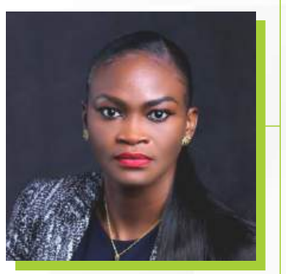


Mr. Tade Fadare, PhD, is a Senior Vice President and Head of Operational Risk and Compliance at the Nigeria Sovereign Investment Authority (NSIA). In his role, he is responsible for designing, proactively identifying, implementing, and monitoring the processes by which the Authority complies with all applicable laws, regulations, and policies. Prior to joining the NSIA, he was Deputy Registrar at the Chartered Institute of Bankers of Nigeria (CIBN) and before then, the Head of Business and Operational Risk at First City Monument Bank with primary responsibility for coordinating and implementing the bank's Enterprise Risk Management project. He has worked as an Audit Senior and Audit Manager with international financial services institutions including, Barclays Bank, Royal Bank of Scotland, and Morgan Stanley. He also had a stint as Consultant/Senior Manager with the Business Risk Services practice of Grant Thornton (UK) providing advisory services to Grant Thornton (UK) clients.

He earned a first and second degree in Economics from the Obafemi Awolowo University and the University of Lagos respectively. He also obtained a Master of Science degree in Finance and Investment from the University of Edinburgh and an MBA, Finance, from the University of Manchester. He is a member of several reputable professional bodies, the Institute of Chartered Accountants of Nigeria (FCA), Association of Chartered Certified Accountants (FCCA), Chartered Institute of Bankers of Nigeria (FCIB), and the Chartered Professional Accountants of British Columbia (CPA), and the Chartered Institute of Stockbrokers of Nigeria (ACS).

Tade Fadare holds a PhD in Organizational Leadership from Regent University, Virginia, USA and has contributed peer-reviewed articles to several academic journals including The Journal of Values-Based Leadership, International Research Journal of Finance and Economics, and Journal of Research on Christian Education.

Tade Fadare, PhD
Member



Oluwakemi Babalogbon (nee Owonubi) is an experienced professional with an extensive background spanning over 20 years in Corporate Finance, Equity Research, Mergers and Acquisitions, and Private Equity. Prior to her role at MOFI, Oluwakemi held various roles at Oando Plc, Vetiva Capital, Rand Merchant Bank, and Tangerine Financial.

In her current capacity, Oluwakemi oversees the development and implementation of risk management strategies and framework throughout the organisation. Additionally, she spearheads MOFI's initiative to create a central register of the FGN's assets and investments, aligning with the organization's broader mandate.

Oluwakemi holds a bachelor's degree in economics from the University of Ilorin. She is a member of the Accounting and Finance divisions of the institute of Chartered Accountants of Nigeria (ICAN). She has also earned an MBA in Finance and Strategy from IMD, complementing her robust background in management and expertise in global topics such as risk management, corporate policies, banking, development strategy and high-performance leadership.

Mrs Kemi Owonubi-Babalogbon
Member



Mr UK Eke MFR
Independent Non-Executive Director



Mrs Imoni Akpofure
Independent Non-Executive Director

Please refer to their profiles on pages 189 and 191

External Auditors

KPMG Professional Services were the Bank's external auditors for the financial year. They were first appointed in August 2016 and have served as External Auditors for nine (9) years.

The bank complied with all regulatory requirements for the appointment and approval of the External Auditors.

Risk Management

Risk Governance Framework

The risk governance framework in DBN is very robust and every stakeholder is aware of their responsibilities (individual and collective) for risk management, risk oversight and risk assurance. The bank has a well-defined framework and policies for managing risks and ensuring adequacy and effectiveness of controls.

The Board has ultimate responsibility for risk management and sets the appropriate tone down the organization hierarchy. To ensure that the risk management system is in line with regulations and leading practices, the Board is supported by the following Board committees:

1. Board Credit and Risk Committee (BCRC); and
2. Board Audit and Compliance Committee (BACC)

These Committees are responsible for reviewing and critically evaluating risk, compliance, control and audit reports received from Management (Management Risk Committee (MRC)); and advising the board.

The Risk Management and Compliance Department facilitates and coordinates risk management and compliance activities in the bank and reports to both the Management Credit and the Management Risk Committees monthly on key risk issues facing the bank. The Department is also straddled with the role of ensuring the adequacy of controls by implementing the approved Internal Control Framework.

Internal and External Audit is responsible for giving independent assurance on the adequacy and effectiveness of risk management process, practices and control.

Each department in the bank is responsible for risk management and implementing internal control procedures and documenting the same in a Standard Operating Manual in compliance with the Internal Control Framework.

Whistleblowing

The Board of DBN is committed to high ethical standards and probity and ensures all employees and executives align with these standards in all their dealings with stakeholders.

To help ensure a high ethical standard, the Bank introduced the following;

1. Code of Ethics and Professional Conduct, which sets out the minimum standards of ethical conduct for management of businesses in the Bank.
2. Whistleblowing Policy, which provides a different medium for employees and other relevant stakeholders to report concerns about workplace malpractices in a confidential manner, and to enable the Internal Audit and External Consultant to investigate and deal with such.

Stakeholders are expected to comply with the above code and policy in discharging their duties and support investigations into any reported misconduct or concern and take any appropriate actions.

The Whistleblowing Policy is on the website (http://www.devbankng.com/cms/uploads/policy/Whistle-Blowing-Policy) Bank's and applies to both internal (staff, contract employees, management or directors) and external (customers, service providers, applicants, auditors, consultants, regulators and other stakeholders) whistleblowers.

The Policy outlines the procedure for Whistleblowing in the Bank and how all reported cases of illegal and unethical conduct or other misconduct should be dealt with.

The Policy is in line with the requirements of section 3.1 of the Central Bank of Nigeria (CBN) 'Guidelines for Whistleblowing for banks and other financial institutions in Nigeria', and the Code of Corporate Governance for Development Finance Institutions.

In line with the policy, a whistleblower may raise a concern through any of the following medium (this can be done either by declaration or in confidence/ anonymously):

I. External whistleblowing channels:
   - Toll-free hotlines: 0800-TIP-OFFS (0800-847-6337)
   - Mobile App: Download Deloitte tip-offs anonymous app on google play store or app store.
   - External whistleblowing email: tip-offs@deloitte.com.ng
- Web based reporting: http://tip-offs.deloitte.com.ng

II. Internal whistleblowing channels:
- Hotline: 0913-072-0890
- Internal whistleblowing email: whistleblow@devbankng.com
- Via DBN website: www.devbankng.com/whistleblowing.
- A formal letter to the MD/CEO, Development Bank of Nigeria Plc. or the Head, Internal Audit, Development Bank of Nigeria Plc.

III. Whistleblowing concerns may also be disclosed directly to the Central Bank of Nigeria, using the following channels:
- Complaint form: https://www.cbn.gov.ng/Contacts/Complaints/
- Email address: contactcbn@cbn.gov.ng
- Helpline: +234 700 225 5226

Where the concern is received by staff other than the MD/CEO or the Head, Internal Audit, the recipient of such concerns shall be required to; Immediately pass the concern(s) to the Head, Internal Audit with a copy to the MD/CEO Development Bank Plc.

If the concerns affect the Head, Internal Audit, the MD/CEO shall be notified, and where a Director (including the MD/CEO) is involved, such concern shall be directed at the Chairman Board Audit & Compliance Committee.

Internal control

The Board of Directors are responsible for ensuring adequate and effective internal controls exists within the Bank. These responsibilities involve establishing, maintaining and reviewing the effectiveness of internal control systems that ensures that the goals and objectives of the Bank are met, whilst complying with applicable laws and regulations including internal policies and procedures.

The Bank has an approved Internal Control Framework, developed in line with leading practice (the Committee of Sponsoring Organizations (COSO) 2013 Internal Control Integrated Framework) The Framework address control challenges by identifying critical activities, assessing the risk exposures, determining appropriate preventive and detective control measures, and monitoring such measures to ensure compliance.

The overall objective of the Internal Control framework is to ensure that adequate and effective internal controls are in place and that these controls are applied consistently throughout the organisation to protect DBN and its stakeholders from potential losses. The internal control framework is managed within the five key principles of COSO which are; control environment, risk assessment, control activities, information & communication and monitoring.

COSO 2013 Internal Control-Integrated Framework

Control Environment

The Board and senior management establish the tone from the top regarding the importance of internal control and the expected standards of conduct. The Board is assisted in carrying out this responsibility by the Board Audit and Compliance Committee (BACC) as set out in the above Risk Governance Framework.

The key principles relating to the control environment include:
- The Board of DBN, management and staff are committed to the highest levels of integrity and ethical values;
- The Board and its sub-committees are independent of management and provide oversight for the performance of internal controls;
- Management, with oversight from the Board, establishes structures, reporting lines and appropriate delegation of authority to ensure that the strategic and business objectives are achieved;
- The Board and management establishes and implements policies and procedures toensure the achievement of its objectives; and
- The Bank enforces accountability for applicable stakeholders with regards to internal control responsibilities in the pursuit of its objectives

Risk Assessment

The Bank has a dynamic and iterative process for identifying, analysing and managing risk exposures to achieving the strategic and business objectives of DBN, It involves considering the impact of possible changes in both the internal and external environment.

The key principles relating to risk assessment include:

- Board and management set specific strategic and business objectives with sufficientclarity to enable the identification and assessment of risk exposures;
- Risk exposures that may prevent the achievement of strategic and business objectivesare identified and managed;
- In assessing the risks to the Bank`s objectives, the potential for fraud shall be considered; and
- Management and Staff identify and assess changes that could significantly impact the internal control system

Control Activities

The management of the Bank has put in place risk mitigants to reduce risk and achieve its objectives. Such control activities are preventative or detective; automated or manual, or a combination thereof and take any of the following forms:
- authorizations and approvals;
- verifications;
- reconciliations;
- compliance with exposure limits;
- maker-checker processes;
- physical controls; and
- regular performance reviews.

Segregation of duties is typically built in the selection and development of control activities. No one individual, regardless of grade, title or function, process a specific transaction from initiation to final authorization. This implies that a transaction shall require the intervention of at least 2 individuals before completion. The key principles relating to control activities include:
- Management and staff develop and implement control activities that will contribute to risk mitigation and achievement of strategic and business objectives;
- Management and staff develop and implement control activities over technology to support the achievement of objectives; and
- Management and staff develop and implement policies and procedures (including responsibility and accountability for execution) to support the achievement of set objectives.

Information and Communication

Relevant and quality information is necessary to effectively carry out internal control responsibilities in support of the achievement of the Bank's objectives. Internal communication within the Bank (top-down, bottom-up and across) enables staff to receive clear directives from senior management that control responsibilities must be taken seriously. External communication enables in-bound communication of relevant external information while providing required information to external parties.

The key principles relating to information and communication include:

- Relevant and quality information is used to support the functioning of the internal control system;
- Appropriate internal communication of information, including objectives and responsibilities for internal control, is used to support the functioning of the internal control system; and
- Appropriate communication with external stakeholders regarding matters affecting thefunctioning of the internal control system

Monitoring Activities

Monitoring is the process of assessing the effectiveness of the internal control system via on-going and separate evaluations, including the reporting of findings or observed deficiencies as well as assuring management and the Board of Directors.

The key principles relating to monitoring activities include:

- Management has put in place measures to ensure on-going and/or separateevaluations to ensure that the internal control system is present and functioning as intended; and
- Internal and External Audit carries out independent reviews of internal control systems, communicating deficiencies to Board Credit and Risk Committee (BCRC), and Board Audit and Compliance Committee (BACC) and the Board; and monitor corrective actions

Environmental and Social Risk Management

DBN considers environmental and social risk management to be an important part of its mandate for providing sustainable access to finance. As part of this mandate, DBN is committed to incorporating environmental and social (E&S) risk considerations into its decision making and lending processes in a manner that is aligned with the Nigerian legal requirements and international best practices. DBN also promotes an appropriate Environmental and Social Management System (ESMS) for itself, as well as for the financial institutions it on-lends to, to enable it effectively assess and manage the Environmental and Social risk exposures associated with its lending activities.

The following are some internal practices that help DBN to manage its E&S risks:

- **Incorporation of an exclusion list (i.e., list of transactions/businesses not funded by the Bank) into the Bank's Annual Reports to increase public awareness about DBN's lending operations.**
- **Categorization of DBN-funded projects into Low, Medium, and High ratings.**
- **The creation of Terms and Conditions for lending are determined partly by the E&S categorization.**
- **The Bank organizes capacity building for PFIs to increase their awareness regarding responsible lending and how they can adapt the lending approach.**
- **For High- and Medium-risk projects, the Bank obtains the Environmental & Social Risk Assessment Report and Environmental & Social Risk Management Plan (ESMP) from the PFIs.**

Additional information on the bank's Environmental & Social Risk Management is available in the Integrated Report.

Statement on Fines and Penalties

"The bank has zero tolerance for regulatory fines and penalties. The bank did not incur any fines or penalties in the financial year.

Freedom of Information Act Compliance

DBN complies with the Freedom of Information Act, 2011 ("FOI"). The Bank ensures that qualifying information is freely disclosed on the bank's website, Integrated Reports and through print and digital media. Information is provided publicly to stakeholders, and any person or institution that may have the need for DBN-related information.

Accordingly, DBN is committed to:
- Making public records and information freely available.
- The proactive and periodic disclosure of qualifying information.
- Providing public access, to qualifying records and information.
- Protecting public records and information to the extent consistent with the public interest and the protection of personal privacy.

As required by the FoI Act, the bank submitted its annual FoI Report to the Office of the Honourable Attorney General and Minister of Justice:

Human Resources

The bank is an equal opportunities employer and actively ensures diversity (age, gender and geography) in the composition of the workforce. The bank also ensures that staff have a conducive environment for work and is responsive to the needs of staff in the workplace and furthermore in ensuring a work/life balance.

The bank has an approved flexible/remote working policy which provides staff with the opportunity to work remotely. The bank implemented remote working arrangements and rotational work as a measure to improve employee engagement and to ensure that staff are able to provide value for the bank's operations.

The bank ensures that staff remain motivated through a combination of work tools to ensure optimal work, and compensation and other incentives to drive peak performance. Within the financial year, the bank enhanced its compensation philosophy to position employee remuneration at the 85th percentile reflecting its strategic intent to attract, motivate and retain talent in a sustainable and competitive manner.

To ensure that employee compensation is largely insulated from inflationary trends which arose principally due to the Covid-19 crisis, the bank implemented a Cost-of-Living Adjustment on staff emoluments in the year.

To advance accountability for corporate performance and reporting, the bank shall adopt and implement modalities for clawbacks in relevant policies of the bank.

Other details of the bank's Human resources practices are available of page 5.

Development Bank of Nigeria Plc
Annual Report
31 December 2025

Statement of Directors' Responsibilities in Relation to the Consolidated and Separate Financial Statements

For the Year Ended 31 December 2025

The Directors accept responsibility for the preparation of the annual consolidated and separate financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020, Financial Reporting Council of Nigeria Act, 2011 (as amended), the Banks and Other Financial Institutions Act, 2020 and relevant Central Bank of Nigeria (CBN) Guidelines and Circulars.

The directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act (CAMA), 2020 and for such internal control as the directors determine is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement whether due to fraud or error.

The directors have made an assessment of the Group and Bank's ability to continue as a going concern and have no reason to believe that the Group and Bank will not remain a going concern in the year ahead.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

Anthony Okpanachi
FRC/2016/CISN/00000015033
Managing Director/CEO
25 February 2026

Kyari Abba Bukar
FRC/2013/ODN/00000002050
Independent Non-Executive Director
25 February 2026

Development Bank of Nigeria Plc
Annual Report
31 December 2025

Statement of Corporate Responsibility for the Consolidated and Separate Financial Statements

For the Year Ended 31 December 2025

Further to the provisions of section 405 of the Companies and Allied Matters Act (CAMA), 2020, we, the Chief Executive Officer and Chief financial Officer, hereby certify the consolidated and separate financial statements of the Development Bank of Nigeria Plc for the year ended 31 December 2025 as follows:

a) That we have reviewed the audited consolidated and separate financial statements of the Bank for the year ended 31 December 2025.

b) That the audited consolidated and separate financial statements do not contain any untrue statement of material fact or omit to state a material fact which would make the statements misleading, in the light of the circumstances under which such statement was made.

c) That the audited consolidated and separate financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Bank as of and for, the year ended 31 December 2025.

d) That we are responsible for establishing and maintaining internal controls and have designed such internal controls to ensure that material information relating to the Bank (and its subsidiary) is made known to us by other officers of the companies, during the period ended 31 December 2025.

e) That we have evaluated the effectiveness of the Bank's internal controls within 90 days prior to the date of audited consolidated and seperated financial statements, and certify that the Bank's internal controls are effective as of that date

f) That there were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective action with regard to significant deficiencies and material weaknesses.

g) That we have disclosed the following information to the Bank's Auditors and Audit Committee:

(i) there are no significant deficiencies in the design or operation of internal controls which could adversely affect the Bank's ability to record, process, summarise and report financial data, and have identified for the Bank's auditors any material weaknesses in internal controls, and

(ii) there is no fraud that involves management or other employees who have a significant role in the Bank's internal control.

Anthony Okpanachi
FRC/2016/CISN/00000015033
Managing Director/CEO
25 February 2026

Ijeoma D. Ozulumba
FRC/2017/ICAN/00000016105
Executive Director/CFO
25 February 2026

DBN Development Bank of Nigeria
RC 1215724
...Financing Sustainable Growth

The Clan Place, Plot 1386A Tigris Crescent,
Maitama Abuja, Nigeria.

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T: +234 209 904 0000
+234 201 904 4000

Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2025

The management of Development Bank of Nigeria Plc ("the Bank") is responsible for establishing and maintaining adequate internal control over financial reporting as required by the Investment and Securities Act 2025 and the Financial Reporting Council of Nigeria Act, 2011 (as amended).

The management of Development Bank of Nigeria Plc assessed the effectiveness of the internal control over financial reporting of the Bank and its subsidiary (together "the Group") as of 31 December 2025 using the criteria set forth in Internal Control—Integrated Framework (2013 issued by the Committee of Sponsoring Organizations of the Treadway Commission ("the COSO Framework") and in accordance with the SEC Guidance on Implementation of Internal Control over Financial Reporting.

As of 31 December 2025, the management Development Bank of Nigeria Plc did not identify any material weakness in its assessment of internal control over financial reporting.

As a result, management has concluded that, as of 31 December 2025, the Group's internal control over financial reporting was effective.

The Group's independent auditor, KPMG Professional Services, who audited the consolidated and separate financial statements included in this Annual Report, issued an unmodified conclusion on the effectiveness of the Group's internal control over financial reporting as of 31 December 2025, based on the limited assurance engagement performed by them. KPMG Professional Services' limited assurance report is included in the Annual Report.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting that occurred subsequent to the date of our evaluation of the effectiveness of internal control over financial reporting that significantly affected, or are reasonably likely to significantly affect, the Group's internal control over financial reporting.

Anthony Okpanachi

Managing Director/CEO

FRC/2016/CISN/00000015033

Ijeoma D. Ozulumba

Executive Director/CFO

FRC/2017/ICAN/00000016105

DIRECTORS
Dr. Tony Okpanachi (Managing Director/CEO); **Mrs. Ijeoma D. Ozulumba** Di r);
Mr. Kyari Abba Bukar (Independent Non-executive Director); **Mr. Batchi Baldeh** (Non-executive Director);
Mr. Aminu Umar-Sadiq (Non-executive Director); **Ms. Imoni Akpofure** (Independent Non-executive Director);
Mrs. Juliet Anammah (Independent Non-executive Director); **Mr. Mustapha Bintube** (Independent Non-executive Director);
Mr. U.K. Eke MFR (Independent Non-executive Director); **Ms. Folakemi Fatogbe** (Independent Non-executive Director)
w w w d v b n k n c o m

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Maitama Abuja, Nigeria.

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+234 201 904 4000

Certification Pursuant to Section 88 of the Investment and Securities Act, 2025

I, Anthony Okpanachi, certify that:

a) I have reviewed the Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2025 of Development Bank of Nigeria Plc ("the Bank") *(and its subsidiary (together "the Group")*;
b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were not misleading with respect to the period covered by this report;
c) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented n this report;
d) The Group's other certifying officer and I:
   1) are responsible for establishing and maintaining internal controls;
   2) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the Bank, and its consolidated subsidiary, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   3) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards;
   4) have evaluated the effectiveness of the Group's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
e) The Group's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the Group's auditors and the Statutory audit committee:
   1) All significant deficiencies and that there are no material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Group's ability to record, process, summarize and report financial information; and
   2) That there is no fraud, whether or not material, that involves management or other employees who have a significant role in *the* Group's internal control system.
f) The Group's other certifying officer and I have identified, in the report there were no significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of our evaluation *including* any corrective actions with regard to significant deficiencies.

Anthony Okpanachi

Managing Director/CEO

FRC/2016/CISN/00000015033

Signature

30- March-2026

DIRECTORS
Dr. Tony Okpanachi (Managing Director/CEO); **Ijeoma D. Ozul** (Executive Director);
Mr. Kyari Abba Bukar (Independent Non-executive Director); **Mr. Batchi Baldeh** (Non-executive Director);
Mr. Aminu Umar-Sadiq (Non-executive Director); **Ms. Imoni Akpofure** (Independent Non-executive Director);
Mrs. Juliet Anammah (Independent Non-executive Director); **Mr. Mustapha Bintube** (Independent Non-executive Director);
Mr. U.K. Eke MFR (Independent Non-executive Director); **Ms. Folakemi Fatogbe** (Independent Non-executive Director)
w w w d v b a n k n c o m

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Maitama Abuja, Nigeria.

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+234 201 904 4000

Certification Pursuant to Section 88 of the Investment and Securities Act, 2025

I, Ijeoma D Ozulumba, certify that:

a) I have reviewed the Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2025 of Development Bank of Nigeria Plc ("the Bank") *(and its subsidiary (together "the Group")*;

b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

c) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;

d) The Group's other certifying officer and I:
   5) are responsible for establishing and maintaining internal controls;
   6) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the Bank, and its consolidated subsidiary, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   7) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards;
   8) have evaluated the effectiveness of the Group's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

e) The Group's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the Group's auditors and the Statutory audit committee:
   3) All significant deficiencies and that there are no material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Group's ability to record, process, summarize and report financial information; and
   4) That there is no fraud, whether or not material, that involves management or other employees who have a significant role in *the* Group's internal control system.

f) The Group's other certifying officer and I have identified, in the report there were no significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of our evaluation *including* any corrective actions with regard to significant deficiencies.

Ijeoma D. Ozulumba

Executive Director/CFO

FRC/2017/ICAN/00000016105

Signature

30-March-2026

DIRECTORS

Dr. Tony Okpanachi (Managing Director/CEO), **Mrs. Ijeoma D. Ozulumba** (Executive Director);
Mr. Kyari Abba Bukar (Independent Non-executive Director); **Mr. Batchi Baldeh** (Non-executive Director);
Mr. Aminu Umar-Sadiq (Non-executive Director); **Ms. Imoni Akpofure** (Independent Non-executive Director);
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Mr. U.K. Eke MFR (Independent Non-executive Director); **Ms. Folakemi Fatogbe** (Independent Non executive Director)

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Independent Auditor's Limited Assurance Report
To the Shareholders of Development Bank of Nigeria Plc

Report on Limited Assurance Engagement Performed on Management's Assessment of Internal Control Over Financial Reporting

Conclusion

We have performed a limited assurance engagement on whether internal control over financial reporting of Development Bank of Nigeria Plc ("the Bank") and its subsidiary (together "the Group") as of 31 December 2025 is effective in accordance with the criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("the COSO Framework") and the Securities and Exchange Commission Guidance on Implementation of Internal Control over Financial Reporting.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Group's internal control over financial reporting as of 31 December 2025 is not effective, in all material respects, in accordance with the criteria established in the COSO Framework and the Securities and Exchange Commission Guidance on Implementation of Internal Control over Financial Reporting.

Basis for conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance S tandards Board (IAASB) and the Financial Reporting Council of Nigeria Guidance on Assurance EngagementReportonInternalControloverFinancialReporting.Ourresponsibilitiesarefurther described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, Quality Management forFirmsthatPerformAuditsorReviewsofFinancialStatements,orOtherAssuranceorRelated Services Engagements, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regardingcompliancewithethicalrequirements,professionalstandardsandapplicablelegaland regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

KPMG Professional Services, a partnership registered in Nigeria and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

Registered in Nigeria No BN 988925

A list of partners is available for inspection at the firm's address.

Other matter
We have audited the consolidated and separate financial statements of Development Bank of Nigeria Plc in accordance with the International Standards on Auditing, and our report dated 30 March 2026 expressed an unmodified opinion of those consolidated and separate financial statements.

Our conclusion is not modified in respect of this matter.

Responsibilities for Internal Control over Financial reporting
The Board of Directors of Development Bank of Nigeria Plc is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Effectiveness of Internal Control over Financial Reporting. Our responsibility is to express a conclusion on the Group's internal control over financial reporting based on our assurance engagement.

Our responsibilities

The Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting ("the Guidance") requires that we plan and perform the assurance engagement and provide a limited assurance report on the Group's internal control over financial reporting based on our assurance engagement.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provide a basis for our report on the internal control put in place by management over financial reporting.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Definition and Limitations of Internal Control Over Financial reporting

Acompany'sinternalcontroloverfinancialreportingisaprocessdesignedtoprovidereasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Acompany'sinternalcontroloverfinancialreportingincludesthosepoliciesandproceduresthat:

(I) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(II) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(II) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Furthermore, projections of any valuation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Signed:

Akinyemi Ashade
FRC/2013/PRO/ICAN/00000000786
For: KPMG Professional Services
Chartered Accountants
30 March 2026
Lagos, Nigeria

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KPMG Tower
Bishop Aboyade Cole Street
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Lagos

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Development Bank of Nigeria Plc

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion
We have audited the consolidated and separate financial statements of Development Bank of Nigeria Plc ("the Bank") and its subsidiaries (together, "the Group"), which comprise :

- the consolidated and separate statement of financial position as at 31 December 2025;
- the consolidated and separate statement of profit or loss and other comprehensive income;
- the consolidated and separate statement of changes in equity;
- the consolidated and separate statement of cash flows for the year then ended; and
- the notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated and separate financial statements g ive a true and fair view of the consolidated and separate financial position of the Bank and its subsidiaries as at 31 December 2025, and o f its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria Act, 2011 (as amended), the Banks and Other Financial Institutions Act, 2020 and relevant Central Bank of Nigeria (CBN) Guidelines and Circulars.

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 consolidated and separate financial statements section of our report. We are independent of the Group and Bank in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) as applicable to audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to our audits of the consolidated and separate financial statements of public interest entities in Nigeria. We have also 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.

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Registered in Nigeria No BN 986925

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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Expected Credit Loss (ECL) Allowance on loans and advances to customers Refer to note 20(b)
The Group's accounting policy on impairment, related disclosures on credit risk and significant accounting judgements, estimates and assumptions, and note on impairment loss on financial assets are shown in notes 4.9(g), 5.2(f), 6.4 and 10 respectively

Key audit matter	*How the matter was addressed in our audit*
The ECL allowance of loans and advances to customers is considered to be of most significance in the audit due to the level of subjectivity inherent in estimating the key assumptions that impact the recoverability of loan balances in arriving at the level of impairment allowance required. The Group uses an Expected Credit Loss (ECL) model to determine the impairment allowance for loans and advances to customers. The determination of impairment allowance using the ECL model is inherently a significant area for the Group and requires the application of certain judgements, assumptions and estimates of financial indices. These indices are estimated from historical financial data obtained within and outside the Group. The Group's ECL model includes certain judgements and assumptions in determining the impairment allowances of loan and advances to customers comprising the: • Determination of default;Assessment of significant increase in credit risk (SICR); • Incorporation of forward-looking information based on the economic scenarios within the model; • Determination of the 12 month and lifetime probability of default (PD) used in the ECL model; • Determination of the Exposure at Default (EAD) based on the discounted future cash flows at the reporting date; • Credit conversion factor (CCF) applied in modelling the EAD; and Estimation of the Loss Given Default (LGD) based on collateral values and other cash flows.	Our audit procedures in this area included, among others: • We evaluated the design and implementation of the key controls over the impairment determination process such as the Group's review of ECL allowance on loans and advances to customers and management review of relevant data elements used in the calculation of expected credit losses including evaluation of ECL impairment computation. • We assessed the Group's default definition and other qualitative default indicators by agreeing it to the relevant accounting standards. • We tested the appropriateness of the Group's determination of SICR, defaults and the resultant classification of loans into stages on a sample basis by inspecting customer loan offer letters for the terms of the loans and account statements for due and unpaid obligations. • Assisted by our Financial Risk Management specialists, we assessed the key data and assumptions inputted into the ECL model used by the Group as follows: • We challenged the appropriateness and reasonableness of the Group's ECL methodology by considering whether it reflects unbiased and probability weighted amounts that are determined by evaluating a range of possible outcomes, the time value of money, reasonable and supportable information at the reporting date about past events, current conditions and forecasts of future economic conditions; • For forward looking assumptions comprising monetary policy rate, and inflation rate used, we corroborated the Group's assumptions using publicly available information from external sources and checked that they are appropriate in the Group's circumstances; • We evaluated the appropriateness of the basis of determining Exposure at Default, including the contractual cash flows, outstanding loan balance, loan repayment type, loan tenor and effective interest rate by checking them to source documents and performing a recomputation on a sample basis; • We assessed the Credit Conversion Factor (CCF) applied in modelling the EAD; • We evaluated the appropriateness of the Pluto Tasche methodology used to estimate Probability of Default (PD), and assessed the completeness and accuracy of the data used for default and non-default categories for loans by evaluating its reasonability; • We evaluated the calculation of the LGD used by the Group in the ECL calculations, including the appropriateness of the use of collateral, by recomputing the LGD, cashflow validation and based on our experience of the Nigerian Market, we have

Key audit matter	*How the matter was addressed in our audit*
	applied the haircuts and time to recovery (TTR) on collaterals to obtain the secured recovery; • We independently reperformed the calculation of impairment allowance for loans and advances using the Group's impairment model and validated key inputs. • We evaluated the adequacy of the consolidated and separate financial statements disclosures, including the disclosures of key assumptions and judgements, and assessed whether these disclosures appropriately reflect the Group's exposure to credit risk in line with the requirements of the relevant accounting standards.

Other Information
The Directors are responsible for the other information. The other information comprises the Corporate Information, Director's Report, Corporate Governance Report, Report of the Statutory Audit Committee, Statement of Directors' Responsibilities in Relation to the Consolidated and Separate Financial Statements, Statement of Corporate Responsibility for the Consolidated and Separate Financial Statements, Management Certification of Internal Control Over Financial Reporting, Report on the Effectiveness of Internal Control over Financial Reporting and Other National Disclosures, but does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements
The Directors are responsible for the preparation of consolidated and separate financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020, the Financial Reporting Council of Nigeria Act, 2011 (as amended), the Banks and Other Financial Institutions Act, 2020 and relevant Central Bank of Nigeria (CBN) Guidelines and Circulars, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Directors are responsible for assessing the Group'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 the Directors either intend to liquidate the Group a nd Bank o r to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated and separate inancial 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 a ssurance 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 consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' 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 doubt on the

- Bank'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 consolidated and separate financial statements or, if such disclosuresare 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 Group and Bank t o cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Board Audit Committee 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 Board Audit Committee, we determine those matters that were of most significance in the audit of the c onsolidated and separate 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 ofdoingsowouldreasonablybeexpectedtooutweighthepublicinterestbenefitsofsuchcommunication..

Report on Other Legal and Regulatory Requirements
Compliance with the requirements of Schedule 5 of the Companies and Allied Matters Act (CAMA), 2020.

I. 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.

ii. In our opinion, proper books of account have been kept by the Bank, so far as it appears from our examination of those books.

iii. The Bank's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

Compliance with Section 26 (3) of the Banks and Other Financial Institutions Act, 2020 and Central Bank of Nigeria circular BSD/1/2004

i. The Bank and Group did not pay penalty in respect of contravention during the year ended 31 December 2025.

ii. Related party transactions and balances are disclosed in note 33 to the consolidated and separate financial statements in compliance with the Central Bank of Nigeria circular BSD/1/2004.

Compliance with FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting

In accordance with the requirements of the Financial Reporting Council of Nigeria, we performed a limited assurance engagement and reported on management's assessment of the group's internal control over financial reporting as of 31 December 2025. The work performed was done in accordance with ISAE 3000 (Revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. We have issued an unmodified conclusion in our report dated 30 March 2026. That report is included in the annual report.

Signed:

Akinyemi Ashade
FRC/2013/PRO/ICAN/00000000786
For: KPMG Professional Services
Chartered Accountants
30 March 2026
Lagos, Nigeria

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
0313368
ICAN

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION

In thousands of Naira	Note	Group 31 December 2025	Group 31 December 2024	Bank 31 December 2025	Bank 31 December 2024
Assets					
Cash and cash equivalents	18	181,681,823	144,963,887	181,114,801	143,621,352
Investment securities	19	75,420,594	98,300,053	-	35,743,720
Loans and advances at amortised costs	20	528,962,729	438,475,152	554,221,349	462,631,382
Investment in subsidiary	21	-	-	31,865,000	31,865,000
Property and equipment	22	19,904,335	13,861,408	19,840,974	13,809,604
Intangible assets	23	367,743	147,788	365,405	147,747
Deferred tax asset	17(b)	452,362	431,209	96,971	221,341
Derivative Asset	29	430,037	-	430,037	-
Other assets	24	3,910,467	62,926,372	2,777,325	61,953,168
Total assets		**811,130,090**	**759,105,869**	**790,711,862**	**749,993,314**
Liabilities					
Employee benefit obligation	25	287	2,021	287	-
Provision for guarantee	26	584,818	566,228	-	-
Current tax liabilities	17(c)	28,331,181	19,047,559	27,324,694	18,277,176
Borrowings	27	411,010,850	429,057,144	411,010,850	429,057,144
Debt securities issued	28	24,356,665	24,301,232	24,356,665	24,301,232
Derivative Liabilities	29	-	651,178	-	651,178
Other liabilities	30	16,915,243	14,269,880	15,866,562	13,435,859
Total liabilities		**481,199,044**	**487,895,242**	**478,559,058**	**485,722,589**
Equity					
Share capital	31(a)	100,000	100,000	100,000	100,000
Share premium	31(b)	99,446,137	99,762,570	99,762,570	99,762,570
Retained earnings	31(c)	151,706,447	110,320,401	133,611,773	103,484,353
Other reserves:					
Statutory reserve	31(d)	67,623,053	51,507,930	67,623,053	51,507,930
Regulatory risk reserve	31(e)	11,055,408	9,415,872	11,055,408	9,415,872
Other reserve	31(f)	-	103,854	-	-
Attributable to equity holders of the parent		**329,931,045**	**271,210,627**	**312,152,804**	**264,270,725**
Total liabilities and equity		**811,130,090**	**759,105,869**	**790,711,862**	**749,993,314**

The consolidated and separate financial statements were approved by the Board of Directors on 25 February 2026 and signed on its behalf by:

Kyari Abba Bukar
Independent Non-Executive Director
FRC/2013/ODN/00000002050

Anthony Okpanachi
Managing Director/CEO
FRC/2016/CISN/00000015033

Ijeoma D. Ozulumba
Executive Director/CFO
FRC/2017/ICAN/00000016105

The accompanying notes are an integral part of these consolidated and separate financial statements

In thousands of Naira	Note	Group 31 December 2025	Group 31 December 2024	Bank 31 December 2025	Bank 31 December 2024
Gross earnings		**129,314,040**	**84,031,915**	**114,607,171**	**78,298,450**
Interest income calculated using the effective interest method	8	123,474,186	82,567,020	111,376,977	77,566,191
Interest expense	9	(17,450,519)	(13,958,939)	(17,450,519)	(13,958,939)
Net interest income		**106,023,667**	68,608,081	**93,926,458**	**63,607,252**
Impairment (losses)/write-back on financial assets	10	337,571	(1,091,896)	351,169	(1,180,231)
Net interest income after impairment charge on financial assets		**106,361,238**	**67,516,185**	**94,277,627**	**62,427,021**
Guarantee income	11	2,792,252	892,588	-	-
Guarantee expense	13b	(1,094,552)	(575,857)	-	-
Other income	12	3,047,602	572,307	3,230,194	732,259
Fee and commission expense	13a	(71,547)	(39,373)	(26,349)	(20,467)
Net operating income		**111,034,993**	**68,365,850**	**97,481,472**	**63,138,813**
Personnel expenses	14	(7,589,706)	(4,366,465)	(6,611,079)	(3,889,556)
Depreciation and amortization	15	(757,907)	(643,555)	(724,191)	(613,823)
General and administrative expenses	16	(9,544,567)	(5,663,279)	(8,652,911)	(5,128,938)
Total expenses		**(17,892,180)**	**(10,673,299)**	**(15,988,181)**	**(9,632,317)**
Profit before tax		**93,142,813**	**57,692,551**	**81,493,291**	**53,506,496**
Income tax expense	17	(28,587,395)	(18,864,199)	(27,776,212)	(18,196,917)
Profit for the year		64,555,418	38,828,352	53,717,079	35,309,579
Other comprehensive income		-	-	-	-
Total comprehensive income		**64,555,418**	**38,828,352**	**53,717,079**	**35,309,579**
Profit for the year attributable to:					
Owners of the Bank		64,555,418	38,828,352	53,717,079	35,309,579
Total comprehensive income attributable to:					
Owners of the Bank		**64,555,418**	**38,828,352**	**53,717,079**	**35,309,579**
		64,555,418	**38,828,352**	**53,717,079**	**35,309,579**

The accompanying notes are an integral part of these consolidated and separate financial statements

		Attributable to the owners of the Bank					
GROUP *In thousands of Naira*	Note	Share Capital	Share Premium	Statutory Reserve	Regulatory risk Reserve	Other Reserve	Retained Earnings	Total equity
Balance as at 1 January 2025		**100,000**	**99,762,570**	**51,507,930**	**9,415,872**	**103,854**	**110,320,401**	**271,210,627**
Total comprehensive income								
Profit for the year		-	-	-	-	-	64,555,418	64,555,418
Other comprehensive income for the year		-	-	-	-	-	-	-
Total comprehensive income		-	-	-	-	-	**64,555,418**	**64,555,418**
Transactions with equity holders, recorded directly in equity:								
Dividend paid	31(c)	-	-	-	-	-	(5,835,000)	(5,835,000)
Issue of debt notes	31(f)	-	-	-	-	-	-	-
Transfer between reserves:								
Transfer from other Reserves		-	(316,433)	-	-	(103,854)	420,287	-
Transfer to statutory reserve	31(d)	-	-	16,115,123	-	-	(16,115,123)	-
Transfer to regulatory risk reserve	31(e)	-	-	-	1,639,536	-	(1,639,536)	-
Balance as at 31 December 2025		**100,000**	**99,446,137**	**67,623,053**	**11,055,408**	**-**	**151,706,447**	**329,931,045**

		Attributable to the owners of the Bank					
GROUP *In thousands of Naira*	Note	Share Capital	Share Premium	Statutory Reserve	Regulatory risk Reserve	Other Reserve	Retained Earnings	Total equity
Balance as at 1 January 2024		**100,000**	**99,762,570**	**40,915,056**	**8,038,653**	**(1,539)**	**86,732,142**	**235,546,882**
Total comprehensive income								
Profit for the year		-	-	-	-	-	38,828,352	38,828,352
Other comprehensive income for the year		-	-	-	-	-	-	-
Total comprehensive income		-	-	-	-	-	**38,828,352**	**38,828,352**
Transactions with equity holders, recorded directly in equity:								
Dividend paid	31(c)	-	-	-	-	-	(3,270,000)	(3,270,000)
Issue of debt notes	31(f)	-	-	-	-	105,393	-	105,393
Transfer between reserves:								
Transfer to statutory reserve	31(d)	-	-	10,592,874	-	-	(10,592,874)	-
Transfer to regulatory risk reserve	31(e)	-	-	-	1,377,219	-	(1,377,219)	-
Balance as at 31 December 2024		**100,000**	**99,762,570**	**51,507,930**	**9,415,872**	**103,854**	**110,320,401**	**271,210,627**

BANK *In thousands of Naira*	Note	Share Capital	Share Premium	Retained Earnings	Statutory Reserve	Regulatory risk Reserve	Other Reserve	Total equity
Balance as at 1 January 2025		**100,000**	**99,762,570**	**103,484,353**	**51,507,930**	**9,415,872**	**-**	**264,270,725**
Total comprehensive income								
Profit for the year		-	-	53,717,079	-	-	-	53,717,079
Other comprehensive income for the year		-	-	-	-	-	-	-
Total comprehensive income		**-**	**-**	**53,717,079**	**-**	**-**	**-**	**53,717,079**
Transactions with equity holders, recorded directly in equity:								
Dividend paid	31(c)	-	-	(5,835,000)	-	-	-	(5,835,000)
Transfer between reserves:								
Transfer to statutory reserve	31(d)	-	-	(16,115,123)	16,115,123	-	-	-
Transfer to regulatory risk reserve	31(e)	-	-	(1,639,536)	-	1,639,536	-	-
Balance as at 31 December 2025		100,000	99,762,570	133,611,773	67,623,053	11,055,408	-	312,152,804

In thousands of Naira	Note	Share Capital	Share Premium	Retained Earnings	Statutory Reserve	Regulatory risk Reserve	Other Reserve	Total equity
Balance as at 1 January 2024		**100,000**	**99,762,570**	**83,414,867**	**40,915,056**	**8,038,653**	**-**	**232,231,146**
Total comprehensive income								
Profit for the year		-	-	35,309,579	-	-	-	35,309,579
Other comprehensive income for the year		-	-	-	-	-	-	-
Total comprehensive income		**-**	**-**	**35,309,579**	**-**	**-**	**-**	**35,309,579**
Transactions with equity holders, recorded directly in equity:								
Dividend paid	31(c)	-	-	(3,270,000)	-	-	-	(3,270,000)
Transfer between reserves:								
Transfer to statutory reserve	31(d)	-	-	(10,592,874)	10,592,874	-	-	-
Transfer to regulatory risk reserve	31(e)	-	-	(1,377,219)	-	1,377,219	-	-
Balance as at 31 December 2024		**100,000**	**99,762,570**	**103,484,353**	**51,507,930**	**9,415,872**	**-**	**264,270,725**

In thousands of Naira	Note	Group 31 December 2025	Group 31 December 2024	Bank 31 December 2025	Bank 31 December 2024
Cash flows from operating activities					
Profit after tax		64,555,418	38,828,352	53,717,079	35,309,579
Tax expense	17(a)	28,587,395	18,864,199	27,776,212	18,196,917
Profit before tax		93,142,813	**57,692,551**	81,493,291	53,506,496
Adjustments for:					
Impairment on loans and advances to customers	10	21,434	574,003	22,560	640,092
Impairment/(writeback) on other financial assets	10	(359,005)	323,879	(373,729)	346,126
Depreciation of plant and equipment	15	652,263	534,076	619,618	505,194
Amortization of intangibles	15	105,643	109,479	104,573	108,629
Interest income on investment securities	19a	(19,796,245)	(8,681,448)	(6,684,104)	(3,807,279)
Interest income on loans and advances to PFIs	8	(70,985,458)	(57,422,034)	(72,088,934)	(58,492,110)
Interest expense on borrowings	9	12,294,745	10,552,186	12,294,745	10,552,186
Interest expense on debt securities issued	9	3,367,433	3,369,687	3,367,433	3,369,687
Contributions to employee benefit obligation	32a(ii)	194,548	23,652	175,022	-
Lease expenses	9	5,804	5,606	5,804	5,606
Foreign exchange gains	12	(1,211,428)	(148,550)	(1,211,428)	(257,172)
(Gain)/loss on derivatives	12	(834,333)	651,178	(834,333)	651,178
(Loss)/Gain on disposal of plant and equipment	32b	(18)	(36)	1,232	(36)
		18,377,870	**7,584,229**	**18,671,424**	**7,128,597**
Changes in:					
Net increase in provision for guarantee	32a(iv)	18,590	191,279	-	-
Loans and advances to PFIs:					
Loans disbursed	20a	(358,846,260)	(274,530,653)	(358,846,260)	(298,752,971)
Loan principal repayments received	20a	272,464,467	247,690,765	272,464,427	247,690,764
Derivative instruments	29a	(246,882)	-	(246,882)	-
Other liabilities	32a(i)	2,597,411	10,767,177	2,419,824	10,367,227
Other assets	32a(iii)	57,753,917	(61,691,441)	58,210,944	(61,215,477)
		(7,880,887)	**(69,988,644)**	**(7,326,522)**	**(94,781,860)**
Tax paid	17(c)	(18,036,984)	(12,180,934)	(17,639,426)	(11,958,379)
Value Added Tax (VAT) net expense/(payment)	32a(vii)	42,149	27,515	5,076	2,370
Interest received on investment securities	19a	17,712,986	4,816,791	6,684,104	1,580,587
Interest received on loans and advances to PFIs	20a	66,858,240	55,558,715	66,858,240	56,628,791
Remittances from employee benefit obligation	32a(ii)	(196,282)	(23,289)	(174,735)	-
Net cash from/(used in) in operating activities		**58,499,222**	**(21,789,846)**	**48,406,737**	**(48,528,491)**
Cash flows from investing activities					
Acquisition of investment securities	19a	(36,878,679)	(85,854,780)	(314,186)	(31,951,952)
Investment in Subsidiary	21b	-	-	-	(20,189,569)
Proceeds from matured investment securities	19a	61,813,417	16,862,416	36,073,417	17,732,408
Acquisition of intangible assets	23	(325,598)	(27,414)	(322,231)	(27,414)
Acquisition of property and equipment	32b(ii)	(6,704,723)	(2,328,038)	(6,658,450)	(2,320,723)
Proceeds from disposal of property and equipment	32b(i)	88,351	23,706	85,029	23,706
Net cash from/(used in) investing activities		**17,992,768**	**(71,324,110)**	**28,863,579**	**(36,733,544)**
Cash flows from financing activities					
Long term borrowings received	27a	-	186,565,230	-	186,565,230
Repayment of principal on borrowings	27a	(23,482,910)	(25,788,205)	(23,482,910)	(25,788,205)
Repayment of interest on borrowings	27a	(5,619,236)	(10,253,377)	(5,619,236)	(10,253,377)
Debt note issue cost	31(f)	-	105,393	-	-
Debt Securities issued	28	-	-	-	-
Repayment of interest on debt securities		(3,312,000)	(3,304,050)	(3,312,000)	(3,312,790)
Dividend paid	31c	(5,835,000)	(3,270,000)	(5,835,000)	(3,270,000)
Payment of lease liabilities - Principal	32c(ii)	(78,801)	(129,399)	(78,801)	(129,399)
Net cash from/(used in) financing activities		**(40,107,621)**	**143,925,592**	**(40,107,621)**	**143,811,459**
Net increase in cash and cash equivalents		36,384,371	50,811,636	37,162,696	58,549,424
Cash and cash equivalents, beginning of year	18	145,630,931	94,562,918	144,283,437	85,476,841
Effect of exchange rate fluctuations on cash held	18	(27,465)	256,377	(27,465)	257,172
Cash and cash equivalents, end of year	18b	**181,987,837**	**145,630,931**	**181,418,668**	**144,283,437**

The accompanying notes form an integral part of these consolidated and separate financial statements.

1. General information
Development Bank of Nigeria Plc (DBN) is a bank domiciled in Nigeria. The address of the Bank's registered office is Plot 1386A Tigris Crescent, Maitama, F.C.T Abuja, Nigeria. The Bank is a financial institution set up primarily to bridge the funding needs of the Micro, Small & Medium Enterprises (MSMEs) in Nigeria.

The principal mission of the DBN is to increase financial inclusion by improving access to credit. The Bank plays a focal and catalytic role in providing funding and risk-sharing facilities to MSMEs and small corporates through Participating Financial Institutions (PFIs). The operation of the Bank also plays an important role in developing the Nigerian financial sector by incentivizing financial institutions, predominantly deposit-money and microfinance banks, to lend to the productive sector, using technical assistance to augment their capacity where necessary and by providing them with funding facilities designed to meet the needs of these smaller clients. It obtained its operating license for wholesale development finance institution from the Central Bank of Nigeria on 29 March 2017. The Bank commenced lending operations on 1 November, 2017.

DBN has one subsidiary, Impact Credit Guarantee Limited, which was incorporated on 8 March 2019 with the aim to carry on the business of issuing credit guarantees to participating financial institutions (PFI) in respect of loans granted to eligible businesses in the Micro, Small and Medium Enterprises (MSME) sector.

The consolidated financial statements as at and for the year ended 31 December 2025 comprise the Bank and its subsidiary (together referred to as "the Group or the DBN Group" and individually as "Group entities").

2. Basis of preparation
a. Statement of compliance
These consolidated and separate financial statements have been prepared in accordance with IFRS ® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in a manner required by the Companies and Allied Matters Act (CAMA), 2020, the Financial Reporting Council of Nigeria Act, 2011 (as amended), the Bank and Other Financial Institutions Act, 2020 and relevant Central Bank of Nigeria Circulars. The consolidated and separate financial statements were authorised for issue by the Group and Bank's board of directors on 25 February 2026

b. Basis of measurement
These consolidated and separate financial statements have been prepared on the historical cost basis except for the following material items, which are measured on an alternative basis at each reporting date:
- derivative liabilities measured at fair value
- provision for guarantee measured at higher of deferred guarantee income and ECL on guarantee exposure

c. Use of estimates and judgments
The preparation of these consolidated and separate financial statements in conformity with IFRS Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of the Group's accounting policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.
The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods. Information about significant areas of estimation uncertainties and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are described in note 5.

d. Functional and presentation currency
These consolidated and separate financial statements are presented in Naira, which is the Group and Bank's functional currency. All amounts have been rounded to the nearest thousand, except when otherwise indicated.

3.1. New and Revised Standards and Interpretations not yet effective
A number of new IFRS Accounting Standards, Amendments to IFRS Accounting Standards, and Interpretations are issued or amended but are not effective for annual periods beginning after 1 January 2025, and have not been applied in preparing these consolidated and separate financial statements. The Group and Bank do not plan to adopt these standards early. The IFRS Accounting Standards will be adopted in the period that they become mandatory. Those IFRS Accounting Standards, Amendments to IFRS Accounting Standards and Interpretations which may be relevant to the Group or Bank are set out below:

Standard/Interpretation		Effective date Periods beginning on or after	Effective date Periods beginning on or after
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026	The International Accounting Standards Board (IASB) issued amendments to the classification and measurement requirements in IFRS 9 Financial Instruments. The key amendments include the following: • Settlement of financial liabilities through electronic payment systems: The amendments clarify that a financial liability is derecognised on the 'settlement date'. However, the amendments provide an exception for the derecognition of financial liabilities. This exception allows the company to derecognise its trade payable before the settlement date when it uses an electronic payment system, provided that specified criteria are met. • Additional SPPI Test for Contingent Features: The amendments introduce an additional SPPI test for financial assets with contingent features that are not directly related to a change in basic lending risks or costs – for example, where the cash flows change depending on whether the borrower meets an ESG target specified in the loan contract. Under the amendments, certain financial assets, including those with ESG linked features, could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature. • Clarification on Contractually Linked Instruments (CLIs): The amendments clarify the key characteristics of CLIs and how they differ from financial assets with non-recourse features. They also include factors that a company needs to consider when assessing the cash flows underlying a financial asset with non-recourse features (the 'look through' test). • Additional Disclosure Requirements: The amendments require additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that are not directly related to a change in basic lending risks or costs and are not measured at fair value through profit or loss

Standard/Interpretation		Effective date Periods beginning on or after	Effective date Periods beginning on or after
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027	IFRS 18 Presentation and Disclosure in Financial Statements replaces IAS 1 Presentation of Financial Statements. The new standard introduces the following key new requirements: • It promotes a more structured income statement, in particular, it introduces a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be classified into three new distinct categories, operating, investing, and financing, based on a company's main business activities. • All companies are required to report the newly defined 'operating profit' subtotal – an important measure for investors' understanding of a company's operating results – i.e. investing and financing results are specifically excluded. This means that the results of equity-accounted investees are no longer part of operating profit and are presented in the 'investing' category. • Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements. • Enhance guidance is provided on how to group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes. Companies are discouraged from labelling items as 'other' and will now be required to disclose more information if they continue to do so. • Entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method. • It also requires Companies to analyse their operating expenses directly on the face of the income statement – either by nature, by function or using a mixed presentation. If any items are presented by function on the face of the income statement (e.g. cost of sales), then a company provides more detailed disclosures about their nature.

Standard/Interpretation		Effective date Periods beginning on or after	Effective date Periods beginning on or after
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	The effective date of this amendment has been deferred indefinitely by the IASB.	The amendments require the full gain to be recognised when assets transferred between an investor and its associate or joint venture meet the definition of a 'business' under IFRS 3 Business Combinations. Where the assets transferred do not meet the definition of a business, a partial gain to the extent of unrelated investors' interests in the associate or joint venture is recognised. The definition of a business is key to determining the extent of the gain to be recognised. When a parent loses control of a subsidiary in a transaction with an associate or joint venture (JV), there is a conflict between the existing guidance on consolidation and equity accounting. Under the consolidation standard, the parent recognises the full gain on the loss of control. But under the standard on associates and JVs, the parent recognises the gain only to the extent of unrelated investors' interests in the associate or JV. In either case, the loss is recognised in full if the underlying assets are impaired. The IASB has decided to defer the effective date for these amendments indefinitely. The Group and Bank have assessed this standard to have no significant impact on its operations and financial reporting process.

4. Material accounting policies

The accounting policies set out below have been consistently applied to all periods presented in these consolidated and separate financial statements, except if mentioned otherwise. In addition, the Group adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 1 January 2023. The amendments require the disclosure of 'material' rather than 'significant', accounting policies. The amendments did not result in any changes to the accounting policies themselves.

4.1. Changes in material accounting policies.

The accounting policies adopted are consistent with those of the previous financial year except for amendments to the following standard(s) became effective in the annual period starting from 1 January, 2025. The new reporting requirements as a result of the amendments and/or clarifications have been evaluated and their impact or otherwise are noted below:

Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates
In August 2023, the International Accounting Standards Board (IASB) amended IAS 21 to clarify:
when a currency is exchangeable into another currency; and
how a company estimates a spot rate when a currency lacks exchangeability.

A currency is exchangeable into another currency when a company is able to exchange that currency for the other currency at the measurement date and for a specified purpose. When a currency is not exchangeable, a company needs to estimate a spot rate. A company's objective when estimating a spot rate is only that it reflects the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments contain no specific requirements for estimating a spot rate. Therefore, when estimating a spot rate a company can use:
an observable exchange rate without adjustment; or
another estimation technique.

The amendment is not expected to have any material impact on the Group.

4.2. Basis of consolidation

The financial statements of the subsidiary used to prepare the consolidated financial statements were prepared as of the Bank's reporting date.

a. Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group (see 4.1b). The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment (see 4.18). Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities (see 4.7a and 4.17).

In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs. The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss. Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

b. Subsidiaries

'Subsidiaries' are entities controlled by the Group. The Group 'controls' an entity if it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it has control if there are changes to one or more of the elements of control. This includes circumstances in which protective rights held (e.g. those resulting from a lending relationship) become substantive and lead to the Group having power over an investee.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (transactions with owners). Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the Group. Gains or losses on the partial disposal (where control is not lost) of the group's interest in a subsidiary to non-controlling interests are also accounted for directly in equity.

In the separate financial statements, investments in subsidiaries and associates are measured at cost less any accumulated impairment losses (where applicable).

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

c. Common control transactions

Common control transactions, in which the Bank is the ultimate parent entity both before and after the transaction, are accounted for at book value.

d. Loss of Control

On loss of control of a subsidiary, the Group derecognizes the assets and liabilities of the subsidiary, any controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, that retained interest is accounted for as an equity-accounted investee or in accordance with the Group's accounting policy for financial instruments depending on the level of influence retained.

e. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group

4.3. Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. The foreign currency gain or loss on monetary items is the difference between the amortised cost in the functional currency at the beginning of the year, adjusted for effective interest, impairment and payments during the year, and the amortised cost in the foreign currency translated at the spot exchange rate at the end of the year.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value is determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign currency differences arising on translation are generally recognised in profit or loss. However, foreign currency differences arising from the translation of the following items are recognised in OCI:
- equity investments in respect of which an election has been made to present subsequent changes in fair value in OCI;
a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective

4.4. Gross revenue/ earnings

Gross revenue of the Bank is made up of interest income, guarantee income, foreign exchange gains, gain/(loss) on derivatives, other sundry income and Income from subsidiary - shared services

4.5. Interest

a. Effective interest rate

Interest income and expense are recognised in profit or loss using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:-
- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

When calculating the effective interest rate for financial instruments other than purchased or originated credit-impaired assets, the Group estimates future cash flows considering all contractual terms of the financial instrument, but not ECL. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including ECL.

The calculation of the effective interest rate includes transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability

b. Amortized cost and gross carrying amount

The 'amortized cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance. The 'gross carrying amount of a financial asset' is the amortized cost of a financial asset before adjusting for any expected credit loss allowance

c. Calculation of interest income and expense

The effective interest rate of a financial asset or financial liability is calculated on initial recognition of a financial asset or a financial liability. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit impaired) or to the amortized cost of the liability. The effective interest rate is revised as a result of periodic re-estimation of cash flows of floating-rate instruments to reflect movements in market rates of interest. The effective interest rate is also revised for fair value hedge adjustments at the date on which amortization of the hedge adjustment begins.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

For financial assets that were credit-impaired on initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of the asset. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves. For information on when financial assets are credit impaired, see Note 4.7(g)

d. Presentation
Interest income calculated using the effective interest method presented in the statement of profit or loss and OCI includes interest on financial assets and financial liabilities measured at amortized cost.
Interest expense presented in the statement of profit or loss and OCI includes:
- financial liabilities measured at amortized cost; and
- interest expense on lease liabilities
- negative interest on financial assets measured at amortised cost; and

Interest income and expense on other financial assets and financial liabilities at FVTPL are presented in net income and from other financial instruments at FVTPL (see 4.4).
Cash flows related to capitalized interest are presented in the statement of cash flows consistently with interest cash flows that are not capitalized.
Other income presented in the statement of profit or loss and OCI includes income earned from refunds of cost incurred on project implementation unit.

4.6. Net income from other financial instruments at fair value through profit or loss
Net income from other financial instruments at FVTPL relates to non-trading derivatives held for risk management purposes that do not form part of qualifying hedging relationships, financial assets and financial liabilities designated as at FVTPL and also non-trading assets mandatorily measured at FVTPL. The line item includes fair value changes, interest, dividends and foreign exchange differences

4.7. Leases
At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

I. Group acting as a lessee
At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and nonlease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.
The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.
The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:
- fixed payments, including in-substance fixed payments;-
variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Where the basis for determining future lease payments changes as required by interest rate benchmark reform, the Group remeasures the lease liability by discounting the revised lease payments using the revised discount rate that reflects the change to an alternative benchmark interest rate.

The Group presents right-of-use assets in 'property and equipment' and lease liabilities in 'other liabilities' in the statement of financial position.

Short-term leases and leases of low-value assets
The Group has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including leases of IT equipment. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term

ii. Group acting as a lessor
At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone selling prices. When the Group acts as a lessor, it determines at lease inception whether the lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Group applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease (see Note 4.7 (c, g)). The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease

4.8. Tax expense
Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or OCI.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition ofincome taxes, and therefore has accounted for them under IAS 37 Provisions, Contingent Liabilities and Contingent Assets and has recognized the related expenses in 'other expenses'.

a. Current income tax
Current income tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

The 2025 Nigerian Tax Reform introduces a comprehensive overhaul of the country's tax system. It consolidates over 50 existing tax laws into four key statutes: the Nigeria Tax Act (NTA), Tax Administration Act (NTAA), Nigeria Revenue Service Act (NRSA), and Joint Revenue Board Act (JRBA). These reforms aim to simplify compliance, broaden the tax base, and enhance revenue generation.
The Nigeria Tax Act (NTA) 2025 introduces the Development Levy, which states that all Nigerian companies (except small companies) are to pay a 4% Development

Levy on their assessable profits (before tax depreciation and losses). This levy replaces the Education tax computed as 3% of assessable profit, NITDA levy computed as 1% levy on Profit Before Tax of the Bank, National Agency for Science and Engineering Infrastructure (NASENI) levy computed as 0.25% of Profit Before Tax and PTF levy is 0.005% of the net profit (defined as profit after tax) of the Bank and the PTF levy charged on the net profit of the company for the year and therefore falls within the scope of IAS 12 which deals with taxes levied on a net rather than on a gross amount. Current tax also includes any tax arising from dividends. The provisions of the 2025 Nigerian Tax Reform Acts will take effect from 1 January 2026.

Current income tax consists of Company Income Tax and Development Levy. Company Income tax is assessed at 30% statutory rate of total profit and the Development Levy is computed as 4% on assessable profits.

Current income tax is recognized as an expense for the period and adjustments to past periods, except to the extent that current tax related to items that are charged or credited in OCI or directly to equity. Current tax assets and liabilities are offset only if the Bank has a legal right and intention to settle on a net basis.

b. Minimum tax
The Bank is subject to the Companies Income Tax Act (CITA). Total amount of tax payable under CITA is determined based on the higher of two components namely Company Income Tax (based on taxable income (or loss) for the year); and Minimum tax. Taxes based on taxable profit for the period are treated as income tax in line with IAS 12; whereas Minimum tax which is based on a gross amount is outside the scope of IAS 12 and therefore, are not presented as part of income tax expense in the profit or loss.

Where the minimum tax charge is higher than the Company Income Tax (CIT), the minimum tax charge is recognized in the profit or loss presented above the income tax line as Minimum tax.

c. Deferred tax
Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognized for:
- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if there is any.
The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale,and the Group has not rebutted this presumption. Deferred tax assets and liabilities are offset only if certain criteria are met.

4.9. Financial assets and financial liabilities
The Group initially recognizes loans and advances, deposits, debt securities issued and subordinated liabilities on the date on which they are originated. All other financial instruments (including regular-way purchases and sales of financial assets) are recognized on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is measured initially at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. The fair value of a financial instrument at initial recognition is generally its transaction price. See Note 4.7(f) for a description of the policy if the fair value of a financial instrument at initial recognition differs from the transaction price

b. Classification
Financial assets
On initial recognition, a financial asset is classified as measured at: amortized cost, fair value through other comprehensive income (FVOCI) or FVTPL. A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI).
A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL
:- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL. In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment
The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:
- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for 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 its 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 Group's stated objective for managing the financial assets is achieved and how cash flows are realized.

The Group's wholesale banking business comprises primarily loans to PFIs that are held for collecting contractual cash flows. Sales of loans from this portfolio is very rare.

Certain debt securities are held by Treasury units in a separate portfolio to meet everyday liquidity needs. The Group seeks to minimize the costs of managing these liquidity needs and therefore actively manages the return on the portfolio. That return consists of collecting contractual cash flows as well as gains and losses from the sale of financial assets. These securities may be sold, but such sales are not expected to be more than infrequent. The group considers that these securities are held within a business model whose objective is to hold assets to collect the contractual cash flows.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are 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

Assessment of whether contractual cash flows are solely payments of principal and interest
For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and 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 profit

margin.
In assessing whether the contractual cash flows are SPPI, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains 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 Group considers:
- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse loans); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates)

Non-recourse loans
In some cases, loans made by the Group that are secured by collateral of the borrower limit the Group's claim to cash flows of the underlying collateral (non-recourse loans).
The group applies judgment in assessing whether the non-recourse loans meet the SPPI criterion. The Group typically considers the following information when making this judgement:
- whether the contractual arrangement specifically defines the amounts and dates of the cash payments of the loan;
- the fair value of the collateral relative to the amount of the secured financial asset;
- the ability and willingness of the borrower to make contractual payments, notwithstanding a decline in the value of collateral;
- whether the borrower is an individual or a substantive operating entity or is a special-purpose entity;
- the Group's risk of loss on the asset relative to a full-recourse loan;
- the extent to which the collateral represents all or a substantial portion of the borrower's assets; and
- whether the Group will benefit from any upside from the underlying assets.

Reclassifications
Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets.

c. Derecognition
Financial Assets
The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire (see also 4.7 d), or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognized) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognized in OCI is recognized in profit or loss. Any cumulative gain/loss recognized in OCI in respect of equity investment securities designated as at FVOCI is not recognized in profit or loss on derecognition of such securities. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Group is recognized as a separate asset or liability.

In transactions in which the Group neither retains nor transfers substantially all of the risks and rewards of ownership of a financial asset and it retains control over the asset, the Group continues to recognize the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

Financial liabilities
The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

d. Modifications of financial assets and financial liabilities
Financial assets
If the terms of a financial asset are modified, then the Group evaluates whether the cash flows of the modified asset are substantially different.

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognized (see 4.7c) and a new financial asset is recognized at fair value plus any eligible transaction costs. Any fees received as part ofthe modification are accounted for as follows:
- fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and
- other fees are included in profit or loss as part of the gain or loss on derecognition.

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximize recovery of the original contractual terms rather than to originate a new asset with substantially different terms. Ifthe Group plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion ofthe asset should be written off before the modification takes place (see "write-off" policy). This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

If the modification of a financial asset measured at amortized cost or FVOCI does not result in derecognition ofthe financial asset, then the Group first recalculates the gross carrying amount ofthe financial asset using the original effective interest rate ofthe asset and recognizes the resulting adjustment as a modification gain or loss in profit or loss. For floating-rate financial assets, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs or fees incurred and modification fees received adjust the gross carrying amount of the modified financial asset and are amortized over the remaining term of the modified financial asset.

If such a modification is carried out because of financial difficulties ofthe borrower (see 4.7(g)), then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income calculated using the effective interest rate method (see 4.3).

Financial liabilities
The Group derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial iability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in profit or loss. Consideration paid includes non-financial assets transferred, if any, and the assumption of liabilities, including the new modified financial liability.

If the modification of a financial liability is not accounted for as derecognition, then the amortized cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognized in profit or loss. For floating-rate financial liabilities, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs and fees incurred are recognized as an adjustment to the carrying amount of the liability and amortized over the remaining term of the modified financial liability by re-computing the effective interest rate on the instrument

e. Offsetting
Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS Accounting Standards, or for gains and losses arising from a group of similar transactions

f. Fair value measurement
''Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.
If there is no quoted price in an active market, then the Group uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price– i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the difference, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

Portfolios of financial assets and financial liabilities that are exposed to market risk and credit risk that are managed by the Group on the basis of the net exposure to either market or credit risk are measured on the basis of a price that would be received to sell a net long position (or paid to transfer a net short position) for the particular risk exposure. Portfolio-level adjustments– e.g. bid-ask adjustment or credit risk adjustments that reflect the measurement on the basis of the net exposure– are allocated to the individual assets and liabilities on the basis of the relative risk adjustment of each of the individual instruments in the portfolio.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

The Group recognizes transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred

g. Impairment
See also Note 6.4(c).
The Group recognizes loss allowances for expected credit loss (ECL) on the following financial instruments that are not measured at FVTPL:
financial assets that are debt instruments; and
- Financial guarantee contracts issued;
- No impairment loss is recognized on equity investments.
The Group measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:
- debt investment securities that are determined to have low credit risk at the reporting date; and
- other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition (see Note 6.4(c))
The Group measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:
- debt investment securities that are determined to have low credit risk at the reporting date; and

- other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition (see Note 6.4.(c)).

Loss allowances for lease receivables are always measured at an amount equal to lifetime ECL.

The Group considers a debt investment security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.
The Group does not apply the low credit risk exemption to any other financial instruments.

12-month ECL are the portion of lifetime ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date.
Financial instruments for which 12-month ECL are recognized are referred to as 'Stage 1 financial instruments'. Financial instruments allocated to Stage 1 have not undergone a significant increase in credit risk since initial recognition and are not credit-impaired.

Lifetime ECL are the ECL that result from all possible default events over the expected life of the financial instrument or the maximum contractual period of exposure.
Financial instruments for which lifetime ECL are recognized but that are not credit-impaired are referred to as 'Stage 2 financial instruments'. Financial instruments allocated to Stage 2 are those that have experienced a significant increase in credit risk since initial recognition but are not credit-impaired. Financial instruments for which lifetime ECL are recognized and that are credit-impaired are referred to as 'Stage 3 financial instruments'

Measurement of ECL
ECL are a probability-weighted estimate of credit losses. They are measured as follows:
- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows; and
- financial guarantee contracts: the expected payments to reimburse the holder less any amounts that the Group expects to recover.

When discounting future cash flows, the following discount rates are used:- financial assets other than purchased or originated credit-impaired (POCI) financial assets and lease receivables: the original effective interest rate or an approximation thereof;
- POCI assets: a credit-adjusted effective interest rate;
- financial guarantee contracts issued: the rate that reflects the current market assessment of the time value of money and the risks that are specific to the cash flows

Measurement of 12-month ECL
12-month ECL is defined as a portion of the lifetime ECLs that will result if a default occurs in the 12 months after the reporting date (or a shorter period if the expected life of a financial instrument is less than 12 months), weighted by the probability of that default occurring. They are not the actual losses on financial instruments that are forecasted to actually default in the next 12 months.

Measurement of Lifetime ECL
Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. They would be estimated based on the present value of all cash shortfalls over the remaining expected life of the financial asset, i.e., the difference between:
- The contractual cash flows that are due to the Group under the contract, and
- The cash flows that the Group expects to receive

As ECLs take into account both the amount and the timing of payments, a credit loss arises even if the Group expects to receive all the contractual payments due, but at a later date. The DBN Group recognizes lifetime expected credit losses on its loan and debt portfolios that have had a significant increase in credit risk since initial recognition with no objective evidence of impairment. In order to do this, management develops lifetime Probabilities of Default (Pds), Exposures At Default (EADs) and Loss Given Default (LGDs).

Significant increase in credit risk or low credit risk
For its loans to PFIs, the Group monitors the credit risk using its Internal and External Credit Rating assigned at origination of the loans, each credit rating has an assigned PD. A change in credit rating that will cause a movement between grades is considered a significant increase in credit risk. The Group has a robust system in place for determining significant increase in credit risk which are split into quantitative, qualitative and backstop indicators

Quantitative indicators
These include the following:
• material breach of contract, such as a default or delinquency in interest or principal payments
• the financial asset is 90 days past due except for specialized loans for which the presumption is rebutted
• Credit rating notch movement: A specified notch increase as stated below is viewed as a significant increase in credit risk, since origination or prior reporting period.

Criteria	Number of notches/rating scale considered significant
Rating Notches Downgrade	>=4
Poor Credit Rating Threshold	>=17
Default	>=20

Migrations to rating scale 17 and above is considered stage 2 while rating scale 20 and above is considered stage 3.
Please refer to Note 6.4b(I) on rating scale adopted by the Group

Qualitative indicators
These include the following:
- internal risk classification – Classification as performing, watchlist and non-performing
- actual or expected significant change in the financial instrument's credit rating
- identification of the loan or customer on a 'Watchlist' or other forbearance indicators
- significant financial difficulty of a borrower or issuer
- restructure of the facility based on financial issues with the borrower
- Management override

Backstop indicators
- This applies when the financial asset is 30 days past due on repayment of principal and interest.

Forward looking information
In determining whether there has been a significant increase in credit risk and in determining the expected credit loss calculation, IFRS 9 requires the consideration of forward-looking information. The determination of significant increase in credit risk is required to include consideration of all reasonable and supportable information available without undue cost or effort. This information will typically include forward-looking information based on expected macroeconomic conditions and specific factors that are expected to impact individual portfolios.

The incorporation of forward-looking information represents a significant change from existing accounting requirements which are based on observable events. The use of such forward-looking information will increase the use of management judgement and is expected to increase the volatility of impairment provisions as a result of continuous changes in future expectations. The forward-looking framework will be based on the Group's economic expectations, industry and sub-sector-specific expectations, as well as expert management judgement.

The forward-looking information adopted in the Group's IFRS 9 model include the following: Inflation rate, Prime lending rate, Crude oil price and Monetary policy rate.

The list is not exhaustive, and the Group may add or remove economic indicators as it deems necessary. The forward looking macro economic indices are sourced from credible external agencies such as: Central Bank of Nigeria, (Nigerian) National Bureau of Statistics, International Monetary Fund, World Bank and any other online repository of macro-economic data.

The macro-economic indices are projected for three possible scenarios being upside, central and downside forecasts. The projected macro-economic. Indices for the three (3) scenarios are then probability weighted to arrive at a single scenario which is used to calculate the ECL.

Default is not specifically defined in IFRS 9. The Group`s definition of default follows CBN prudential guidelines, which provides that a credit facility is deemed non performing when:
- Interest or principal is due and unpaid for 90 days or more-
Interest payment equals to 90 days interest or more have been capitalized, rescheduled, or rolled over into a new loan (except when a loan is rescheduled and treated as a new facility, but provisioning continues until it is clear that rescheduling is working at a minimum for a period of 90 days.

Restructured financial assets
If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognized (see 4.6d) and ECL are measured as follows.
- If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset (see Note 6.4(c)(iii)).
- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

Credit-impaired financial assets
At each reporting date, the Group assesses whether financial assets carried at amortized cost, debt financial assets carried at FVOCI and finance lease receivables are credit impaired (referred to as 'Stage 3 financial assets'). A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:
significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past-due event;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a retail loan that is overdue for 90 days or more is considered credit-impaired even when the regulatory definition of default is different.

In making an assessment of whether an investment in sovereign debt is credit-impaired, the Group considers the following factors.
The market's assessment of creditworthiness as reflected in bond yields.
- The rating agencies' assessments of creditworthiness.
- The country's ability to access the capital markets for new debt issuance.

- The probability of debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness.
- The international support mechanisms in place to provide the necessary support as 'lender of last resort' to that country, as well as the intention, reflected in public statements, of governments and agencies to use those mechanisms. This includes an assessment of the depth of those mechanisms and, irrespective of the political intent, whether there is the capacity to fulfil the required criteria.

POCI financial assets
POCI financial assets are assets that are credit-impaired on initial recognition. For POCI assets, lifetime ECL are incorporated into the calculation of the effective interest rate on initial recognition. Consequently, POCI assets do not carry an impairment allowance on initial recognition. The amount recognized as a loss allowance subsequent to initial recognition is equal to the changes in lifetime ECL since initial recognition of the asset

Presentation of allowance for ECL in the statement of financial position
Loss allowances for ECL are presented in the statement of financial position as follows:
- financial assets measured at amortized cost: as a deduction from the gross carrying amount of the assets;
- loan commitments and financial guarantee contracts: generally, as a provision;
- where a financial instrument includes both a drawn and an undrawn component, and the Group cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Group presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision; and
- debt instruments measured at FVOCI: no loss allowance is recognized in the statement of financial position because the carrying amount of these assets is their fair value.
However, the loss allowance is disclosed and is recognized in retained earnings

Collateral
The Group obtains collateral where appropriate, from customers to manage their credit risk exposure to the customers. The collateral normally takes the form of a lien over the customer's assets and gives the Group a claim on these assets for customers in the event that the customer defaults. Collateral received in the form of securities is not recorded on the statement of financial position. Collateral received in the form of cash is recorded on the statement of financial position with a corresponding liability.

Write-off
Loans and debt securities are written off(either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level. Recoveries of amounts previously written off are recognized when cash is received and are included in 'impairment losses on financial instruments' in the statement of profit or loss and OCI. Financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Financial guarantee contracts held
The Group assesses whether a financial guarantee contract held is an integral element of a financial asset that is accounted for as a component of that instrument or is a contract that is accounted for separately. The factors that the Group considers when making this assessment include whether:
- the guarantee is implicitly part of the contractual terms of the debt instrument;
- the guarantee is required by laws and regulations that govern the contract of the debt instrument;
- the guarantee is entered into at the same time as and in contemplation of the debt instrument; and
- the guarantee is given by the parent of the borrower or another company within the borrower's group.

If the Group determines that the guarantee is an integral element of the financial asset, then any premium payable in connection with the initial recognition of the financial asset is treated as a transaction cost of acquiring it. The Group considers the effect of the protection when measuring the fair value of the debt instrument and when measuring ECL.

If the Group determines that the guarantee is not an integral element of the debt instrument, then it recognizes an asset representing any prepayment of guarantee premium and a right to compensation for credit losses. A prepaid premium asset is recognized only if the guaranteed exposure neither is credit-impaired nor has undergone a significant increase in credit risk when the guarantee is acquired. These assets are recognized in 'other assets'. The Group presents gains or losses on a compensation right in profit or loss in the line item 'impairment losses on financial instruments'

h. *Derivatives*
Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value. All derivatives are carried as assets when fair value is positive and liabilities when fair value is negative.

The accounting for subsequent changes in fair value depends on whether the derivative is designed as a hedging instrument and if so, the nature of the item being hedged. Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

Changes in the fair value of any derivative instrument that are not designated for hedge accounting are recognised immediately in profit or loss and are included in Net gain on financial instruments at fair value through profit or loss

4.10 Loans and advances
The 'loans and advances to customers' caption in the statement of financial position are loans and advances measured at amortised cost (see 4.7(b)); they are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortised cost using the effective interest method;
When the Group purchases a financial asset and simultaneously enters into an agreement to resell the asset (or a substantially similar asset) at a fixed price on a future date (reverse repo or stock borrowing), the consideration paid is accounted for as a loan or

advance, and the underlying asset is not recognised in the Group's financial statements.

4.11 Investment securities
The 'investment securities' caption in the statement of financial position includes debt investment securities measured at amortised cost (see 4.7(b)); these are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortised cost using the effective interest method

4.12 Cash and cash equivalents
Cash and cash equivalents include notes and coins on hand, balances held with central banks and local banks and 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 carried at amortised cost in the statement of financial position

4.13 Property and equipment
a. Recognition and measurement
Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. When significant parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment. The gain or loss on disposal of an item of property and equipment is determined by comparing the proceeds from disposal with the carrying amount of property and equipment and are recognized net within other income in the statement of profit or loss.

b. Subsequent costs
Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. The costs of the day-to-day repairs and maintenance of property and equipment are recognized in statement of profit or loss during the financial period

c. Depreciation
Depreciation is recognized in profit or loss on a straight-line basis to write down the cost of items of property and equipment, to their residual values over the estimated useful lives. Leased assets under finance lease are depreciated over the shorter of the lease term and their useful lives. Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognized or classified as held for sale in accordance with IFRS 5. A non-current asset or disposal group is not depreciated while it is classified as held for sale.

The estimated useful lives for the current and comparative periods of significant items of property and equipment are as follows

Leasehold Land and Building	Over the shorter of the useful life of the item or lease term
Leasehold improvements	Over the shorter of the useful life of the item or lease term
Right of Use assets	Over the shorter of the useful life of the item or lease term
Buildings	50 years
Computer & IT equipment	3 years
Furniture and fittings	5 years
Plant & Office Equipment	5 years
Motor vehicles	5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate
Assets are reviewed for impairment whenever events or changed in circumstances indicate that the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.
Capital work in progress is not depreciated. Upon completion it is transferred to the relevant asset category. Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted if appropriate.

d. De-recognition
An item of property and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss in the year the asset is derecognized.

4.14 Intangible assets
Software
a Recognition and measurement
Software acquired by the Bank is stated at cost less accumulated amortization and accumulated impairment losses. Expenditure on internally developed software is recognised as an asset when the Bank is able to demonstrate its intention and ability to complete the development and use the software in a manner that will generate future economic benefits and can reliably measure the costs to complete the development. The capitalized costs of internally developed software include all costs directly attributable to developing the software and are amortized over its useful life. Internally developed software is stated at capitalized cost less accumulated amortization and anyaccumulated impairment losses.

b Subsequent costs
Subsequent expenditure on software assets is capitalized only when it increases the future economic benefits embodied in the

specific asset to which it relates. All other expenditure is expensed as incurred.

c Amortization
Amortization is recognised in the statement of profit or loss on a straight-line basis over the estimated useful life of the software, from the date that it is available for use since this most closely reflects the expected pattern of consumption of future economic benefits embodied in the asset. Software has a finite useful life, the estimated useful life of software is three years. Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

d De-recognition
An intangible item is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the intangible asset (calculated as the difference between the net disposal proceeds and the carrying amount of the intangible asset) is included in the statement of profit or loss in the year the intangible asset is derecognized

4.15 Provisions
A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expense

4.16 Grant
A grant is recognised only when there is a reasonable assurance that;
- the Bank will comply with the conditions attached to the grant; and
- the grant will be received

4.17 Employee benefits
a. Defined contribution plans
A defined contribution plan is a post employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement when they are due in respect of service rendered before the end of the reporting period. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due more than 12 months after the end of the reporting period in which the employees render the service are discounted to their present value at the reporting date.

The Group operates a defined contribution pension scheme for employees. Employees and the Group contribute 8% and 10% respectively of the qualifying staff salary in line with the provisions of the Pension Reforms Act

b. Termination benefits
Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the Group recognizes costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value

c. Short-term employee benefits
Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Bank has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably

d. Other benefits
The Bank offers death-in-service benefits to employees as part of their employment benefits. This benefit is offered on a stand alone basis and is not insured or re-insured by third parties. The benefit covers obligations that may crystalize in the event of demise of any of the Bank's staff (Death-in-Service benefit) or bereavement, i.e., where any of the Company's staff loses an immediate family member which include parents, spouse or biological children.

The benefit to staff is recognised as an expense to the extent that death has already occurred by the reporting date

4.18 Share capital and reserves
a. Share issue costs
Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments.

b. Dividend on ordinary shares
Dividends on ordinary shares are recognised in equity in the period when approved by the shareholders. Dividends for the year that are declared after the end ofthe reporting period are dealt with in the subsequent events note.

c. Share premium
Premiums from the issue of shares are reported in the share premium.

d. Regulatory risk reserve
The Nigerian banking regulation requires Development Financial Institutions (DFIs) to create a reserve for the difference between impairment charge determined in line with the principles of IFRS Accounting Standards and impairment charge determined in line with the prudential guidelines issued by the Central Bank of Nigeria. This reserve is not available for distribution to shareholders

e. Statutory reserve
In line with the Regulatory and Supervisory Guidelines for DFIs in Nigeria, the Bank maintains a reserve fund and shall out of its net profit after taxation and before any dividend is declared, transfer to the statutory reserves as follows:
- Where the reserve fund is less than the paid-up share capital, a minimum of 30.0 per cent of the net profits; or
- Where the reserve fund is equal to or in excess of the paid-up share capital, a minimum of 15.0 per cent of net profit;
- No transfer to the reserve fund shall be made until all identifiable losses have been made good.
- A Wholesale Development Finance Institution shall plough back all its profit after tax to reserve unless it has met the regulatory minimum capital of N100 billion or such other amount as the CBN may specify from time to time.

f. Retained earnings
Retained earnings comprise the undistributed profits and (losses) from previous periods which have not been reclassified to any specified reserves

4.19 Interest income and expense
Interest income and expense for all financial assets and financial liabilities carried at amortized cost are recognized in profit or loss using the effective interest rate method. The effective interest method is a method of calculating the amortized cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortized cost of the financial liability or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instruments but does not consider future credit losses. The calculation includes all fees and commissions paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premium or discounts. Where the estimated cash flows on financial assets are subsequently revised, other than impairment losses, the carrying amount of the financial assets is adjusted to reflect actual and revised estimated cash flows.

Where financial asset or a group of similar financial assets have been written down as a result of an impairment loss, interest income is recognized using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss

4.20 Operating expense
Expenses are decreases in economic benefits during the accounting period in the form of outflows, depletion of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants

Expenses are recognized on an accrual basis regardless of the times of spending cash. Expenses are recognized in the income statement when a decrease in future economic benefit related to a decrease in an assets or an increase of liability has arisen that can be measured reliably. Expenses are measured at historical cost. Only the portion of cost of a previous period that is related to the income earned during the reporting period is recognized as an expense. Expenses that are not related to the income earned during the reporting period, but expected to generate future economic benefits, are recorded in the financial statement as assets. The portion of assets which is intended for earning income in the future periods shall be recognized as an expense when the associated income is earned. Expenses are recognized in the same reporting period when they are incurred in cases when it is not probable to directly relate them to particular income earned during the current reporting period and when they are not expected to generate any income during the coming years

4.21 Impairment of non-financial assets
At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that is largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 or CGU.
An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

The Group's corporate assets do not generate separate cash inflows and are used by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGUs to which the corporate assets are allocated. Impairment losses are recognised in profit or loss.
They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised

4.22 Provision for Financial guarantee contracts
A financial guarantee contract is a contract that requires the Company (issuer) to make specified payments to reimburse the holder for a loss it incurs because a specific debtor fails to make payment when due in accordance with the original or modified term of a debt instrument. Financial guarantee contracts are recognized as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at a higher of:

- The amount determined in accordance with the expected credit loss model under IFRS 9; and
- The amount initially recognized less, where appropriate, the cumulative amount of income recognized in accordance with the principles of IFRS 15

4.23 Fees and commission
Fee and commission income and expense that are integral to the effective interest rate on a financial asset or financial liability are included in the effective interest rate (see 4.3 Interest). If a loan commitment is not expected to result in the draw-down of a loan, then the related loan commitment fee is recognised on a straight-line basis over the commitment period. Other fee and commission income – including upfront fee and guarantee fee – is recognised as the related services are performed.

Upfront fee is a one off, non-refundable processing fee charged irrespective of the tenor of the guarantee. The performance of this service is at a point in time (at the time the guarantee is issued) and as such income is recognised immediately in line with the requirements of IFRS 15. Guarantee fee represents the premium paid over the period of guarantee. The performance of this service is satisfied over time as such the income is recognised over the duration of the contract in line with the IFRS 15 revenue recognition criteria.

A contract with a customer that results in a recognised financial instrument in the Group's financial statements may be partially in the scope of IFRS 9 and partially in the scope of IFRS 15. If this is the case, then the Group first applies IFRS 9 to separate and measure the part of the contract that is in the scope of IFRS 9 and then applies IFRS 15 to the residual. Other fee and commission expenses relate mainly to transaction and service fees, which are expensed as the services are received

5. Use of estimates and judgments
The Groupmakesestimatesandassumptions that couldmateriallyaffect thereportedamountsofassetsandliabilitieswithinthenext financialyear.Estimatesandjudgmentsarecontinuallyevaluatedandarebasedonhistoricalexperienceandother factors, includingthe current best estimate of uncertain future events that are believed to be reasonable under the circumstances.

5.1 Key sources of assumption and estimation uncertainty
a. Impairment of financial instruments
Loans and advances are accounted for at amortized cost and are evaluated for impairment on a basis described in the accounting policy.

The Group reviews its credit portfolio continuously (at least once in a quarter) with a view to recognising any deterioration in credit quality. Such reviews systematically classify credit exposures based on the perceived risks of default. Some of the criteria adopted to assess the default risk include, but are not limited to, repayment performance, borrower's repayment capacity on the basis of current financial condition and net realizable value of collateral. The classifications and provisioning for its on lending facilities to MSMEs through PFIs, take into consideration the cash flows and gestation period. It is reasonably possible, on the basis of existing knowledge, that outcomes within the next financial year that are different from the assumption could require a material adjustment to the carrying amount of loans and advances.

b. Determination of regulatory risk reserves
Provisions under prudential guidelines are determined using the time based provisioning regime prescribed by the revised Central Bank of Nigeria(CBN) Prudential Guidelines. This is at variance with the expected credit loss model required by IFRS Accounting Standards. As a result of the differences in the methodology/provision basis, there will be variances in the impairment allowances required under the two methodologies.

Paragraph 12.4 of the revised Prudential Guidelinesfor Deposit Money Banks in Nigeria, which is also applicable to DBN stipulates that banks would berequired to make provisions for loans as prescribed in the relevant IFRS Accounting Standards when IFRS is adopted.
However, banks would be required to comply with the following:
I. Provisions for loans recognized in the profit and loss account should be determined based on the requirements of IFRS. However, the IFRS provisions should be compared with provisions determined under prudential guidelines and the expected differences in general reserve should be treated in the general reserve account as follows:
- Prudential Provisions is greater than IFRS provisions; transfer the difference from the general reserve to anon-distributable regulatory
- Prudential Provisions is less than IFRS provisions; the differences resulting should be transferred from the regulatory reserve account to the general reserve to the extent of the non-distributable reserve previously recognized.

ii The non-distributable reserve should be classified under Tier 1 as part of core capital.

DBN has complied with the requirements of the guidelines as follows:

As at 31 December 2025, the difference between the Prudential provisionand IFRS impairment was N11.06billion (December2024: N9.42billion) requiring transfer of N1.64billion (December 2024: N1.37 billion) from retained earnings to regulatory risk reserve as disclosed in the statement of changes inequity. This amount represents the difference between the provisions for credit and other known losses as determined under the prudential guidelines issued by the Central Bank of Nigeria (CBN) and the impairment reserve as determined in line with IFRS 9 as at year end.

It is reasonably possible, on the basisof existing knowledge, that outcomes within the next financial year that are different from the assumption could require a material adjustment to the value of the regulatory risk reserve.

Statement of prudential adjustments		GROUP	GROUP	BANK	BANK
In thousands of Naira		December 2025	December 2024	December 2025	December 2024
Impairment on loans and advances per IFRS		(834,352)	(811,792)	(834,352)	(811,792)
Provision on loans and advances per Prudential Guidelines		11,889,760	10,227,664	11,889,760	10,227,664
Regulatory Risk Reserve		**11,055,408**	**9,415,872**	**11,055,408**	**9,415,872**
The movement in the Regulatory risk reserve during the year is shown below:					
Balance, beginning of the year		9,415,872	8,038,653	9,415,872	8,038,653
Transfer during the year		1,639,536	1,377,219	1,639,536	1,377,219
Balance, end of the year	**31(e)**	**11,055,408**	**9,415,872**	**11,055,408**	**9,415,872**

5.2. Critical accounting judgments in applying the Group's accounting policies
Critical accounting judgments made in applying the Group's accounting policies include:

a. Financial asset and financial liability classification
DBN's accounting policies provide scope for assets and liabilities to be designated at inception into different accounting categories. Assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are SPPI on the principal amount outstanding is based on management's judgement. See note 4.7(b)

b. Depreciation and carrying value of property and equipment
The estimation of the useful lives of assets is based on management's judgment. Any material adjustment to the estimated useful lives of items of property and equipment will have an impact on the carrying value of these items.

Determination of impairment of property and equipment and intangible assets
Management is required to make judgments concerning the cause, timing and amount of impairment. In the identification of impairment indicators, management considers the impact of changes in current competitive conditions, cost of capital, availability of funding,technological obsolescence, discontinuance of services and other circumstances that could indicate that impairment exists. This requires management to make significant judgments and estimates concerning the existence of impairment indicators, separate cash generating units, remaining useful lives of assets, projected cash flows and net realisable values. Management's judgment is also required when assessing whether a previously recognised impairment loss should be reversed.

c. Recoverability of deferred tax assets
Deferred tax assets were recognised on the basis described in note 4.6©. Information about assumptions made in the recognition of deferred tax assets and availability of future taxable profit against which tax losses carried forward can be used is included in Note 17(b). The Directors have adopted the current tax practice of carrying forward commencement losses indefinitely for the purpose of determining the unrelieved losses carried forward applicable for deferred tax. Actual results may differ from these estimates based on the interpretation by the tax authorities.

d. Determination of fair value of financial instruments
The Group's accounting policy on fair value measurements is discussed in note 4.7(f). The Group measures fair values using a fair value hierarchy which reflects the significance of inputs used in making the measurements. IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable input reflect market data obtained from independent sources; unobservable inputs reflect the Bank's market assumptions. These two types of inputs have created the following fair value hierarchy:
- Level 1: Inputs that are quoted market prices (unadjusted) in an active market for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: inputs that are unobservable. This category includes instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The determination of fair value for financial assets and liabilities for which there is no observable market price requires the use of valuation techniques. For financial instruments that trade infrequently and have little price transparency, fair value is less objective and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

e. Provisions and contingencies
In the measurement of provisions and contingencies, the Group estimates the amount of the liability using judgment. The provisions and contingencies recognised by the Group are mostly with regards to litigations and claims. In making the estimates, the Group relied on the advice of their internal and external legal counsel.

f. Criteria for determining significant increase in credit risk
Establishing the criteria for determining whether credit risk on a financial asset has increased significantly since initial recognition, determining the methodology for incorporating forward-looking information into the measurement of ECL and selection and approval of models used to measure ECL. See note 4.7(g)

6. Financial risk management
6.1 Introduction and overview
The Group defines risk as the possibility of losses or profits foregone, which may be caused by internal or external factors. The aim is to achieve an appropriate balance between risk and return and minimize potential adverse effects on the Group's financial performance. This note presents information about the Group's exposure to financial risks, its risk management policies/frameworks, processes for measuring and managing these risks, and its management of capital.

6.2. Enterprise risk management (ERM)
The underlying premise of the Group`s Enterprise Risk Management is that every entity exists to provide value for its stakeholders. The Group faces uncertainty that presents both risk and opportunities in pursuit of its mandate and these uncertainties can either erode or enhance value. Managing the enterprise risk in a consistent, efficient and sustainable manner is a critical priority, as the business environment faces unprecedented levels of complexity, changing geopolitical threats, new regulations and increasing shareholder demand. The Group seeks to achieve an appropriate balance between risk and reward in its business and strategy, and continues to build and enhance the risk management capabilities that will assist it in achieving its mandate in a controlled and risk cautious environment. The main benefits and objectives of the ERM Framework include the following:
- It provides a platform for the Board and Management to confidently make informed decisions regarding the trade-off between risk and reward;
- It aligns business decisions at the operating level to the appetite for risk;
- It balances operational control with the achievement of strategic objectives;
- It enables Management to systematically identify and manage significant risks on an aggregate basis; and
- It minimizes operational surprises and related costs or losses.

The Group has made significant progress in its risk management process. The ERM Framework addresses specific risk areas such as credit, market, liquidity, operational, compliance and reputational risks. Also, the following standalone policies were introduced:
- The Information Security Risk Framework.
- Business Continuity Management Policy.
- Stress Testing Framework.
- IFRS 9 Impairment Policy and Model Documentation
- Operational Risk Management Framework
- Reputational Risk Management Framework

To ensure seamless service and to manage security threats before they cause harm to the information technology and assets, the Bank successfully completed the recent Integrated Management System (IMS) Recertification & Transition Audit, covering ISO 27001:2022, ISO 20000:2018, and ISO 22301:2019, the standards are:
• ISO27001 Certification: The standard for Information Security;
• ISO 22301 Certification: The standard for Business Continuity Management; and
• ISO 20000 Certification: Information Technology Service Standard.

6.3. Risk management governance structure
The following Management committees, comprising of senior management staff support the Management Committee in performing its risk management roles:

a. Asset and Liability Management Committee (ALCO)
The Asset and Liability Committee (ALCO) is responsible for market, liquidity and investment risk management. The committee is responsible for implementing the Asset and Liability Management (ALM) policy.

b. Management Credit Committee (MCC)
The Management Credit Committee (MCC) is responsible for the effective and efficient management of all credit risks in the Bank and reports to the Board Management Credit and Risk Committee (BCRC) on all credit risk matters.

c. Management Risk Committee (MRC)
The Committee is responsible for managing other risks comprising of; Operational risks, Strategic risk, concentration risk, Reputational Risk, Legal Risk, Information security risk, Business Continuity Management, etc. Reports, deliberation and decisions at the committee are inputs to the quarterly Board Credit and Risk Committee (BCRC) reports.

The Group has exposures to the following risks from financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

6.4. Credit risk management
Credit risk is the risk that a borrower or counter party may not be able to honour its repayment obligations as and when due and in accordance with agreed loan terms and conditions; thereby exposing the Group to the risk of loss of earnings, capital impairment. Credit risks arise anytime the Group's funds are extended, committed, invested or otherwise exposed through actual or implied contractual agreements.

The Group's Risk Management philosophy is that moderate and guarded risk attitude will ensure sustainable growth in shareholder value and reputation.Extension of credit is guided by the Credit Policy Manual, which sets out specific rules for risk origination and management of the loan portfolio. The Policy also sets out the risk governance structure and the roles and responsibilities of different individuals and committees involved in the credit process.

The Group recognizes the fact that one of its main assets is its loan portfolio. Therefore, it actively safeguards and strives to continually improve the health of the portfolio. All PFI applications are scrutinized and it is ensured that they meet the eligibility criteria, execute the Master Lending Agreement and have no exceptions during due diligence and rigorous analysis is conducted before loan disbursement. Non-eligible PFIs are weeded out through the administration of preliminary eligibility criteria questionnaire and eligibility due diligence. Loans disbursed to on-boarded PFIs are constantly monitored to identify possible

The Group's Credit risk capital computation is in line with the CBN Guidance Notes on the Calculation of Capital Requirement for Credit Risk using the Standardized Approach. However, the goal of DBN is to apply sophisticated but realistic credit models and systems to monitor and manage credit risk.Ultimately these credit models and systems would form the foundation when applying the internal rating-based approach to the calculation of capital requirements. The development, implementation and application of these models would be guided by the DBN Group's Basel II framework and strategy.

The pricing of each credit granted is cost based and also reflects the level of risk inherent in the obligor. Subject to competitive forces, the Group implements a consistent pricing model for loans to PFIs. Each PFI's interest is guarded at all times and collateral quality is never the sole reason for a positive credit decision.

Provisions for credit losses meet both prudential guidelines set forth by the Central Bank of Nigeria, both for loans for which specific provisions exist as well as for the portfolio of performing loans, and IFRS 9 Expected Credit Loss (ECL) model. Development Bank of Nigeria Plc's credit process requires rigorous proactive and periodic review of the quality of the loan portfolio. This helps us to identify and remediate credit issues proactively.

The Management Credit Committee and Board Credit and Risk Committee perform reviews of the quality of our loan portfolio on a monthly and quarterly basis respectively. These are in addition to daily reviews performed by our Risk Management Department.

a. Principal Credit Policies
The following are the principal credit policies:

I. Credit Policy Manual
The core objective is to define in detail, the credit process and outline objectives, scope and responsibilities. This helps reduce bias and subjectivity in the credit decisions made at various levels of authority. The guidelines and requirements set forth in this policy are structured to maintain quality assets through a systematic approval process and a comprehensive system of requirements for credit monitoring and management. Embedded within the Credit Policy Manual are the different Internal Rating Models e.g. CAMELS used in determining the credit rating of PFIs and an independent servicer quality rating is also adopted for the purpose of assessing the PFIs' credit and loan administration and collection strength.

ii. Collateral Management Policy and Procedure
The objective of this policy is to ensure there are appropriate collaterals for all funds on-lent to end-borrowers through PFIs to minimize the risk of credit loss in the event of a default by a PFI. The Policy proffers the collateral acceptable as security from PFIs based on their category.

iii. Enterprise-wide Risk Management Policy
The core objective is to provide a reasonable degree of assurance to the Board of Directors that the risks threatening the Group's achievement of its vision are identified, measured, monitored and controlled through an effective integrated risk management system covering credit, market, operational, interest rate, liquidity and other material risks.

iv. Direct Lending Framework
The objective of this framework is to establish guidelines for extending credit directly to Non-regulated Financial Institutions, ensuring risk mitigation and alignment with the Bank's strategic goals. This risk management framework is aimed at adapting to specific challenges and dynamics associated with partnering with various entities within this arrangement.

b. Credit process
The credit process starts with the assessment of PFIs. Credit is initiated by the Relationship Management team and the proposed credit is subjected to review and approval by applicable credit approval authorities. Further to appropriate approval, loans are disbursed to beneficiaries that meet pre-disbursement requirements. On-going management of loans is undertaken by both the Relationship Management team and the Risk Management team.

If a preliminary analysis of a loan request by the Credit Operations Department indicates that it merits further scrutiny, it is then

analysed in greater detail by the department, with further detailed review by Risk Management. The concurrence ofRisk Management must be obtained for any credit extension. If the loan application passes the detailed analysis it is then submitted to the appropriate approval authority for the size of the facilities.

I. Credit risk measurement
Risk Rating Methodology
The credit rating of the PFI plays a fundamental role in final credit decisions as well as in the terms offered for successful loan applications. The Group employs a robust credit rating system in the determination of the PFI risks and this allows the maintenance of asset quality at a desired level.

The objective of the guideline on Risk Rating contained in the Credit Risk Manual is to ensure reliable and consistent PFI Risk Ratings and Facility Risk Ratings throughout the Group. The Risk rating methodology incorporates credit risk rating models which estimate risk ofPFI default All the Group's businesses that extend credit are subject to the Credit Policy Manual.

Credit Risk Rating Models in Development Bank of Nigeria Plc
The Group's risk rating model for measuring the risk of PFIs, originally based on the CAMELS Rating system, has been upgraded to the CAMELS+ Rating system with the addition of ESG parameters. The upgraded model has also undergone validation.

Risk Rating Process
All PFIs are subjected to the Risk Rating Process. The Risk Rating Process is an end-to-end process and includes models, guidelines, support adjustments, collateral adjustments, process controls, as well as any other defined processes that a PFI undertakes in order to arrive at the risk ratings.

Responsibilities of Business Units and Independent Risk Management
The Business unit and independent risk management have a joint responsibility for the overall accuracy of risk ratings assigned to obligors and facilities.

Risk Rating Scale and external rating equivalent
The Group operates a 10-point risk rating scale in line with those of international rating agencies, which will provide sufficient granularity to ensure better diversification ofthe risk profile ofthe Group's portfolios while avoiding excessive rating concentrations. The grade is composed ofnumbers from 1 to 10 (or AAA to D). The risk rating scale and the external rating equivalent is detailed below:

Grade			Explanatory Note
1+	1	AAA	PFIs are judged to be of the highest quality, subject to the lowest level of credit risk.
1	2	AA+	PFIs are judged to be of high quality and are subject to very low credit risk.
1-	3	AA	
2+	4	AA-	
2	5	A+	PFIs are judged to be upper-medium grade and are subject to low credit risk.
2-	6	A	
3+	7	A-	
3	8	BBB+	PFIs are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics.
3-	9	BBB	
4+	10	BBB-	
4	11	BB+	PFIs are judged to be speculative and are subject to substantial credit risk.
4-	12	BB	
5+	13	BB-	
5	14	B+	PFIs are considered speculative and are subject to high credit risk.
5-	15	B	
6+	16	B-	
6	17	CCC+	PFIs are judged to be speculative of poor standing and are subject to very high credit risk.
6-	18	CCC+	
7	19	CCC-	
8	20	CC	PFIs are highly speculative and are likely in, or very near, default, with some prospect of recovery of principal and interest.
9	21	C	PFIs are the lowest rated and are typically in default, with little prospect for recovery of principal or interest.
10	22	D	Lost.

ii. Credit Risk Control & Mitigation policy

Authority Limits on Credit

The highest credit approval authority is the Board of Directors, supported by the Board Credit and Risk Committee and further by the Management Credit Committee. The principle of central management of risk and decision authority is maintained by the Group.

Collateral Policy

It is the Group's policy that all credit exposures are adequately collateralised. Credit risk mitigation is an activity of reducing credit risk in an exposure or transferring it to counterparty, at facility level, by a safety net of tangible and realizable securities including approved third-party guarantees/ insurance.

Strategies for risk reduction at the transaction level differ from that at the portfolio level. At transaction level, the most common technique used is the collateralization ofthe exposures, by first priority claims or obtaining a third party guarantee. Other techniques include buying a credit derivative to offset credit risk at transaction level. At portfolio level, asset securitisation, credit derivatives etc. are used to mitigate risks in the portfolio.

Collateral acceptable and held as security from PFIs for funds on-lent to end-borrowers include:
- Treasury Bills, FGN or State Government Bonds;
- Corporate Bonds (Investment grade & above);
- Marketable securities (Stocks & Shares) of Investment grade companies;
- Legal Mortgage on quality residential or business premises;
- Legal Mortgage or debenture on PFI assets;
- Equitable Mortgages on quality real estates and legal mortgage on other locations;
- Equitable Mortgages on other locations;
- Guarantees: Personal, Corporate and Bank Guarantee; and
- Notification of DBN interest on movable securities pledged by end-borrowers to PFIs, registered in the National Collateral Registry (NCR).

Credit related commitments

It is the Group's policy that all credit exposures are adequately collateralised. Credit risk mitigation is an activity of reducing credit risk in an exposure.

iii. Credit Quality

The following table sets out information about the credit quality of financial assets measured at amortised cost. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts. Explanation of the terms 'Stage 1', 'Stage 2' and 'Stage 3' is included in Note 4.7(g).

Group					
In thousands of Naira		31 Dec 2025			
Loans and advances to customers at amortised cost	Note	Stage 1	Stage 2	Stage 3	Total
(B) Low–fair risk		528,925,127	-	-	528,925,127
(B-) Higher risk		-	-	804,739	804,739
Gross amount	**20**	**528,925,127**	**-**	**804,739**	**529,729,866**
Loss allowance	20	(28,487)	-	(738,651)	(767,137)
Carrying amount		**528,896,640**	**-**	**66,089**	**528,962,729**
In thousands of Naira	**Note**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Cash and Cash equivalents					
(B) Low–fair risk		181,987,836	-	-	181,987,836
Gross amount	**18**	**181,987,836**	**-**	**-**	**181,987,836**
Loss allowance	18	(306,013)	-	-	(306,013)
Carrying amount		**181,681,823**	**-**	**-**	**181,681,823**
In thousands of Naira	**Note**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Investment Securities					
(B) Low–fair risk		75,489,279	-	-	75,489,279
Gross amount	**19**	**75,489,279**	**-**	**-**	**75,489,279**
Loss allowance	19	(68,685)	-	-	(68,685)
Carrying amount		**75,420,594**	**-**	**-**	**75,420,594**
In thousands of Naira	**Note**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Other financial receivables					
(B) Low–fair risk		1,114,218	-	-	1,114,218
Gross amount	**24**	**1,114,218**	**-**	**-**	**1,114,218**
Loss allowance	24	(70,094)	-	-	(70,094)
Carrying amount		**1,044,124**	**-**	**-**	**1,044,124**

Group					
In thousands of Naira		31 Dec 2024			
Loans and advances to customers at amortised cost	Note	Stage 1	Stage 2	Stage 3	Total
(B) Low–fair risk		438,243,023	-	-	438,243,023
(B-) Higher risk		-	-	977,832	977,832
Gross loans	20	**438,243,023**	-	**977,832**	**439,220,855**
Loss allowance	20	(40,585)	-	(705,118)	(745,703)
Carrying amount		**438,202,438**	**-**	**272,714**	**438,475,152**
In thousands of Naira	**Note**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Cash and Cash equivalents					
(B) Low–fair risk		145,630,931	-	-	145,630,931
Gross amount	18	**145,630,931**	-	-	**145,630,931**
Loss allowance	18	(667,044)	-	-	(667,044)
Carrying amount		**144,963,887**	**-**	**-**	**144,963,887**
In thousands of Naira	**Note**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Investment Securities					
(B) Low–fair risk		98,340,758	-	-	98,340,758
Gross amount	19	**98,340,758**	-	-	**98,340,758**
Loss allowance	19	(40,705)	-	-	(40,705)
Carrying amount		**98,300,053**	**-**	**-**	**98,300,053**
In thousands of Naira	**Note**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Other financial receivables					
(B) Low–fair risk		643,535	-	-	643,535
Gross amount	24	**643,535**	-	-	**643,535**
Loss allowance	24	(96,047)	-	-	(96,047)
Carrying amount		**547,488**	**-**	**-**	**547,488**

The credit quality disclosures have been expanded for prior year to cover all financial assets.

Bank					
In thousands of Naira		31 Dec 2025			
Loans and advances to customers at amortised cost	Note	Stage 1	Stage 2	Stage 3	Total
(B) Low–fair risk		554,250,962	-	-	554,250,962
(B-) Higher risk		-	-	804,739	804,739
Gross loans	20	**554,250,962**	-	**804,739**	**555,055,701**
Loss allowance	20	(95,701)	-	(738,651)	(834,352)
Carrying amount		**554,155,260**	**-**	**66,089**	**554,221,349**
In thousands of Naira	**Note**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Cash and Cash equivalents					
(B) Low–fair risk		181,418,668	-	-	181,418,668
Gross amount	18	**181,418,668**	-	-	**181,418,668**
Loss allowance	18	(303,867)	-	-	(303,867)
Carrying amount		**181,114,801**	**-**	**-**	**181,114,801**

In thousands of Naira		31 Dec 2024			
Loans and advances to customers at amortised cost		Stage 1	Stage 2	Stage 3	Total
(B) Low–fair risk		462,465,342	-	-	462,465,342
(B-) Higher risk		-	-	977,832	977,832
Gross loans	20	**462,465,342**	-	**977,832**	**463,443,174**
Loss allowance	20	(106,674)	-	(705,118)	(811,792)
Carrying amount		**462,358,668**	-	**272,714**	**462,631,382**
In thousands of Naira	**Note**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Cash and Cash equivalents					
(B) Low–fair risk		144,283,437	-	-	144,283,437
Gross amount	18	**144,283,437**	-	-	**144,283,437**
Loss allowance	18	(662,085)	-	-	(662,085)
Carrying amount		**143,621,352**	-	-	**143,621,352**
In thousands of Naira	**Note**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Investment Securities					
(B) Low–fair risk		35,759,231	-	-	35,759,231
Gross amount	19	**35,759,231**	-	-	**35,759,231**
Loss allowance	19	(15,511)	-	-	(15,511)
Carrying amount		**35,743,720**	-	-	**35,743,720**

The credit quality disclosures have been expanded for prior year to cover all financial assets.

c. Amounts arising from ECL

I. Significant increase in credit risk

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis,based on the Group's historical experience and expert credit assessment and including forward-looking information.

The objective of the assessment is to identify whether a significant increase in credit risk has occurred for an exposure by comparing:
- the remaining lifetime probability of default (PD) as at the reporting date; with
- the remaining lifetime PD for this point in time that was estimated at the time ofinitial recognition ofthe exposure (adjusted where appropriate for changes in prepayment expectations).

The Group uses three criteria for determining whether there has been a significant increase in credit risk:- a quantitative test based on movement in PD;
- qualitative indicators; and
- a backstop of 30 days past due

Generating the term structure of PD

The Group had employs the Pluto-Tasche methodology, a globally recognized methodology for zero and low default portfolios, in estimating Probability of Default (PD) for its loans and advances as against the external mapping approach adopted in prior years. Credit risk grades are a primary input into the determination of the term structure of PD for exposures. The Group collects performance and default information about its credit risk exposures. For some portfolios, information purchased from external credit reference agencies is also used.

Determining whether credit risk has increased significantly

The Group assesses whether credit risk has increased significantly since initial recognition at each reporting date. As a general indicator, the credit risk of a particular exposure is deemed to have increased significantly since initial recognition if, the exposure is more than 30 days past due on the contractual amount.

Credit risk may also be deemed to have increased significantly since initial recognition based on qualitative factors linked to the Group's credit risk management processes that may not otherwise be fully reflected in its quantitative analysis on a timely basis. This will be the case for exposures that meet certain heightened risk criteria, such as placement on a watch list. Such qualitative factors are based on its expert judgement and relevant historical experiences.

The Group identifies key drivers behind changes in credit risk for portfolios. Generally, a significant increase in credit risk is assessed based on the estimation of PDs and consideration of qualitative factors, each of which are designed to reflect forward-looking information, on an individual instrument basis as described above. However, if the Group identifies a key driver that is not considered in the individual assessment on a timely basis, then the Group will evaluate whether there is reasonable and supportable information that enables it to make an additional assessment on a collective basis with respect to all or some of a portfolio. This may lead to the Group concluding that a segment or proportion of a portfolio has undergone a significant increase in credit risk.

As a backstop, the Group considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received. Due dates are determined without considering any grace period that might be available to the borrower. Management overlays may be applied to the model outputs if consistent with the objective of identifying a significant increase in credit risk.

If there is evidence that there is no longer a significant increase in credit risk relative to initial recognition, then the loss allowance on an instrument returns to being measured at 12-month ECL. Some qualitative indicators of an increase in credit risk, such as delinquency or forbearance, may be indicative of an increased risk of default that persists after the indicator itself has ceased to exist. In these cases, the Group determines a probation period during which the financial asset is required to demonstrate good behaviour to provide evidence that its credit risk has declined sufficiently. When the contractual terms of a loan have been modified, evidence that the criteria for recognising lifetime ECL are no longer met includes a history of up-to-date payment performance against the modified contractual terms.

The Group monitors the effectiveness of the criteria used to identify significant increases in credit risk by regular reviews to confirm that:
- the criteria are capable of identifying significant increases in credit risk before an exposure is in default;
- the criteria do not align with the point in time when an asset becomes 30 days past due;
- the average time between the identification of a significant increase in credit risk and default appears reasonable;
- exposures are not generally transferred directly from 12-month ECL measurement to credit impaired; and
- there is no unwarranted volatility in loss allowance from transfers between 12-month PD (Stage1) & lifetime PD (Stage2).

ii. Definition of default

The Group considers a financial asset to be in default when:
- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held);
- the borrower is more than 90 days past due on any material credit obligation to the Group. Overdrafts are considered as being past due once the customer has breached an advised limit or been advised of a limit smaller than the current amount outstanding; or
- it is becoming probable that the borrower will restructure the asset as a result of bankruptcy due to the borrower's inability to pay its credit obligations.

In assessing whether a borrower is in default, the Group considers indicators that are:
- qualitative: e.g. breaches of covenant;

- quantitative: e.g. overdue status and non-payment on another obligation of the same issuer to the Group; and
- based on data developed internally and obtained from external sources.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances

iii. Incorporation of forward-looking information

The Group formulates three economic scenarios: a base case, which is the central scenario, developed internally based on consensus forecasts, and two less likely scenarios, one upside and one downside scenario. The central scenario is aligned with information used by the Group for other purposes such as strategic planning and budgeting. External information considered includes economic data and forecasts published by governmental bodies and monetary authorities in the countries where the Group operates, supranational organisations such as the OECD and the International Monetary Fund, and selected private-sector and academic forecasts.

The Crude Price (2024: Crude price and unemployment rate) in Nigeria was taken as the key macroeconomic variable for the purpose of factoring forward-looking information (FLI) into the ECL estimate across its portfolios. An estimation of 39% deterioration in the forecasted Crude Price were taken as the downside scenario and 33% improvements in the forecasted economic variables were taken as the upside scenario. Scenario probability weights were taken as 33%:28%:39% for Upside, Central and Downside respectively. The Bank performed linear regression using the Bank wide NPL ratio as its dependent variable.The NPL ratio was used as a proxy for the default rate as the dependent variable

The table below lists the macroeconomic assumptions used in the upside, central and downside scenarios. The assumptions represent the absolute amount for crude oil price

31 December 2025			
Forward Looking Information		**2026**	**2027**
Crude Oil Price (USD per barrel)	Upside	61.32	63.65
	Central	66.31	66.18
	Downside	56.00	60.40
31 December 2024			
Forward Looking Information		**2025**	**2026**
Crude Oil Price (USD per barrel)	Upside	89.00	61.32
	Central	92.00	66.31
	Downside	72.00	56.00
Unemployment Rate	Upside	3.00%	4.00%
	Central	3.10%	4.50%
	Downside	3.30%	5.00%

The scenario probability weightings applied in measuring ECL are as follows.

	2025			2024		
At 31 December	**Upside**	**Central**	**Downside**	**Upside**	**Central**	**Downside**
Scenario probability weighting	32.79%	27.87%	39.34%	14.55%	63.64%	21.82%

Periodically, the Group carries out stress testing of more extreme shocks to calibrate its determination of the upside and downside representative scenarios. A comprehensive review is performed at least annually on the design of the scenarios by a panel of experts that advises the Group's senior management.

The Group 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. The key drivers for credit risk are: inflation rates and monetary policy rate.

iv. Sensitivity of ECL to future economic conditions

The ECL are sensitive to judgements and assumptions made regarding formulation of forward looking scenarios and how such scenarios are incorporated into the calculations. IFRS 9 [B5.5.51] states that an entity need not undertake an exhaustive search for information but shall consider all reasonable and supportable information that is available without undue cost or effort and that is relevant to the estimate of expected credit losses. In addition, an entity is not required to incorporate forecasts of future economic conditions over the entire life of a financial instrument. Rather, it suffices for an entity to extrapolate projections for periods that are far in the future from available information.

The Group has opted for the bottom-up approach (this approach entails adjusting the components of ECL (Loss Given Default and Probability of Default) for Forward Looking Information (FLI) such that upon arriving at the ECL, it would need no further adjustment for FLIs) by using linear regression to incorporate FLI into PD estimation.

The table below outlines the total ECL for wholesale portfolios as at 31 December 2025, if each of the key assumptions used change by plus or minus 10%. The responsiveness of the ECL estimates to variation in macroeconomic variables have been presented below while putting in perspective, interdependencies between the various economic inputs.

Group	2025	
In thousands of naira	-10%	+10%
P/L Impact of change in Macroeconomic variable	(590)	381
Asset Quality Impact of change in PD	(2,397)	2,397
Asset Quality Impact of change in LGD	(4,442)	4,442
	2024	
In thousands of naira	-10%	+10%
P/L Impact of change in Macroeconomic variable	(573)	370
Asset Quality Impact of change in PD	(2,330)	2,330
Asset Quality Impact of change in LGD	(4,318)	4,318

The sensitivity disclosures for macroeconomics have been updated to included the sensitivity analysis for 2024.

Bank	2025	
In thousands of naira	-10%	+10%
P/L Impact of change in Macroeconomic variable	(642)	414
Asset Quality Impact of change in PD	(2,607)	2,607
Asset Quality Impact of change in LGD	(4,832)	4,832
	2024	
In thousands of naira	**-10%**	**+10%**
P/L Impact of change in Macroeconomic variable	(624)	403
Asset Quality Impact of change in PD	(2,537)	2,537
Asset Quality Impact of change in LGD	(4,701)	4,701

The sensitivity disclosures for macroeconomics have been updated to included the sensitivity analysis for 2024.

v. 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 in accordance with the accounting policy set out in Note 4.7d. When the terms of a financial asset are modified and the modification does not result in derecognition, the determination of whether the asset's credit risk has increased significantly reflects comparison of:
its remaining lifetime PD at the reporting date based on the modified terms; with
the remaining lifetime PD estimated based on data on initial recognition and the original contractual terms.

- When modification results in derecognition, a new loan is recognised and allocated to Stage 1 (assuming it is not credit-impaired at that time)

The Group renegotiates loans to customers in financial difficulties (referred to as 'forbearance activities') to maximise collection opportunities and minimise the risk of default. Under the Group's forbearance policy, loan forbearance 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. Both retail and corporate loans are subject to the forbearance policy. The Group Credit Committee regularly reviews reports on forbearance activities.

For financial assets modified as part of the Group's forbearance policy, the estimate of PD reflects whether the modification has improved or restored the Group's ability to collect interest and principal and the Group's previous experience of similar forbearance action. As part of this process, the Group evaluates the borrower's payment performance against the modified contractual terms and considers various behavioural indicators

Generally, forbearance is a qualitative indicator of a significant increase in credit risk and an expectation of forbearance may constitute evidence that an exposure is credit-impaired (see Note 4.7(g)). A customer needs to demonstrate consistently good payment behaviour over a period oftime before the exposure is no longer considered to be credit-impaired/in default or the PD is considered to have decreased such that it falls within the 12-month PD ranges for the asset to be considered Stage 1.

vi. Measurement of ECL

The key inputs into the measurement of ECL are the term structure of the variables below. The parameters are generally derived from internally developed statistical models and other historical data and they are adjusted to reflect forward-looking information

Probability of default (PD);
Loss given default (LGD); and
Exposure at default (EAD).

- ECL for exposures in Stage 1 are calculated by multiplying the 12-month PD by LGD and EAD. Lifetime ECL are calculated by multiplying the lifetime PD by LGD and EAD.

PD is an estimate ofthe likelihood of default over a given time horizon, which are calculated based on statistical rating models, 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 rating classes, then this will lead to a change in the estimate ofthe associated PD. PDs are estimated considering the contractual maturities ofexposures and estimated prepayment rates. The methodology for estimating PDs is discussed above under the heading 'Generating the term structure of PD'

LGD is the measure ofthe proportion ofthe outstanding balance that the Bank stands to lose in the event of a default. Multi-year LGD is a collection ofLGD values referring to different time periods over the lifetime of a financial instrument. The Group determines LGD based on the following: market value of collateral, collateral haircut, direct recovery cost, time to recovery, unsecured recovery and effective Interest Rate.

EAD represents the expected exposure in the event of a default. The Group derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract and arising from amortisation. The EAD of a financial asset is its gross carrying amount at the time of default. For lending commitments, the EADs are potential future amounts that may be drawn under the contract, which are estimated based on historical observations and forward-looking forecasts. For financial guarantees, the EAD represents the amount of the guaranteed exposure when the financial guarantee becomes payable. For some financial assets, EAD is determined by modelling the range ofpossible exposure outcomes at various points in time using scenario and statistical techniques.

As described above, and subject to using a maximum of a 12-month PD for Stage 1 financial assets, the Group measures ECL 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 credit risk management purposes, the Group considers a longer period. The maximum contractual period extends to the date at which the Group has the right to require repayment of an advance or terminate a loan commitment or guarantee.

Where modelling of a parameter is carried out on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics, which may include: instrument type, credit risk grade, collateral type, LTV ratio for retail mortgages, date of initial recognition, remaining term to maturity, industry and geographic location of the borrower. The groupings are subject to regular review to ensure that exposures within a particular group remain appropriately homogeneous. For portfolios in respect of which the Group has limited historical data, external benchmark information is used to supplement the internally available data.

Discount rate

IFRS 9 provides guidance on the discount rate to be used to factor in time value of money into ECL:
Generally, ECL shall be discounted using EIR at initial recognition or current EIR if the exposure has variable interest rate

vii. For purchased or originated credit-impaired financial instruments, credit-adjusted EIR at origination will be used in discounting,
For the purpose of multi-year ECL computation, the Effective Interest Rate (EIR) is used as the discount rate.

- Loss allowance

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument. The basis for determining transfers due to changes in credit risk is set out in our accounting policy; see Note 4.7.

Group					
in thousands of Naira	Note	2025			
Loans and advances to customers at amortized cost Gross carrying amount		Stage 1	Stage 2	Stage 3	Total
Balance at 1 January		438,243,023	-	977,832	439,220,855
Transfer to Stage 1		-	-	-	-
Transfer to Stage 2		-	-	-	-
Transfer to Stage 3		-	-	-	-
Interest accrued		70,985,458	-	-	70,985,458
Loans disbursed during the year		358,846,260	-	-	358,846,260
Loan repayments received during the year		(339,149,614)	-	(173,093)	(339,322,707)
Balance at 31 December	20	528,925,127	-	804,739	529,729,866
Loss allowance					
Balance at 1 January		40,585	-	705,118	745,703
Transfer to Stage 1		-	-	-	-
Transfer to Stage 2		-	-	-	-
Transfer to Stage 3		(33,533)	-	33,533	-
Loans disbursed during the year		107,640	-	-	107,640
Loan repayments received during the year		(86,206)	-	-	(86,206)
Balance at 31 December	20	28,486	-	738,651	767,137

in thousands of Naira	Note	2024			
Loans and advances to customers at amortized cost Gross carrying amount		Stage 1	Stage 2	Stage 3	Total
Balance at 1 January		410,517,648	-	-	410,517,648
Transfer to Stage 1		-	-	-	-
Transfer to Stage 2		-	-	-	-
Transfer to Stage 3		(977,832)	-	977,832	-
Interest accrued		57,422,034	-	-	57,422,034
Loans disbursed during the year		274,530,653	-	-	274,530,653
Loan repayments received during the year		(303,249,480)	-	-	(303,249,480)
Balance at 31 December	20	438,243,023	-	977,832	439,220,855
Loss allowance					
Balance at 1 January		171,700	-	-	171,700
Transfer to Stage 1		-	-	-	-
Transfer to Stage 2		-	-	-	-
Transfer to Stage 3		(705,118)	-	705,118	-
Loans disbursed during the year		466,095	-	-	466,095
Loan repayments received during the year		107,908	-	-	107,908
Balance at 31 December	20	40,585	-	705,118	745,703

The credit quality (loss allowance) disclosures for loans have been expanded for prior year to cover gross carrying amount reconcilation per staging buckets.

Investment securities - treasury bills and FGN bonds (in thousands of Naira)		2025	2024
Balance at 1 January		40,705	113,030
Net remeasurement of loss allowance		-	-
Additions to investment securities		27,980	(72,325)
Redemption of investment securities		-	-
Balance at 31 December	19	68,685	40,705

Cash and cash equivalent - Placements (in thousands of Naira)		2025	2024
Balance at 1 January		667,044	350,828
Net remeasurement of loss allowance		-	-
Additions to placements		2,357,457	4,163,878
Redemption of placements		(2,718,488)	(3,847,662)
Balance at 31 December	18	306,013	667,044

Provision for guarantee (in thousands of Naira)		2025	2024
Balance at 1 January		342,487	220,818
Guarantee expense for the period		1,094,552	575,857
Claims paid during the period		(1,101,203)	(454,188)
Balance at 31 December	26	335,836	342,487

Bank					
in thousands of Naira		2025			
Loans and advances to customers at amortized cost Gross carrying amount	Note	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January		462,465,342	-	977,832	463,443,174
Transfer to Stage 1		-	-	-	-
Transfer to Stage 2		-	-	-	-
Transfer to Stage 3		-	-	-	-
Interest accrued		72,088,934	-	-	72,088,934
Loans disbursed during the year		358,846,260	-	-	358,846,260
Loan repayments received during the year		(339,149,574)	-	(173,093)	(339,322,667)
Balance at 31 December		**554,250,962**	**-**	**804,739**	**555,055,701**
Loss allowance					
Balance at 1 January		106,674	-	705,118	811,792
Transfer to Stage 1		-	-	-	-
Transfer to Stage 2		-	-	-	-
Transfer to Stage 3		(33,533)	-	33,533	-
Loans disbursed during the year		107,640	-	-	107,640
Loan repayments received during the year		(85,080)	-	-	(85,080)
Balance at 31 December	20	**95,701**	**-**	**738,651**	**834,352**

in thousands of Naira		2024			
Loans and advances to customers at amortized cost Gross carrying amount		Stage 1	Stage 2	Stage 3	Total
Balance at 1 January		410,517,648	-	-	410,517,648
Transfer to Stage 1		-	-	-	-
Transfer to Stage 2		-	-	-	-
Transfer to Stage 3		(977,832)	-	977,832	-
Interest accrued		58,492,110	-	-	58,492,110
Loans disbursed during the year		298,752,971	-	-	298,752,971
Loan repayments received during the year		(304,319,555)	-	-	(304,319,555)
Balance at 31 December	20	**462,465,342**	**-**	**977,832**	**463,443,174**
Loss allowance					
Balance at 1 January		171,700	-	-	171,700
Transfer to Stage 1		-	-	-	-
Transfer to Stage 2		-	-	-	-
Transfer to Stage 3		(705,118)	-	705,118	-
Loans disbursed during the year		523,312	-	-	523,312
Loan repayments received during the year		116,780	-	-	116,780
Balance at 31 December	20	**106,674**	**-**	**705,118**	**811,792**

The credit quality (loss allowance) disclosures for loans have been expanded for prior year to cover gross carrying amount reconcilation per staging buckets.

Investment securities - treasury bills and FGN bonds (in thousands of Naira)		2025	2024
Balance at 1 January		15,511	67,241
Additions to investment securities		-	15,511
Redemption of investment securities		(15,511)	(67,241)
Balance at 31 December	19	**-**	**15,511**

Cash and cash equivalent - Placements (in thousands of Naira)		2025	2024
Balance at 1 January		662,085	264,229
Additions to placements		2,335,866	3,966,607
Redemption of placements		(2,694,084)	(3,568,751)
Balance at 31 December	18	**303,867**	**662,085**

d Exposure to credit risk

Credit risk exposures relating to financial assets are as follows:

Group	Note	Cash and cash equivalents		Loans and advances at amortised costs		Investment securities		Other assets	
In thousands of Naira		31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-25
Carrying amount		181,681,823	144,963,887	528,962,729	438,475,152	75,420,594	98,300,053	1,160,569	61,073,959
Guaranteed amount		-	-	-	-	-	-	-	-
12-month ECL:									
Cash and cash equivalents	18	181,987,836	145,630,931	-	-	-	-	-	-
Investment securities	19	-	-	-	-	75,489,279	98,340,758	-	-
Performing loans and advances	20	-	-	528,925,127	438,243,023	-	-	-	-
Other assets	24	-	-	-	-	-	-	1,230,663	61,170,006
Lifetime ECL:									
Non-performing loans and advances		-	-	804,739	977,832	-	-	-	-
Gross amount		**181,987,836**	**145,630,931**	**529,729,866**	**439,220,855**	**75,489,279**	**98,340,758**	**1,230,663**	**61,170,006**
Allowance for impairment		(306,013)	(667,044)	(767,137)	(745,703)	(68,685)	(40,705)	(70,094)	(96,047)
Carrying amount		**181,681,823**	**144,963,887**	**528,962,729**	**438,475,152**	**75,420,594**	**98,300,053**	**1,160,569**	**61,073,959**
Total carrying amount - amortised cost		**181,681,823**	**144,963,887**	**528,962,729**	**438,475,152**	**75,420,594**	**98,300,053**	**1,160,569**	**61,073,959**

Group	Note	Cash and cash equivalents		Loans and advances at amortised costs		Investment securities		Other assets	
In thousands of Naira		31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-25
Carrying amount		181,114,801	143,621,352	554,221,349	462,631,382	-	35,743,720	219,589	60,501,687
Guaranteed amount		-	-	-	-	-	-	-	-
12-month ECL:									
Cash and cash equivalents	18	181,418,668	144,283,437	-	-	-	-	-	-
Investment securities	19	-	-	-	-	-	35,759,231	-	-
Performing loans and advances	20	-	-	554,250,962	462,465,342	-	-	-	-
Other assets	24	-	-	-	-	-	-	219,589	60,501,687
Lifetime ECL:									
Non-performing loans and advances		-	-	804,739	977,832	-	-	-	-
Gross amount		**181,418,668**	**144,283,437**	**555,055,701**	**463,443,174**	**-**	**35,759,231**	**219,589**	**60,501,687**
Allowance for impairment		(303,867)	(662,085)	(834,352)	(811,792)	-	(15,511)	-	-
Carrying amount		**181,114,801**	**143,621,352**	**554,221,349**	**462,631,382**	**-**	**35,743,720**	**219,589**	**60,501,687**
Total carrying amount - amortised cost		**181,114,801**	**143,621,352**	**554,221,349**	**462,631,382**	**-**	**35,743,720**	**219,589**	**60,501,687**

Balances included in Other Assets above are those subject to credit risks. The tables above shows a worst case scenario of credit risk exposure to the Group and Bank as at 31 December 2025 and 31 December 2024, without taking account of any collateral held or other credit enhancements attached. The exposures set out above are based on net amounts reported in the statements of financial position. The Directors are confident in their ability to continue to control exposure to credit risk which can result from both its Loans and advances portfolio and Investment securities

The movement in the allowance for impairment in respect of loans and advances during the year was as follows:

In thousands of Naira	Specific Impairments	IFRS 9 ECL Impairments
Balance at 1 January 2025	(705,118)	(745,703)
Additional Impairment charge	(33,533)	(33,533)
Amounts written back	-	12,099
	(738,651)	**(767,137)**

Cash and cash equivalent: The Group held cash and cash equivalents with maturity profile of less than 3 months with local banks and the Central Bank of Nigeria (CBN). The Group had deemed impairment on these balances immaterial due to good and improved credit rating of CBN (AAA(NG)).

Investment securities: The Group limits its exposure to credit risk by investing in highly liquid money market instruments issued by the Central Bank of Nigeria. The Bank did not have any investment ecurities, carried at amortised cost, that were impaired as at 31 December 2025 (2024:Nil)

Other assets: The Group's other asset is made up of guarantee fee receivables, receivables from month-end cash advances to staff and advanced professional fees. The credit risk on this is considered low.

e. Concentration of credit risk

The Group monitors concentrations of credit risk by sector and by geographic location. An analysis of concentrations of credit risk at the reporting date is shown below:

Group In thousands of Naira	Note	Cash and cash equivalents		Loans and advances at amortised costs		Investment securities		Other assets	
		31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
Carrying amount		181,681,823	144,963,887	528,962,729	438,475,152	75,420,594	98,300,053	1,160,569	61,073,959
Concentration by sector:									
Finance		181,480,853	144,762,917	528,962,729	438,475,152	-	-	1,091,934	630,664
Government		200,970	200,970	-	-	75,420,594	98,300,053	-	-
Others		-	-	-	-	-	-	68,635	60,443,295
		181,681,823	**144,963,887**	**528,962,729**	**438,475,152**	**75,420,594**	**98,300,053**	**1,160,569**	**61,073,959**

Concentration by location: In thousands of Naira	Cash and cash equivalents		Loans and advances at amortised costs		Investment securities		Other assets	
	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
Abuja	200,970	200,970	53,789,327	66,866,609	75,420,594	98,300,053	116,445	60,416,818
North East	-	-	31,143,968	16,354,914	-	-	-	-
North West	-	-	59,595,829	40,689,976	-	-	-	-
North Central	-	-	47,243,815	37,313,760	-	-	-	-
South South	-	-	52,311,308	46,170,845	-	-	-	-
South West	181,480,853	144,762,917	249,353,245	205,554,534	-	-	1,044,124	657,141
South East	-	-	35,525,238	25,524,514	-	-	-	-
Outside Nigeria	-	-	-	-	-	-	-	-
	181,681,823	144,963,887	528,962,730	438,475,152	75,420,594	98,300,053	1,160,569	61,073,959

Concentration by location for loans and advances are measured based on the location of the borrower. Concentration by location for Investment securities are measured based on the location of the issuer

Bank In thousands of Naira	Note	Cash and cash equivalents		Loans and advances at amortised costs		Investment securities		Other assets	
		31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
Carrying amount		181,114,801	143,621,352	554,221,349	462,631,382	35,743,720	35,743,720	219,589	60,501,687
Concentration by sector:									
Finance		180,913,831	143,420,382	554,221,349	462,631,382	-	-	103,144	84,869
Government		200,970	200,970	-	-	35,743,720	35,743,720	-	-
Others		-	-	-	-	-	-	116,445	60,416,818
		181,114,801	143,621,352	554,221,349	462,631,382	35,743,720	35,743,720	219,589	60,501,687

Concentration by location: In thousands of Naira	Cash and cash equivalents		Loans and advances at amortised costs		Investment securities		Other assets	
	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
Abuja	200,970	200,970	56,363,180	66,866,609	-	35,743,720	116,445	60,416,818
North East	-	-	32,634,226	16,354,914	-	-	-	-
North West	-	-	62,447,527	40,689,976	-	-	-	-
North Central	-	-	49,504,462	37,313,760	-	-	-	-
South South	-	-	54,814,437	46,170,845	-	-	-	-
South West	180,913,831	143,420,382	261,232,374	205,554,534	-	-	103,144	84,869
South East	-	-	37,225,143	49,680,744	-	-	-	-
Outside Nigeria	-	-	-	-	-	-	-	-
	181,114,801	143,621,352	554,221,349	462,631,382	-	35,743,720	219,589	60,501,687

Concentration by location for loans and advances are measured based on the location of the borrower. Concentration by location for Investment securities are measured based on the location of the issuer.

f Estimate of the fair value of collateral and other security enhancements

The general credit worthiness of a customer tends to be the most relevant indicator of credit quality of a loan extended to it. However, collateral provides additional security and the Group generally requests that corporate borrowers provide it. The Group may take collateral in the form of a first charge over real estate, floating charges over all corporate assets and other liens and guarantees. Collateral values are assessed by a professional at the time of loan origination and are thereafter monitored in accordance with the provisions of the credit policy. There is no collateral held against other financial assets inclusive of investments.

The Group does not sell or repledge the collateral in the absence of default by the owner of the collateral. In addition to the Group's focus on credit worthiness, the Group aligns with its credit policy guide to periodically update the validation of collaterals held against all loans to customers. For impaired loans, the Group obtains appraisals of collateral because the fair value of the collateral is an input to the impairment measurement.

The Group's policies regarding obtaining collateral have not significantly changed during the reporting period and there has been no significant change in the overall quality of the collateral held by the Group since the prior period.

The table below sets out the carrying amount and the value of identifiable collateral held against loans and advances to customers measured at amortised cost. For each loan, the value of disclosed collateral is capped at the nominal amount of the loan that it is held against

Group in thousands of Naira	31 December 2025		31 December 2024	
	Carrying Amount	Collateral	Carrying Amount	Collateral
Stages 1	528,157,990	571,050,293	437,497,320	446,384,198
Stage 3	804,739	-	977,832	276,727

Bank *in thousands of Naira*	31 December 2025		31 December 2024	
	Carrying Amount	Collateral	Carrying Amount	Collateral
Stages 1	553,416,610	571,050,293	461,653,550	446,384,198
Stage 3	804,739	-	977,831.58	276,726.92

Market risk management
Market risk is the risk that movements in market factors, such as foreign exchange rates and interest rates, credit spreads and equity prices, will reduce the Group's income or the value of its portfolios. The Group is mainly exposed to market risk arising from non-traded interest rate risk in its banking book

Market risk management and control
The Group's ability to effectively identify, assess, monitor and manage market risks involved in its activities is critical to its soundness and profitability. The Group is exposed to market risk mainly through adverse movements in interest rates. Market risk is managed in line with the approved Asset and Liability Management (ALM) Policy. The limits and thresholds contained in the policy are monitored by the Risk Management department to ensure compliance.

The market risk exposure limits, or any changes to them, are proposed by the Head, Treasury and Investments and then reviewed by the Chief Risk Officer, who then presents the proposed review for the consideration of the Board Credit and Risk Committee, the committee thereafter recommend the amendment(s) for Board approval. The size of each limit is based on, among other factors, underlying liquidity, risk appetite, as well as legal limitations on individual positions imposed by authorities in Nigeria.

All market risks are reported to the Asset and Liability Committee (ALCO) monthly and Board Credit and Risk Committee (BCRC) quarterly with recommendations made concerning the risk profile including risk appetite, limits and utilization. The Heads of Business, assisted by the Risk Management Department, is accountable for all market risks associated with its activities.

The Group has a dedicated risk team with the sole responsibility of implementing the market risk section of the Enterprise Risk Management Framework.

Identifying the growing importance of market risks in the Group's operations, management has continued to ensure adequate internal controls and capital resources to address these risks. A range of tools for managing market risk are used, including:

- Stress/Scenario testing
Stress testing provides an indication of the potential size of losses that could arise in extreme conditions. It helps to identify risk concentrations across business lines and assist management in capital planning decisions.

In line with the Board approved Stress Testing Framework, a consistent stress testing methodology is applied to the Balance sheet. The stress testing methodology assumes that scope for management action would be limited during a stress event, reflecting the decrease in market liquidity that often occurs. The Group performs two main types of stress/scenario testing. Firstly, risk factor stress testing, where extended historical stress moves are applied to each of the main risk categories, which include interest rate, liquidity and credit spread risk. Secondly, multi-factor scenarios that simulate past periods of significant market disturbance and hypothetical extreme yet plausible events.

Stress scenarios are regularly updated to reflect changes in risk profile and economic events. Regular stress test scenarios are applied to interest rates, credit spreads and liquidity risk. Ad hoc scenarios are also prepared reflecting specific market conditions and for particular concentrations of risk that arise within the businesses.

- Risk limits
Risk limits are set and reviewed at least annually to control treasury activities in line with the defined risk appetite of the Group. Criteria for setting risk limits include relevant market analysis, market liquidity and business strategy. Appropriate performance triggers are also used as part of the risk management process.

a Interest rate risk

Interest rate risk is the exposure of the Group's financial condition to adverse movements in interest rates, yield curves and credit spreads. The Group is exposed to interest rate risk through the interest bearing assets and liabilities in its book. Interest rate risk is the risk to earnings or capital arising from movement of interest rates. It generally arises from:

- Repricing risk: risks related to the timing mismatch in the maturity and repricing of assets and liabilities and off balance sheet short and long term positions
- Basis risk: risks arising from hedging exposure to one interest rate with exposure to a rate which reprices under slightly different conditions
- Yield curve risk: risks arising from changes in the slope and the shape of the yield curve.
- Optional risk: risks arising from options, including embedded options

Interest rate risk arises when there is a mismatch between positions which are subject to interest rate adjustments within a specified period. The most important source of interest rate risk is the Group's lending, funding and investment activities, where fluctuations in interest rates are reflected in carrying values of these instruments as well as interest margins and earnings.

The objective for management of interest rate risk in the banking book is to ensure a higher degree of interest rate mismatch margin stability and lower interest rate risk over an interest rate cycle. This is achieved by hedging material exposures with the external market

The Group's operations are subject to the risk of interest rate fluctuations to the extent that interest-earning assets and interest-bearing liabilities mature or re-price at different times or in differing amounts. In the case of floating rated assets and liabilities, the Group is also exposed to basis risk, which is the difference in re-pricing characteristics of the various floating rate indices, such as the 90-day Treasury Bills, 10year Bond and different types of interest. These risks impact both the earnings and the economic value of the Group. Overall non-trading interest rate risk positions are managed by Treasury, which uses investment securities and advances to banks to manage the overall position arising from the non-trading activities.

Interest-rate risk is monitored with a Repricing Gap report and Sensitivity Analysis of the Net Gap Position. Also, a limit framework is in place to ensure that retained risk remains within approved appetite.

A summary of the Group's interest rate gap position on financial instruments is as follows:

31 December 2025

In thousands of Naira		Re-pricing period									
		Up to 1 month	1 - 3 months	3 - 6 months	6 - 12 months	1 -5 years	5 -15 years	Over 15 years	Total amount sensitive to rate	Non rate sensitive	Carrying amount
Cash and balances with banks	18	1,520,645	267,039	-	-	-	-	-	267,039	1,520,645	1,787,684
Placements with Banks	18	155,640,884	24,253,255	-	-	-	-	-	-	179,894,139	179,894,139
Investment securities	19	1,498,282	14,663,204	6,583,813	52,675,296	-	-	-	-	75,420,594	75,420,594
Loans and advances	20	966,771	40,006,176	50,847,798	138,319,021	298,822,963	-	-	528,962,729	-	528,962,728
Other assets	24	3,910,467	-	-	-	-	-	-	3,910,467	-	3,910,467
		163,537,049	79,189,674	57,431,611	190,994,317	298,822,963	-	-	533,140,235	256,835,378	789,975,612
Borrowings	27	-	-	-	-	(29,559,068)	(242,477,116)	(138,974,667)	(411,010,850)	-	(411,010,850)
Debt security issued	28	-	-	-	-	(24,356,665)	-	-	-	(24,356,665)	(24,356,665)
Other financial liabilities	30	(504,883)		-	-	(15,907,610)	-	-	-	(16,412,493)	(16,412,493)
		(504,883)	-	-	-	(69,823,343)	(242,477,116)	(138,974,667)	(411,010,850)	(40,769,158)	(451,780,008)
Total interest re-pricing gap		163,032,167	79,189,674	57,431,611	190,994,317	228,999,620	(242,477,116)	(138,974,667)	122,129,385	216,066,220	338,195,604

31 December 2024

In thousands of Naira		Re-pricing period									
		Up to 1 month	1 - 3 months	3 - 6 months	6 - 12 months	1 -5 years	5 -15 years	Over 15 years	Total amount sensitive to rate	Non rate sensitive	Carrying amount
Cash and balances with banks	18	1,180,907	200,970	-	-	-	-	-	200,970	1,180,907	1,381,877
Placements with Banks	18	31,788,028	111,793,982	-	-	-	-	-	-	143,582,010	143,582,010
Investment securities	19	-	10,411,611	8,956,177	42,416,847	36,515,418		-	-	98,300,053	98,300,053
Loans and advances	20	831,407	21,329,225	67,392,768	100,042,197	120,307,070	128,572,485	-	438,475,152	-	438,475,152
Other assets	24	62,926,372	-	-	-	-	-	-	62,926,372	-	61,810,858
		96,726,714	143,735,788	76,348,945	142,459,044	156,822,488	128,572,485	-	501,602,494	243,062,970	743,549,950
Borrowings	27	-	-	-	-	(29,068,443)	(259,074,821)	(140,913,880)	(429,057,144)	-	(429,057,144)
Debt security issued	28	-	-	-	-	(24,301,232)	-	-	-	(24,301,232)	(24,301,232)
Other financial liabilities	30	(470,237)	(220,109)	-	-	(13,186,778)	-	-	-	(13,877,123)	(13,877,123)
		(470,237)	(220,109)	-	-	(66,556,453)	(259,074,821)	(140,913,880)	(429,057,144)	(38,178,355)	(467,235,499)
Total interest re-pricing gap		96,256,478	143,515,679	76,348,945	142,459,044	90,266,035	(130,502,336)	(140,913,880)	72,545,350	204,884,615	276,314,451

A summary of the Bank's interest rate gap position on financial instruments is as fo llows:

31 December 2025

In thousands of Naira	Note	Re-pricing period									
		Up to 1 month	1 - 3 months	3 - 6 months	6 - 12 months	1 -5 years	5 -15 years	Over 15 years	Total amount sensitive to rate	Non rate sensitive	Carrying amount
Cash and balances with banks	18	951,477	267,039	-	-	-	-	-	267,039	951,477	1,218,516
Placements with Banks	18	155,640,884	24,255,401	-	-	-	-	-	-	179,896,285	179,896,285
Loans and advances	20	966,771	40,006,176	50,847,798	138,319,021	298,822,963		-	528,962,729	25,258,620	554,221,349
Other assets	24	2,582,127	-	-	-	-	-	-	-	2,582,127	2,582,127
		160,141,259	64,528,616	50,847,798	138,319,021	298,822,963	-	-	529,229,768	208,688,509	737,918,277
Borrowings	27	-	-	-	-	(29,559,068)	(242,477,116)	(138,974,667)	(411,010,850)	-	(411,010,850)
Debt security issued	28	-	-	-	-	(24,356,665)	-	-	-	(24,356,665)	(24,356,665)
Other liabilities	30	-	-	-	-	(15,460,156)	-	-	-	(15,460,156)	(15,460,156)
		-	-	-	-	(69,375,889)	(242,477,116)	(138,974,667)	(411,010,850)	(39,816,821)	(450,827,671)
Total interest re-pricing gap		160,141,259	64,528,616	50,847,798	138,319,021	229,447,074	(242,477,116)	(138,974,667)	118,218,918	168,871,688	287,090,606

31 December 2024

In thousands of Naira	Note	Re-pricing period									
		Up to 1 month	1 - 3 months	3 - 6 months	6 - 12 months	1 -5 years	5 -15 years	Over 15 years	Total amount sensitive to rate	Non rate sensitive	Carrying amount
Cash and balances with banks	18	869,321	200,970	-	-	-	-	-	200,970	869,321	1,070,291
Placements with Banks	18	31,788,028	110,763,033	-	-	-	-	-	-	142,551,061	142,551,061
Investment securities	19	-	-	-	35,743,720	120,307,070	-	-	-	35,743,720	35,743,720
Loans and advances	20	831,407	21,329,225	67,392,768	100,042,197	1,309,171	152,728,715	-	408,141,911	-	462,631,382
Other assets	24	61,810,858	-	-	-	-	-	-	-	61,810,858	61,810,858
		95,299,614	132,293,228	67,392,768	135,785,917	121,616,241	152,728,715	-	408,342,881	240,974,960	703,807,312
Borrowings	27	-	-	-	-	(29,068,443)	(259,074,821)	(140,913,880)	(429,057,144)	-	(429,057,144)
Debt security issued	28	-	-	-	-	(24,301,232)			-	(24,301,232)	(24,301,232)
Other liabilities	30	-	-	-	-	(13,101,910)			-	(13,101,910)	(13,101,910)
		-	-	-	-	(66,471,585)	(259,074,821)	(140,913,880)	(429,057,144)	(37,403,142)	(466,460,286)
Total interest re-pricing gap		95,299,614	132,293,228	67,392,768	135,785,917	55,144,656	(106,346,106)	(140,913,880)	(20,714,263)	203,571,818	237,347,026

Group Interest sensitivity analysis - 31December2025
Impact on net interest income of +/-100 basis points changes in rates over a one year period (N'000)

	Cashflow interest rate risk	
	100 basis points decline in rates	100 basis points increase in rates
Time Band		
Less than 3 months	(2,422,218)	2,422,218
6 months	(574,316)	574,316
12 months	(1,909,943)	1,909,943
	(4,906,477)	4,906,477

Group Interest sensitivity analysis - 31 December2024
Impact on net interest income of +/-100 basis points changes in rates over a one year period (N'000)

	Cashflow interest rate risk	
	100 basis poin ts decline in rat es	100 basis points increase in rates
Time Band		
Less than 3 months	(2,397,722)	2,397,722
6 months	(763,489)	763,489
12 months	(630,074)	630,074
	(3,791,285)	3,791,285

Bank Interest sensitivity analysis -31December2025
Impact on net interest income of +/-100 basis points changes in rates over a one year period (N'000)

	Cashflow interest rate risk	
	100 basis points decline in rates	100 basis points increase in rates
Time Band		
Less than 3 months	(2,246,699)	2,246,699
6 months	(508,478)	508,478
12 months	(1,383,190)	1,383,190
	(4,138,367)	4,138,367

Bank Interest sensitivity analysis -31December202 4
Impact on net interest income of +/-100 basis points changes in rates over a one year period (N'000)

	Cashflow interest rate risk	
	100 basis points decline in rates	100 basis points increase in rates
Time Band		
Less than 3 months	(2,275,928)	2,275,928
6 months	(673,928)	673,928
12 months	(812,964)	812,964
	(3,762,820)	3,762,820

The table above sets out the impact on net interest income of a 100 basis points parallel downward shift or upward shift in interest rates. A parallel increase in yields by 100 basis points would lead to an increase in net interest income while a parallel fall in yields by 100 basis points would lead to a decline in net interest income.
The interest rate sensitivities are based on simplified scenarios and assumptions, including that all positions will be retained and rolled over upon maturity. The figures represent the effect of movements in net interest income based on the 100 basis point shift in interest rate and subject to the current interest rate exposures.
However, the effect has not taken into account the possible risk management measures undertaken by the Group to mitigate interest rate risk.

In practice, the Assets and Liability Committee ,ALCO seeks proactively to manage the interest rate risk profile to minimize losses and optimise net revenues. The projections also assume that interest rates on various maturities will move within similar ranges and therefore do not reflect any potential effect on net interest income in the event that some interest rates may change and others remain unchanged.

Interest sensitivity analysis on P/L and Equity
Impact on net interest income of +/-100 basis points changes in rates over a one year period (N'000)

	Group		Bank	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
100 basis point increase	1,234,742	825,670	1,113,770	775,662
100 basis point decrease	(1,234,742)	(825,670)	(1,113,770)	(775,662)
Amount after increase				
Pre-tax profit/(loss)	94,377,555	58,518,221	82,607,061	54,282,158
Shareholder's Equity	331,165,787	272,036,297	313,266,574	265,046,387
Amount after decrease				
Pre-tax profit/(loss)	91,908,071	56,866,880	80,379,521	52,730,834
Shareholder's Equity	328,696,303	270,384,957	311,039,034	263,495,063

The table above sets out the impact on interest income of a 100 basis points parallel downward shift or upward shift in interest rates. A parallel increase in yields by 100 basis points would lead to an increase in interest income while a parallel fall in yields by 100 basis points would lead to a decline in interest income. The interest rate sensitivities are based on simplified scenarios and assumptions, including that all positions will be retained and rolled over upon maturity. The figures represent the effect of movements in interest income based on the 100 basis point shift in interest rate and subject to the current interest rate exposures. However, the effect has not taken into account the possible risk management measures undertaken by the Group to mitigate interest rate risk.

b Foreign exchange risk

Foreign Exchange risk is the exposure of the Group's financial condition to adverse movements in exchange rates. The Group is minimally exposed to the financial risk related to the fluctuation of foreign exchange rates. This is because its revenues, capital expenditures are principally based in Naira. A significant change in the exchange rates between the Naira(N) (functional and presentation currency) relativetotheUSdollarwouldhaveaninsignificanteffectonoperations, financial position and cash flows. The Group did not enter into any forward exchange contracts to manage currency risk fluctuations.

During the financial year 2025, the Group received foreign currency funds from funding partners. Recognizing the inherent volatility of foreign exchange rates, which presents a risk to the value of these funds between receipt, utilization and repayment, the Group implemented a foreign exchange risk mitigation strategy. Specifically, the Group executed a foreign exchange swap agreement. This agreement involves the exchange of currency at a predetermined rate, with a subsequent reversal of this exchange at a future agreed-upon rate, effectively fixing the exchange rate. By utilizing this swap arrangement, the Group fully hedged its exposure to potential losses arising from currency fluctuations. Detailed information regarding this swap agreement is disclosed in Note 29 to the Financial Statements.

The table below summarises financial instruments at carrying amount, categorised by currency:

Financial instruments by currenc y

Group *In thousands of Naira*	Total	Naira	USD	GBP	EURO
31 December 2025					
Cash and cash equivalents	181,681,823	180,999,123	621,269	2,395	59,036
Investment securities	75,420,594	75,420,594	-	-	-
Loans and advances	528,962,729	528,962,729	-	-	-
Other assets	1,160,569	1,160,569	-	-	-
	787,225,715	786,543,015	621,269	2395	59,036
Borrowings	411,010,850	326,127,242	-	-	84,883,608
Debt security issued	24,356,665	24,356,665	-	-	-
Other liabilities	16,412,493	16,412,493	-	-	-
	451,780,008	366,896,400	-	-	84,883,608
Net Local Currency Exposure	335,445,707	419,646,615			
Net Foreign Currency Exposure			621,269	2395	(84,824,572)
31 December2024 *In thousands of Naira*	Total	Naira	USD	GBP	EURO
Cash and cash equivalents	144,963,887	144,250,160	707,503	6, 224	-
Investment securities	98,300,053	98,300,053	-	-	-
Loans and advances	438,475,152	438,475,152	-	-	-
Other assets	61,073,959	61,073,959	-	-	-
	742,813,051	742,099,324	707,503	6,224	-
Borrowings	429,057,144	348,646,238	-	-	80,410,906
Debt security issued	24,301,232	24,301,232	-	-	-
Other liabilities	13,877,123	13,877,123	-	-	-
	467,235,499	386,824,593	-	-	80,410,906
Net Local Currency Exposure	275,577,552	355,274,731			
Net Foreign Currency Exposure			707,503	6,224	(80,410,906)

Bank *In thousands of Naira*	Total	Naira	USD	GBP	EURO
31 December 2025					
Cash and cash equivalents	181,114,801	180,432,101	621,269	2,395	59,036
Loans and advances	554,221,349	554,221,349	-	-	-
Other assets	219,589	219,589	-	-	-
	735,555,739	734,873,039	621,269	2,395	59,036
Borrowings	411,010,850	326,127,242	-	-	84,883,608
Debt security issued	24,356,665	24,356,665	-	-	-
Other liabilities	15,460,156	15,460,156	-	-	-
	450,827,671	365,944,063	-	-	84,883,608
Net Local Currency Exposure	284,728,068	368,928,976			
Net Foreign Currency Exposure			621,269	2,395	(84,824,572)
In thousands of Naira	Total	Naira	USD	GBP	EURO
31 December 2024					
Cash and cash equivalents	143,621,352	142,907,625	707,503	6,224	-
Investment securities	35,743,720	35,743,720	-	-	-
Loans and advances	462,631,382	462,631,382	-	-	-
Other assets	60,501,687	60,501 687	-	-	-
	702,498,141	701,784,414	707,503	6,224	-
Borrowings	429,057,144	348,646,238	-	-	80,410,906
Debt security issued	24,301,232	24,301,232	-	-	-
Other liabilities	13,101,910	13,101,910	-	-	-
	466,460,286	386,049,380	-	-	80,410,906
Net Foreign Currency Exposure			707,503	6224	(80,410,906)

Foreign exchange risk sensitivity analysis
The following table details the Group and Bank's sensitivity to a 10% increase and decrease in the US Dollars against the Naira. A 10% sensitivity rate is used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. For each sensitivity scenario, the impact of change in a single factor is shown, with other assumptions or variables held constant.

31 December2025	Group			Bank		
In thousand of naira	Pound	Euro	Us Dollar	Pound	Euro	Us Dollar
10% increase	240	(8,482,457)	62,127	240	(8,482,457)	62,127
10% decrease	(240)	8,482,457	(62,127)	(62,127)	8,482,457	(62,127)
Amount after increase						
Pre-tax profit/(loss)	93,143,053	84,660,356	93,204,940	81,493,531	73,010,834	81,555,418
Shareholder's Equity	329,930,806	338,413,502	329,868,918	312,153,044	303,670,347	312,214,931
Amount after decrease						
Pre-tax profit/(loss)	93,142,574	101,625,270	93,080,686	81,431,164	73,010,834	81,555,418
Shareholder's Equity	312,152,565	320,635,261	312,090,677	312,090,677	320,635,261	312,090,677

6.6 Liquidity risk management

Liquidity Risk is the current or prospective risk to earnings and capital arising from the Group's inability to meet its liabilities when they fall due without incurring unacceptable losses. Liquidity risk is considered a major risk for the Group. It arises when the cushion provided by the liquid assets are not sufficient enough to meet its obligation. The Group is managed to preserve a high degree of liquidity so that it can meet its obligations at all times including periods of financial stress.

The Group has a liquidity management framework embedded in the Asset and Liability Manual (ALM)based on a statistical model underpinned by conservative assumptions with regard to cash inflows and the liquidity of liabilities. In addition, liquidity stress tests assuming extreme scenarios such as suspension of inflows from developmental partners, full utilization of credit lines, systemic crisis and loss of placements in the money market are performed. These stress tests specify additional liquidity requirements to be met by holdings of liquid assets.
Liquidity has consistently been above the minimum liquidity ratio and the recommendations/action plan arising from routine stress tests are adhered to. Funding and liquidity risk management activities are centralized within Treasury. We believe that a centralized approach to funding and liquidity risk management enhances our ability to monitor liquidity requirements,maximizes access to funding sources, minimise borrowing costs and facilitates timely responses to liquidity events. However, the Risk Management Department analyse and monitors our liquidity risk and ensures excess liquidity is maintained

The Board approved the ALM Manual, including establishing liquidity risk tolerance levels. The Group's ALCO, in conjunction with the Board and its committees, monitors our liquidity position and reviews the impact of strategic decisions on our liquidity. Liquidity positions are measured by calculating the Group's net liquidity gap and by comparing selected ratios with targets as specified in the ALM manual. Also, a Liquidity Contingency Funding Plan is in place.

The expected cashflows on some financial assets and financial liabilities vary significantly from the contractual cashflows. For example, borrowings due to foreign development finance institutions are expected to remain stable or increase and unrecognised loan commitments are not all expected to be drawn down immediately.
As part of the management of liquidity risk arising from financial liabilities, the Group holds liquid assets comprising Cash and balance switchbacks and debt securities issued by Federal Government, which can be readily sold to meet liquidity requirements.

Quantifications
The Group has adopted both qualitative and quantitative approaches to measuring liquidity risk. Specifically, the Bank adopted the following approaches;
a) Funding and Liquidity planning;
b) Liquidity Gap Analysis; and
c) Ratio Analysis.

Liquidity Contingency Plan
The Group has an approved liquidity contingency funding plan which describes actions and processes necessary for the prevention, management and containment of a liquidity crisis within the group. The plan has been developed inline with the Central Bank of Nigeria's contingency planning framework and the group's Assets and Liabilities Management policy.

The plan defines what constitutes a liquidity crisis and clearly states the responsibilities of relevant officers of the group in the process leading to the identification and eventual declaration of a crisis situation. In detail, the plan harnesses the group's strategy for handling a liquidity crisis and describes procedures for managing and making up cashflow shortfalls in stressed liquidity situations. The plan is built upon the output of a stress test and scenario analysis on the Group's capital.

More so, the framework stipulates the policy review process and defines review frequency as every two years to be executed by the Assets and Liabilities Committee of the group and approved by the Board of Directors. Ownership of the plan as defined in the framework resides with the Chief Financial Officer

a Residual contractual maturities of financial assets and liabilities

Group 31 December 2025 In thousands of Naira	Note	Carrying amount	Gross nominal inflow/(outflow)	Up to 1 month	1 - 3 months	3 - 6 months	6 - 12 months	1-3 years	Over 3 years
Non-derivative asset:									
Cash and balances with banks	18b	1,787,684	1,787,684	1,787,684	-	-	-	-	-
Placements with banks	18b	179,894,139	181,869,061	157,012,804	24,856,257	-	-	-	-
Investment securities	19	75,420,594	132,644,675	1,508,750	16,800,000	5,900,000	443,556	5,688,713	102,303,656
Loans and advances	20	528,962,729	614,250,471	943,613	39,148,665	73,675,974	159,861,837	122,643,612	217,976,769
Other assets	24	1,160,569	1,989,463	875,245	1,114,218	-	-	-	-
		787,225,715	**932,541,355**	**162,128,097**	**81,919,140**	**79,575,974**	**160,305,393**	**128,332,325**	**320,280,425**
Non-derivative liabilities:									
Borrowings	27	(411,010,850)	(485,433,187)	-	-	(16,156,716)	(16,060,485)	(64,434,402)	(388,781,584)
Debt security issued	28	(24,356,665)	(32,936,000)	(1,656,000)	-	(1,656,000)	-	(29,624,000)	-
Other liabilities	30	(16,412,493)	(16,571,028)	(13,113,414)	(3,299,079)	-	-	(158,535)	-
		(451,780,008)	**(534,940,215)**	**(14,769,414)**	**(3,299,079)**	**(17,812,716)**	**(16,060,485)**	**(94,216,937)**	**(388,781,584**
Gap (asset - liabilities)		**335,445,707**	**397,601,140**	**147,358,683**	**78,620,061**	**61,763,258**	**144,244,908**	**34,115,388**	**(68,501,159**
Cumulative liquidity gap				**147,358,683**	**225,978,744**	**287,742,002**	**431,986,910**	**466,102,298**	**397,601,14**

Group 31 December 2024 In thousands of Naira	Note	Carrying amount	Gross nominal inflow/(outflow)	Up to 1 month	1 - 3 months	3 - 6 months	6 - 12 months	1-3 years	Over 3 years
Non-derivative asset:									
Cash and balances with banks	18b	1,381,877	1,381,877	1,381,877	-	-	-	-	-
Placements with banks	18b	143,582,010	146,485,226	38,258,654	108,226,572	-	-	-	-
Investment securities	19	98,300,053	161,146,443	-	11,574,456	11,332,388	47,259,489	4,975,605	86,004,505
Loans and advances	20	438,475,152	895,197,836	14,225,605	35,170,390	128,840,948	210,667,477	-	-
Other assets	22	61,073,959	76,420,293	756,929	-	-	-	-	75,663,364
		742,813,051	**1,280,631,675**	**54,623,065**	**154,971,418**	**140,173,336**	**257,926,966**	**4,975,605**	**161,667,868**
Non-derivative liabilities:									
Borrowings	27	(429,057,144)	(805,053,165)	-	-	-	-	-	(805,053,165)
Debt security issued	28	(24,301,232)	(39,560,000)	-	-	-	-	-	(81,600,201)
Other liabilities	30	(13,877,123)	(13,877,123)	(12,186,766)	(1,537,625)	-	-	-	(152,732)
		(467,235,499)	**(858,490,288)**	**(12,186,766)**	**(1,537,625)**	**-**	**-**	**-**	**(886,806,099)**
Gap (asset - liabilities)		**275,577,552**	**422,141,386**	**42,436,299**	**153,433,793**	**140,173,336**	**257,926,966**	**4,975,605**	**(725,138,230)**
Cumulative liquidity gap				**42,436,299**	**195,870,092**	**336,043,428**	**593,970,394**	**598,946,000**	**(126,192,231)**

Bank 31 December 2025 In thousands of Naira	Note	Carrying amount	Gross nominal inflow/(outflow)	Up to 1 month	1 - 3 months	3 - 6 months	6 - 12 months	1-3 years	Over 3 years
Non-derivative asset:									
Cash and balances with banks	18b	1,218,516	1,218,516	1,218,516	-	-	-	-	-
Placements with banks	18b	179,896,285	181,869,061	157,012,804	24,856,257	-	-	-	-
Investment securities	19	-	-	-	-	-	-	-	-
Loans and advances	20	554,221,349	588,991,851	943,613	39,148,665	73,675,974	159,861,837	122,643,612	192,718,149
Other assets	24	219,589	219,589	219,589	-	-	-	-	-
		735,555,739	**772,299,018**	**159,394,522**	**64,004,922**	**73,675,974**	**159,861,837**	**122,643,612**	**192,718,149**
Non-derivative liabilities:									
Borrowings	27	(411,010,850)	(485,433,187)	-	-	(16,156,716)	(16,060,485)	(64,434,402)	(388,781,584)
Debt security issued	28	(24,356,665)	(32,936,000)	(1,656,000)	-	(1,656,000)	-	(29,624,000)	-
Other liabilities	30	(15,460 156)	(15 618,691)	(12,761,031)	(2 699 125)	-	-	(158 535)	-
		(450,827,671)	**(533,987,878)**	**(14,417,031)**	**(2,699,125)**	**(17,812,716)**	**(16,060,485)**	**(94,216,937)**	**(388,781,584)**
Gap (asset - liabilities)		**284,728,068**	**238,311,140**	**144,977,491**	**61,305,797**	**55,863,258**	**143,801,352**	**28,426,676**	**(196,063,434)**
Cumulative liquidity gap				**144,977,491**	**206,283,289**	**262,146,546**	**405,947,899**	**434,374,574**	**238,311,140**

31 December 2024 In thousands of Naira	Note	Carrying amount	Gross nominal inflow/(outflow)	Up to 1 month	1 - 3 months	3 - 6 months	6 - 12 months	1-3 years	Over 3 years
Non-derivative asset:									
Cash and balances with banks	18b	1,070,291	1,070,291	1,070,291	-	-	-	-	-
Placements with banks	18b	142,551,061	145,428,593	38,258,654	107,169,939	-	-	-	-
Investment securities	19	35,743,720	42,396,877	-	-	412,388	41,984,489	-	-
Loans and advances	20	462,631,382	895,197,836	14,225,605	35,170,390	128,840,948	210,667,477		381,637,360
Other assets	24	60,501,687	75,835,359	88,611	-	-	-	75,746,748	-
		702,498,141	**1,159,928,956**	**53,643,161**	**142,340,329**	**129,253,336**	**252,651,966**	**75,746,748**	**381,637,360**
Non-derivative liabilities:									
Borrowings	27	(429,057,144)	(805,053,165)	-	-	-	-	(32,217,201)	(772,835,964)
Debt security issued	28	(24,301,232)	(39,560,000)	-	-	-	-	-	(39,560,000)
Other liabilities	30	(13,101 910)	(13 101,910)	(11,411,553)	(1 537 625)	-	-	-	(152,732)
		(466,460,286)	**(857,715,075)**	**(11,411,553)**	**(1,537,625)**	**-**	**-**	**(32,217,201)**	**(812,548,696)**
Gap (asset - liabilities)		**236,037,855**	**302,213,881**	**42,231,608**	**140,802,704**	**129,253,336**	**252,651,966**	**43,529,547**	**(430,911,336)**
Cumulative liquidity gap				**42,231,608**	**183,034,312**	**312,287,648**	**564,939,614**	**608,469,161**	**177,557,825**

6.7 Operational risk management

Operational risk is defined "as the risk of loss resulting from inadequate and/or failed internal processes, people and systems or from external events". The underlying philosophy of the Bank's Operational Risk Management is that effective management of operational risk is central to maintaining and improving a competitive advantage in today's rapidly changing global competitive marketplace. Consequently, the Bank`s Operational Risk philosophy is anchored on the implementation of a process driven framework that ensures that all major Operational risks in the Bank are proactively identified, properly assessed, adequately monitored and appropriate controls/mitigants are put in place to reduce losses to the barest minimum while providing adequate support to market facing units to take advantage of opportunities in the market at acceptable risk adjusted return to the Bank.

The Bank's Operational Risk Management framework was created to provide guidelines for the identification, assessment, measurement, monitoring, controlling and reporting of operational risk in a consistent manner across the Bank in line with the Bank's enterprise wide risk management framework and best practice operational risk management. The ORM framework shall be reviewed every two years to reflect new developments in the management of operational risk as well as changes in the Bank's approach to the management of operational risk. The main benefits and objectives of the ORM in the Bank include the following:
- Reduction of losses arising from operational risk
- Improvement in performance measurement
- Provision of early warning signals; and.
- Raising the level of awareness of operational risk in the Bank.

The following is a summary of some areas covered by the ORM Framework:
- Conceptual Definitions in Operational Risk Management: This section gives a general overview of operational risk management, including its definition, risk types and relationship to other risks.;
- DBN Operational Risk Strategy: This section highlights the Bank's operational risk strategy and objectives, its operational risk appetite and the key principles for the management of operational risk.;
- DBN Operational Risk Governance Structure: This section defines the Bank's operational risk governance structure, including the roles and responsibilities for the Risk Management department and other stakeholders in the Bank.
- DBN Operational Risk Management Process: This section outlines the methodology and procedures for the identification, assessment, measurement, monitoring, controlling and reporting of operational risks within the Bank.
- DBN Capital Assessment Methodology: This section covers the DBN approaches to capital calculation under Basel II, and the criteria for mapping the Bank's activities into the Basel defined business lines.
- Operational Risk Systems: This section covers the requirement for technology support in the implementation of the Bank's Operational Risk Management Policy Manual.

The ORM Framework also provides for the minimum control standards that the Bank expects to be in place in various business units and support functions. The absence of these minimum standards will expose the Bank to greater operational risk. These standards include: but not limited to adequate segregation of duties, well-defined delegated authorities/limits, compliance with all regulatory and legal requirement and Bank's policies, Anti-Money Laundering (AML) & Counter Financing of Terrorism (CFT) Compliance, Vacation and Leave enforcement, contingency planning and security/protection.

The ORM framework mandates process owners, in conjunction with the operational risk management function to work hand in hand to identify and assess the operational risk inherent in all material products, activities, processes and, systems of the Bank using techniques like the Risk and Control Self-Assessment (RCSA), Key Risk Indicators (KRIs), Incidence Reporting, Seminars and Interviews. The findings from this assessment and other recommendations from incidents recorded during the year, internal and external audits were documented in the Bank's risk register and was used in developing the Heatmap and KRIs for 2024. The KRIs of all business units were consistently monitored by the risk management function throughout the year, to ensure containment within tolerance levels.
Operational risk issues are presented to the MRC, BCRC and the Board in line with the approved policy.

In line with the requirement of section 9 of the Reputational Risk Management framework that the framework should be revised every two (2) years, the Bank carried out a comprehensive review of the framework to reflect current realities and effective risk management practices.
The revised Framework has been updated with the following, amongst others:
- Defined the risk appetite limit (zero tolerance) for reputational risk issues
- Inclusion of the new reporting requirements of a quarterly report to the Board Ethics Committee (BEC) on reputational risk issues
- Inclusion of the Bank's media monitoring tools and the measures in place towards managing negative news on social media
- Inclusion of risk control measures in Event Management

6.8 Information Security Risk Management

Information security risk is defined as the risk of loss resulting from inadequate or failed internal processes, breaches of information systems, or external events that compromise the confidentiality, integrity, or availability of the Bank's information assets.

Risk Management Framework

The Bank manages information security risk through a structured framework of preventive, detective, and corrective controls designed to protect information assets from compromise and to limit potential damage in the event of a security incident. The framework is aligned with international standards and is subject to periodic independent assessment by accredited external auditors.

Key Components of the Framework

1. Robust Cybersecurity Framework: The Bank maintains a comprehensive cybersecurity framework that defines the strategic direction, principles, and rules for protecting its information assets. This framework, aligned with the NIST CSF 2.0, encompasses people, processes, and technology, establishing clear accountability for information security across the organization. It is structured around six core and continuous functions—Govern, Identify, Protect, Detect, Respond, and Recover—ensuring a holistic and proactive approach to managing cyber risk. The framework is a key component of the Bank's enterprise-wide risk management and is integral to its digital strategy

2. Information Security Framework & Policy: The Bank's Information Security Framework & Policy serves as the foundational and overarching policy document that establishes the governance structure, strategic direction, and management commitment for protecting all information assets. It defines the core principles of confidentiality, integrity, and availability, and mandates the implementation of an Information Security Management System (ISMS) aligned with the ISO/IEC 27001:2022 standard. This comprehensive framework provides mandatory policies across all security domains, including: Access Control & Cryptography, Operations & Communications Security, Asset Management & Information Classification, Physical & Environmental Security, Incident Management & Business Continuity, Supplier & Third-Party Risk Management, Human Resources Security

3. Integrated Management Systems: The Bank's commitment to information security is validated through external certifications. During the year, the Bank successfully completed surveillance audits for the following International Organization for Standardization (ISO) standards:
a. ISO/IEC 27001:2022 (Information Security Management System – ISMS)
b. ISO 22301:2019 (Business Continuity Management System – BCMS)
c. ISO/IEC 20000-1:2018 (Information Technology Service Management System – ITSMS)

4. Security Architecture and Technology: The Bank adopts a defense-in-depth strategy, ensuring multiple layers of security controls across its infrastructure. Core systems and data are hosted on secure cloud infrastructure leveraging enterprise-grade security controls and compliance certifications.

A Web Application Firewall (WAF) protects internet-facing applications against web-based exploits. The technology environment is continuously monitored through enterprise Security Information and Event Management (SIEM) solutions, providing real-time analysis and alert correlation for timely threat detection and response. Periodic vulnerability assessments and penetration testing, supported by automated scanning tools, are conducted to identify and remediate security weaknesses.

Access to information systems, including core banking applications, is governed by a robust role-based access control (RBAC) framework with strict segregation of duties, ensuring users are granted only the minimum privileges necessary. Remote access is restricted to authorized personnel and specific administrative functions through secure, encrypted communication channels.

i. Data Privacy and Regulatory Compliance: The Bank is registered with the Nigeria Data Protection Commission (NDPC) as a Data Controller. Compliance with the Nigeria Data Protection Act is subject to annual audit, and the Bank undergoes this statutory audit to validate its adherence to data privacy requirements. The Bank complies with the Nigeria Data Protection Act (NDPA) 2023 and is registered with the Nigeria Data Protection Commission (NDPC) as a Data Controller. Compliance is validated through annual statutory data protection audits and periodic internal compliance reviews.

ii. Policies and Governance: Formal policies govern key areas such as data sharing, access control, and incident response. The Bank has established and maintains a comprehensive Cyber Incident Response Plan, which is integrated into its broader Business Continuity Management framework. This plan defines clear roles, escalation pathways, and communication protocols to ensure timely and effective management of security incidents. All

Plan for Fy2026

Building on the momentum of its information security certifications, the adoption of the NIST CSF 2.0, and ongoing technology investments, the Bank will in the coming year further strengthen the resilience of its operations and infrastructure against an evolving threat landscape. This includes continued investment in security architecture, optimization of security monitoring capabilities, and expansion of endpoint detection and response mechanisms to enhance threat detection and operational resilience.
In response to the growing adoption of artificial intelligence, the Bank will develop formal policies and security controls to address emerging AI-related threats, including assessing the security implications of internal AI tools and establishing guidelines for their safe and responsible use.
The Bank will also undertake a proactive review of its information security policies and frameworks to ensure alignment with international best practices and effective mitigation of both conventional and emerging cyber threats. With a steadfast commitment to operational excellence and regulatory compliance, the Bank will continue to evolve its information security posture in support of its strategic objectives

6.9 Capital Management

The Group's objectives when managing capital (Tier 1 and Tier 2 capital), which is a broader concept than the 'equity' on the face of the statement of financial position, are:

- To comply with the capital requirements set by the Central Bank;
- To safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the development of its business.

The capital adequacy ratio is the quotient of the capital base of the Group and the Group's risk weighted asset base. In accordance with Central Bank of Nigeria regulations, a minimum capital adequacy ratio of 10% is to be maintained by Development Financial Institutions. Following the CBN guideline on regulatory capital computation, the Regulatory Risk Reserve is excluded from the capital computation. Standardized approach has been adopted in computing the risk weighted assets for Credit, Operational and Market Risk.

The CBN Basel II regulatory capital requirements are strictly observed when managing capital and this comprises of two tiers: Tier1 capital (only permanent shareholder's equity and disclosed reserves) and Tier2 capital.Tier1capitalcomprisessharecapital, share premium, retained earnings and reserves created by appropriations of retained earnings; the carrying amount of intangible assets is deducted in arriving at Tier1 capital. The Group is expected to maintain a minimum ratio of Tier I capital to total assets of 5%. Tier 2 capital includes the Group's qualifying loan capital and shall not exceed 33.33% of Tier 1 capital.

The Base III capital adequacy ratio was 54.27 as at 31 December 2025 (31 December 2024: 61.23%), with Bank above the CBN minimum capital adequacy requirements of 10%. The Central Bank of Nigeria issued a circular on 18 October 2018 relating to the treatment of IFRS expected credit loss for regulatory purposes. Banks were directed to use the balance in regulatory risk reserves at 1 January, 2018 to offset the impact of IFRS9 expected credit loss amount as at transition date. Where the additional ECL provision is higher than the balance in regulatory risk reserve, the excess shall be amortized in line with the transitional arrangements

The following table provides an overview of the Bank capital levels and risk-weighted assets (RWA):

In thousands of Naira	Note	31 December 2025	31 December 2024
Tier 1 capital			
Ordinary share capital	31(a)	100,000	100,000
Share premium	31(b)	99,762,570	99,762,570
Retained earnings	31(c)	133,611,773	103,484,353
Statutory reserve	31(d)	67,623,053	51,507,930
Tier 1 Capital Before Regulatory Deduction		**301,097,396**	**254,854,853**
Less:			
Intangible assets	23	(365,405)	(147,747)
Deferred tax assets	17(b)	(96,971)	(221,341)
Investment in subsidiary - 50%	21	(15,932,500)	(15,932,500)
Eligible Tier 1 Capital		**284,702,520**	**238,553,265**
Tier 2 Capital Before Regulatory Deduction			
Tier 2 Capital (restricted to 1/3 of Tier 1 Capital)		100,211,673	84,828,588
Less:			
Investment in subsidiary - 50%		(15,932,500)	(15,932,500)
Eligible Tier 2 Capital		**84,279,173**	**68,896,088**
Total Eligible Capital		**368,981,693**	**307,449,353**
Risk-weighted assets			
Risk-weighted Amount for Credit Risk		553,925,460	414,101,231
Risk-weighted Amount for Operational Risk		126,017,489	88,015,519
Risk-weighted Amount for Market Risk		-	-
Total weighted risk assets		**679,942,949**	**502,116,750**
Capital ratios			
Risk weighted Capital Adequacy Ratio (CAR)		54.27%	61.23%

Operational Risk Capital Charge computation used for Capital Adequacy Ratio calculation
Gross Income Calculation for Basic Indicator Approach

In thousands of Naira **Particulars**	Year -1	Year -2	Year -3
Interest Income	51,070,612	77,566,191	111,376,977
Interest Expenses	(12,261,436)	(13,958,939)	(17,450,519)
Net Interest Income	**38,809,176**	**63,607,252**	**93,926,458**
Fees and Commission Income	-	-	-
Fees and Commission Expenses	(6,252)	(20,467)	(26,349)
Net Fees and Commission Income	**(6,252)**	**(20,467)**	**(26,349)**
Any other operating income	1,375,711	732,259	3,230,194
Total net non-interest income	**1,369,459**	**711,792**	**3,203,845**
Total Gross Income	**40,178,635**	**64,319,044**	**97,130,303**
Capital Charge for Operational Risk (Average of Year 1-3 Total Gross Income)*15%			10,081,399
Operational Risk Calibrated Risk-weighted Amount using Basic Indicator Approach			**126,017,489**

As shown above, DBN currently has a capital adequacy ratio of 54.27% (2024:61.23%), which is significantly above the set benchmark of 10% for Development Finance Institutions.

Regulatory Minimum Capital Requirement

As a Wholesale Development Finance Institution, the Central Bank of Nigeria(CBN) requires DBN to maintain a minimum capital (i.e.minimum shareholders' fund) of N100,000,000,000 (One Hundred Billion Naira). This amount should be fully paid up over a maximum period of 4 years.

As at 31 December 2025, the bank was in compliance of the minimum capital requirement as the shareholders funds as at reporting date was in excess of N100 billion

7 Fair Values of Financial Instrument

Financial instruments measured at fair value

The following table presents the group's assets and liabilities that are measured at fair value at repoting date. There was no transfer between levels during the year.

Group 31 December 2025	Note	Level 1	Level 2	Level 3	Total Fair Values	Total carrying amount
		₦ '000	₦ '000	₦ '000	₦ '000	₦ '000
Derivative Asset	29	-	430,037	-	430,037	430,037
		-	430,037	-	430,037	430,037
Derivative Liabilities	29	-	-	-	-	-
		-	-	-	-	-
31 December 2024		₦ '000	₦ '000	₦ '000	₦ '000	₦ '000
Derivative Asset	29	-	-	-	-	-
		-	-	-	-	-
Derivative Liabilities	29	-	651,178	-	651,178	651,178
		-	651 178	-	651 178	651 178

Derivatives with fair value of N651,178 classified as level 3 in prior period has now been re-classified to level

Bank 31 December 2025	Note	Level 1	Level 2	Level 3	Total Fair Values	Total carrying amount
		₦ '000	₦ '000	₦ '000	₦ '000	₦ '000
Derivative Asset	0	-	430,037	-	430,037	430,037
		-	430,037	-	430,037	430,037
Derivative Liabilities	0	-	-	-	-	-
		-	-	-	-	-
31 December 2024		₦ '000	₦ '000	₦ '000	₦ '000	₦ '000
Derivative Asset	0	-	-	-	-	-
		-	-	-	-	-
Derivative Liabilities	0	-	651 178	-	651 178	651 178
		-	**651,178**	**-**	**651,178**	**651,178**

Derivatives with fair value of N651,178 classified as level 3 in prior period has now been re-classified to level 2.

Financial instruments not measured at fair value:

The following table sets out the fair values of financial instruments not measured at fair value and analyses them by the level in the fair value hierarchy into which each fair value measurement is categorised. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Group 31 December 2025	Note	Level 1	Level 2	Level 3	Total Fair Values	Total carrying amount
		₦ '000	₦ '000	₦ '000	₦ '000	₦ '000
Investment securities	19	61,218,336	-	-	61,218,336	75 420 594
		61,218,336	-	-	61,218,336	75,420,594
Debt securities issued	28	23,163,996	-	-	23 ,163 996	24 356 665
		23,163,996	-	-	23,163,996	24,356,665
Group 31 December 2024	Note	Level 1 ₦ '000	Level 2 ₦ '000	Level 3 ₦ '000	Total Fair Values ₦ '000	Total carrying amount ₦ '000
Investment securities	19	89,811,924	-	-	89,811,924	98,300,053
		89,811,924	-	-	89,811,924	98,300,053
Debt securities issued	28	-	24,301,232		24,301,232	24,301,232
		-	**24,301,232**	**-**	**24,301,232**	**24,301,232**

Bank 31 December 2025	Note	Level 1	Level 2	Level 3	Total Fair Values	Total carrying amount
		₦ '000	₦ '000	₦ '000	₦ '000	₦ '000
Investment securities	19	-	-	-	-	-
		-	-	-	-	-
Debt securities issued	28	23,163,996	-	-	23,163,996	24,356,665
		23,163,996	-	-	23,163,996	24,356,665
Bank 31 December 2024		Level 1 ₦ '000	Level 2 ₦ '000	Level 3 ₦ '000	Total Fair Values ₦ '000	Total carrying amount ₦ '000
Investment securities	19	30,085,002	-	-	30,085,002	35,743,720
		30,085,002	-	-	30,085,002	35,743,720
Debt securities issued	28	-	24,301,232	-	24,301,232	24,301,232
		-	24,301,232	-	24,301,232	24,301,232

For financial assets and financial liabilities that have a short term maturity (less than three months), it is assumed that the carrying amounts approximate the fair value. This assumption is also applied to financial liabilities without a specific maturity. The fair value of fixed rate financial assets and liabilities carried at amortised cost are estimated by comparing market interest rates when they are first recognised with current market rates for similar financial instruments.

The estimated fair value of fixed interest bearing deposits is based on discounted cash flows using prevailing money market rates for debts. The carrying amount represents the fair value which is receivable at maturity. The carrying amounts of other financial assets and other financial liabilities are reasonable approximation of their fair values which are repayable on demand.

Where they are available, the fair value of loans and advances is based on observable market transactions. Where observable market transactions are not available, fair value is estimated using valuation models, such as discounted cash flow techniques. Input into the valuation techniques includes expected lifetime credit losses, interest rates, prepayment rates and primary origination or secondary market spreads

8 Interest income calculated using the effective interest method		GROUP	GROUP	BANK	BANK
In thousands of Naira		31 December 2025	31 December 2024	31 December 202	31 December 202
Placements with banks	18a	32,692,483	16,463,538	32,603,939	15,266,802
Investment in Treasury bills	19a	10,520,523	6,528,957	6,684,104	3,807,279
Investment in Government bonds	19a	9,275,722	2,152,491	-	-
Loans and advances to Participating Financial Institutions (PFIs)	20a	70,985,458	57,422,034	72,088,934	58,492,110
		123,474,186	82,567,020	111,376,977	77,566,191

9 Interest expense		GROUP	GROUP	BANK	BANK
In thousands of Naira		31 December 2025	31 December 2024	31 December 202	31 December 202
Borrowings (See (i) below)	27a	12,294,745	10,552,186	12,294,745	10,552,186
Provision IDB (Interest Draw-Back) Expense (See (ii) below)	30iii	2,863	31,460	2,863	31,460
Lease expense	32c(iv)	5,804	5,606	5,804	5,606
Debt Securities Issued	28a	3,367,433	3,369,687	3,367,433	3,369,687
Derivative Contract		1,779,674	-	1,779,674	-
		17,450,519	13,958,939	17,450,519	13,958,939

(i) The amount reported above is calculated using the effective interest method, and relates to borrowings measured at amortised cost
(ii) Provision - IDB (Interest Draw-Back) relates to an agreement the Bank has with PFIs with active MSME loan portfolio to refund an agreed percentage of the total loan interest upon liquidation of the loan.
(iii) Derivative Contract: The amount reported relates to interest expense paid on derivative contract which expired during the year.

10 Impairment loss/(writeback) on financial assets		GROUP	GROUP	BANK	BANK
In thousands of Naira	*Note*	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Loans and Advances to customers	20(b)	21,434	574,003	22,560	640,092
Other financial assets					
Cash and cash equivalents	18c	(361,031)	316,216	(358,218)	397,856
Investment securities	19b	27,979	121,689	(15,511)	142,283
Other financial receivables	24a	(25,953)	79,988	-	-
		(359,005)	**517,893**	**(373,729)**	**540,139**
		(337,571)	1,091,896	(351,169)	1,180,231

11 Guarantee Income		GROUP	GROUP	BANK	BANK
In thousands of Naira	*Note*	31 December 2025	31 December 2024	31 December 202	31 December 202
Upfront fee		1,952,687	522,012	-	-
Guarantee fee		839,565	370,576	-	-
		2,792,252	892,588	-	-

Guarantee income is earned in the Group in respect of operations of the Bank's subsidiary, Impact Credit Guarantee Limited.
Upfront fee is a one off, non-refundable processing fee charged irrespective ofthe tenor ofthe guarantee. The upfront fee is recognised immediately the service is performed. As at 31 December 2025, total Upfront fee amounted to N1,953 million (31 December 2024: N522 million). Guarantee fee represents a premium that is earned over the tenor ofthe guarantee. As at 31 December 2025, total Guarantee fee amounted to N839.6 million (31 December 2024: N370 million).

12 Other income		GROUP	GROUP	BANK	BANK
In thousands of Naira	Note	31 December 2025	31 December 2024	31 December 202	31 December 202
Foreign exchange gains		1,211,428	148,550	1,211,428	257,172
Gain/(loss) on derivatives		834,333	(651,178)	834,333	(651,178)
Other sundry income (See (i) below)		1,001,841	1,074,935	989,359	967,108
Income from subsidiary - shared services(See (ii) below)		-	-	195,074	159,157
		3,047,602	572,307	3,230,194	732,259

(i) Included in other sundry income is grant income earned by the Bank from International Bank for Reconstruction and Development (IBRD), in respect of the project implementation unit cost that was incurred by the Bank in prior year.
(ii) Income from subsidiary relates to shared services amounted to N195m for the year ended 31 December 2025 (31 December 2024: N159m). The amount has however been eliminated at the group level.

13 Fees and commission & Guarantee expenses

a Fees and commission expense		GROUP	GROUP	BANK	BANK
In thousands of Naira		31 December 2025	31 December 2024	31 December 202	31 December 2024
Custodian fees on treasury bills		71,547	39,373	26,349	20,467
		71,547	39,373	26,349	20,467

b Guarantee expenses		GROUP	GROUP	BANK	BANK
In thousands of Naira		31 December 2025	31 December 2024	31 December 2025	31 December 2024
Guarantee fees	26	1,094,552	575,857	-	-
		1,094,552	575,857	-	-

14 Personnel expenses		GROUP	GROUP	BANK	BANK
In thousands of Naira		31 December 2025	31 December 2024	31 December 2025	31 December 2024
Wages and salaries		4,200,668	2,721,570	3,796,057	2,455,228
Pension contribution		194,548	135,979	175,022	122,839
Performance bonus		3,181,777	1,504,054	2,640,000	1,311,489
Other allowances		12,713	4,862	-	-
		7,589,706	4,366,465	6,611,079	3,889,556

I The number of employees in employment as at:	GROUP	GROUP	BANK	BANK
	31 December 2025	31 December 2024	31 December 202	31 December 2024
Executive Management	3	3	2	2
Senior Management	14	12	11	11
Middle Management	16	16	14	14
Officer	49	41	42	35
	82	72	69	62

ii Employees whose duties were wholly or mainly discharged in Nigeria, received remuneration in the following ranges:

	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
N3,000,001 - N 6,000,000	1	2	1	2
N6,000,001 - N 9,000,000	3	18	1	15
N9,000,001 - N 15,000,000	22	11	18	9
N15,000,001 and above	56	41	49	36
	82	72	69	62

iii The remuneration paid to directors are as follows:

	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Fees as director	360,675	195,936	286,420	160,936
Sitting Allowances	156,723	84,300	136,203	69,200
Other Directors' emolument	1,556,777	1,114,226	1,375,258	993,916
	2,074,175	1,394,462	1,797,881	1,224,052
Highest paid director	577,620	366,182	396,100	245,873
Fees and other emoluments disclosed above include amounts paid to:				
Chairman	28,520	20,668	-	5,568

15 Depreciation and amortization and lease expenses		GROUP	GROUP	BANK	BANK
In thousands of Naira	Note	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Amortization of intangibles	23	105,643	109,479	104,573	108,629
Depreciation of property and equipment	22	652,264	534,076	619,618	505,194
		757,907	643,555	724,191	613,823

16 General and administrative expenses	GROUP	GROUP	BANK	BANK
In thousands of Naira	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Business promotion and advertisement	439,354	254,834	439,354	254,834
Donations	162,250	69,950	162,250	69,150
Legal and secretarial fees	24,161	15,187	23,724	14,918
Electricity expenses	117,354	122,345	117,354	122,345
Audit fees	71,625	52,375	59,125	37,625
Professional services (See note(i) below)	1,096,078	686,731	1,025,200	655,802
Board expenses	902,251	824,494	749,457	670,729
Newspapers and periodicals	33,494	22,920	33,093	22,725
Corporate subscriptions	181,177	137,825	179,301	137,274
Office consumables	68,111	63,044	55,289	54,848
Staff welfare	107,594	74,083	93,431	64,779
Project Implementation unit (PIU) related expense	799,061	-	799,061	-
Insurance Expenses	286,238	242,809	254,763	219,571
Maintenance	116,076	78,341	108,077	71,598
Stationery, IT and Communication expenses	869,312	675,679	787,644	588,917
Travels and Hotels	757,682	444,586	512,645	393,470
Recruitment & Training, Subscription and Contract cost	1,950,872	1,084,476	1,878,009	1,071,583
Director Emolument and expenses	867,830	603,424	773,055	553,324
Bank Charges	476,207	38,616	465,309	15,494
Other expenses	217,840	171,560	136,770	109,952
	9,544,567	5,663,279	8,652,911	5,128,938

(i) Included in professional fees is 30 million relating to non-audit services rendered by KPMG Professional Services (2024: 25.3 million) which includes:
- Certification of assessment of compliance with the Association of African Development Finance institutions guidelines and rating system and
- Report of factual findings on the extent of compliance with CBN code of Corporate governance and whistle blowing guidelines.
- Certification of assessment of the effectiveness of Internal Control over Financial Reporting (ICFR)

17 Taxation Tax Expense *In thousands of Naira*		GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 202
ii Current Tax					
Company Income Tax		25,270,121	16,484,189	24,422,305	15,823,827
Tertiary Education Tax		(4,525)	1,678,177	-	1,611,388
NITDA Levy		-	576,266	-	535,066
Nigerian Police Trust Fund levy		-	2,881	-	2,675
NASENI Levy		-	133,766	-	133,766
Development Levy		3,342,951	-	3,229,537	-
	17(c)	28,608,547	18,875,279	27,651,842	18,106,722
iii Deferred Tax					
Deferred Tax due to reversing timing difference (see (b))		(21,152)	(11,080)	124,370	90,195
		28,587,395	18,864,199	27,776,212	18,196,917
Total income tax expense		28,587,395	18,864,199	27,776,212	18,196,917

Reconciliation of effective tax rate - Group *In thousands of Naira*		31 December 2025		31 December 2024
Profit before tax		93,142,813		57,692,551
Income tax using the domestic corporation tax rate @ 30%	30%	27,942,844	30%	17,307,765
Tax effect of:				
Non-deductible expenses	0.6%	564,871	0.8%	445,205
Tax exempt income	(3.7)%	(3,452,340)	(1.7)%	(970,041)
Tax deductible expenses	0.0%	-	0.0%	(12,360)
Information technology tax levy	0.0%	-	1.0%	576,266
Education tax	0.0%	-	2.9%	1,678,168
NASENI Levy	0.0%	-	0.2%	133,766
Tax incentive	(0.1)%	(133,215)	(0.2)%	(125,194)
Changes in estimates relating to prior years	0.3%	322,624	-0.3%	(172,256)
Nigerian Police Trust Fund levy	0.0%		0.0%	2,880
Development Levy	3.6%	3,342,951	0.0%	-
Total income tax expense	31%	28,587,395	33%	18,864,199

Reconciliation of effective tax rate - Bank *In thousands of Naira*		31 December 2025		31 December 2024
Profit before tax		81,493,291		53,506,496
Income tax using the domestic corporation tax rate @ 30%	30%	24,447,987	30%	16,051,949
Tax effect of:				
Non-deductible expenses	0.6%	515,370	0.8%	443,057
Tax exempt income	(0.8)%	(617,455)	(0.5)%	(290,958)
Information technology tax levy	0.0%	-	1.0%	535,066
Education tax	0.0%	-	3.0%	1,611,388
NASENI Levy	0.0%	-	0.2%	133,766
Tax incentive	(0.2)%	(126,375)	(0.2)%	(119,596)
Nigerian Police Trust Fund levy	0.0%	-	0.0%	2,675
Changes in estimates relating to prior years	0.4%	327,149	-0.3%	(170,430)
Development Levy	4.0%	3,229,537	-0.3%	0
Total income tax expense	**34%**	**27,776,212**	**34%**	**18,196,917**

iii During the year, the Nigerian Revenue Service (NRS) communicated that the provisions of the Nigerian Tax Act (NTA) 2025 which introduces the Development levy and replaces the Tertiary Education Tax, IT Levy, NASENI Levy and Police Trust Fund Levy may apply to the 2025 year of assessment. The Group and Bank's current tax computation, for 2025 financial year, has been prepared using the Nigerian Tax Act (NTA) 2025.

(b) Deferred tax asset

Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The Group's deferred tax asset balance is as a result of unutilized capital allowances, ECL impairment on financial assets and unrealised foreign exchange difference.

There are no unrecognized deferred tax asset during the year ended 31 December 2025 (31 December 2024: Nil)

In thousands of Naira	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Property and equipment	(158,365)	(261,861)	(154,069)	(253,516)
Intangibles	(100,162)	(24,360)	(100,162)	(24,360)
ECL allowance	272,147	1,012,074	110,048	793,861
Provisions and Leases	916,255	50,401	916,255	50,401
Unrealised foreign exchange difference	(477,513)	(345,045)	(675,101)	(345,045)
	452,362	**431,209**	**96,971**	**221,341**

The movement in the deferred tax asset during the year was as follows:

In thousands of Naira	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Balance, beginning of the year	431,209	420,130	221,341	311,536
Recognized in profit or loss:				
Property and equipment	103,496	(88,266)	99,447	(91,339)
Intangible	(75,802)	24,364	(75,802)	24,364
ECL allowance	(739,927)	726,017	(683,813)	627,815
Provisions and Leases	865,854	(451,545)	865,854	(451,545)
Unrealized foreign exchange difference	(132,469)	(199,491)	(330,056)	(199,490)
Total amount recognised in profit or loss	**21,150**	**11,079**	**(124,370)**	**(90,195)**
Balance, end of the year	**452,362**	**431,209**	**96,971**	**221,341**

(c) Current income tax liability

In thousands of Naira		GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Balance, beginning of the year		19,047,559	12,353,214	18,277,176	12,128,833
Charge for the year:					
Current tax	17(a)	28,608,547	18,875,279	27,651,842	18,106,722
Withholding tax credit note utilised		(1,287,941)	(107,826)	(964,898)	-
Tax paid		(18,036,984)	(12,073,108)	(17,639,426)	(11,958,379)
		28,331,181	**19,047,559**	**27,324,694**	**18,277,176**

(d) Windfall Levy

The Federal Government of Nigeria enacted the windfall levy effective 8 August 2024 to charge a 70% tax on realised profit on foreign exchange gain on all banks licensed to trade in foreign currency in Nigeria for the years 2023 to 2025, to be assessed and collected by the Federal Inland Revenue Service (FIRS). During the year, the Bank had no profit from realised foreign exchange gain and thus was not liable to windfall levy.

18 Cash and cash equivalents

In thousands of Naira	*Note*	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Current Account Balance with Central Bank of Nigeria (i)		262,675	196,606	262,675	196,606
Other current account balances with Central Bank of Nigeria (ii)		4,364	4,364	4,364	4,364
Current account balances with local banks		1,548,110	924,530	978,942	612,149
Effect of exchange rate fluctuations		(27,465)	256,377	(27,465)	257,172
		1,787,684	**1,381,877**	**1,218,516**	**1,070,291**
Placements with local banks (iii)		180,200,152	144,249,054	180,200,152	143,213,146
Cash and cash equivalents in the statement of cash flows		**181,987,836**	**145,630,931**	**181,418,668**	**144,283,437**
Less: Allowance for impairment (see note c below)	32a(vi)	(306,013)	(667,044)	(303,867)	(662,085)
Cash and cash equivalents in the statement of financial position		**181,681,823**	**144,963,887**	**181,114,801**	**143,621,352**

(i) This represents balances held in the current account balances with the Central Bank of Nigeria and available for the Group and Bank's use.
(ii) This represents balances in development partners collection accounts with the Central Bank of Nigeria available for the Group and Bank's use without restriction
(iii) Placements with local banks comprise deposits with maturity of less than 90 days from the value date of the instruments.

From placements with local banks, Development Bank of Nigeria has set aside a fund for settlement of Staff death in service benefit as the obligation arises. The Bank has a death - in-service benefit policy for its staff members which is aimed at compensating the family of staff member who dies in the course of service with the bank and also to pay staff members who loses an immediate family member (i.e parent, spouse or biological children). The amount earmarked as at 31 December 2025 under this policy is N67m (2024: N57m). See details of the death-in-service policy in note 4.14

a Movement in Placements with local banks

In thousands of Naira	*Note*	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Opening		144,249,054	144,249,054	143,213,146	83,949,989
Purchase of placements with local banks		1,388,222,423	900,443,570	1,385,222,423	858,002,064
Interest Income earned on placements with local banks	8	32,692,483	16,463,538	32,603,939	15,266,802
Proceeds from matured placements with local banks		(1,352,534,261)	(902,974,262)	(1,348,495,852)	(801,162,017)
Interest received		(32,429,547)	(13,932,846)	(32,343,504)	(12,843,692)
Closing		**180,200,152**	**144,249,054**	**180,200,152**	**143,213,146**

b The breakdown of the carrying amount of Cash and cash equivalents for Group and Bank is as follows:

Group 31 December 2025	Gross amount	Impairment	Carrying amount
Current account balances with Central Bank of Nigeria	262,675	-	262,675
Other current account balances with Central Bank of Nigeria	4,364	-	4,364
Current account balances with local banks	1,548,110	-	1,548,110
Effect of exchange rate fluctuations	(27,465)	-	(27,465)
Total cash and balances with banks	**1,787,684**	**-**	**1,787,684**
Placements with local banks	180,200,152	(306,013)	179,894,139
Cash and cash equivalents	**181,987,836**	**(306,013)**	**181,681,823**

31 December 2024	Gross amount	Impairment	Carrying amount
Current account balances with Central Bank of Nigeria	196,606	-	196,606
Other current account balances with Central Bank of Nigeria	4,364	-	4,364
Current account balances with local banks	924,530	-	924,530
Effect of exchange rate fluctuations	256,377	-	256,377
Total cash and balances with banks	**1,381,877**	**-**	**1,381,877**
Placements with local banks	144,249,054	(667,044)	143,582,010
Cash and cash equivalents	**145,630,931**	**(667,044)**	**144,963,887**

Bank

31 December 2025	Gross amount	Impairment	Carrying amount
Current account balances with Central Bank of Nigeria	262,675	-	262,675
Other current account balances with Central Bank of Nigeria	4,364	-	4,364
Current account balances with local banks	978,942	-	978,942
Effect of exchange rate fluctuations	(27,465)	-	(27,465)
Total cash and balances with banks	**1,218,516**	**-**	**1,218,516**
Placements with local banks	180,200,152	(303,867)	179,896,285
Cash and cash equivalents	**181,418,668**	**(303,867)**	**181,114,801**

31 December 2024	Gross amount	Impairment	Carrying amount
Current account balances with Central Bank of Nigeria	196,606	-	196,606
Other current account balances with Central Bank of Nigeria	4,364	-	4,364
Current account balances with local banks	612,149	-	612,149
Effect of exchange rate fluctuations	257,172	-	257,172
Total cash and balances with banks	**1,070,291**	**-**	**1,070,291**
Placements with local banks	143,213,146	(662,085)	142,551,061
Cash and cash equivalents	**144,283,437**	**(662,085)**	**143,621,352**

c Movement in allowances for impairment

In thousands of Naira	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Balance at 1 January	667,044	350,828	662,085	264,230
Charge/(Writeback) for the year (see note 10)	(361,031)	316,216	(358,219)	397,855
Closing balance	**306,013**	**667,044**	**303,867**	**662,085**

19 Investment securities at amortized cost

In thousands of Naira	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Investments in treasury bills	21,257,502	56,709,496	-	35,759,231
Investment in government Bonds	54,231,777	41,631,262	-	-
	75,489,279	98,340,758	-	35,759,231
Less: Allowance for impairment (see (b))	(68,685)	(40,705)	-	(15,511)
	75,420,594	**98,300,053**	**-**	**35,743,720**

a Movement in Investment securities

Group *In thousands of naira*	*Note*	Debt Notes	Commercial Papers	Treasury bills	Federal Government of Nigeria Bonds	Total
31 December 2025						
Opening balance		-	-	56,709,496	41,631,262	98,340,758
Additional investment during the year		-	-	19,223,941	17,654,738	36,878,679
Interest income on Investment securities	8	-	-	10,520,523	9,275,722	19,796,245
Interest received on Investment securities		-	-	(8,253,041)	(9,459,945)	(17,712,986)
Disposed/matured of investment securities		-	-	(56,943,417)	(4,870,000)	(61,813,417)
Closing balance		**-**	**-**	**21,257,502**	**54,231,777**	**75,489,279**

Group In thousands of naira	*Note*	Debt Notes	Commercial Papers	Treasury bills	Federal Government of Nigeria Bonds	Total
31 December 2024						
Opening balance		-	1,744,197	16,432,359	7,307,181	25,483,737
Additional investment during the year		-	-	50,273,702	35,581,078	85,854,780
Interest income on Investment securities	8	-	-	6,528,957	2,152,491	8,681,448
Interest received on Investment securities		-	(133,303)	(1,774,000)	(2,909,488)	(4,816,791)
Disposed/matured of investment securities		-	(1,610,894)	(14,751,522)	(500,000)	(16,862,416)
Closing balance		**-**	**-**	**56,709,496**	**41,631,262**	**98,340,758**

Bank *In thousands of naira*	*Note*	Debt Notes	Commercial Papers	Treasury bills	Federal Government of Nigeria Bonds	Total
31 December 2025						
Opening balance		-	-	35,759,231	-	35,759,231
Additional investment during the year			-	314,186	-	314,186
Interest income on Investment securities	8		-	6,684,104	-	6,684,104
Interest received on Investment securities			-	(6,684,104)	-	(6,684,104)
Disposed/matured of investment securities		-	-	(36,073,417)	-	(36,073,417)
Closing balance		**-**	**-**	**-**	**-**	**-**

Bank In thousands of naira	*Note*	Debt Notes	Commercial Papers	Treasury bills	Federal Government of Nigeria Bonds	Total
31 December 2024						
Opening balance		4,893,582	-	14,419,413	-	19,312,995
Additional investment during the year		-	-	31,951,952	-	31,951,952
Interest income on Investment securities	8	-	-	3,807,279	-	3,807,279
Interest received on Investment securities		-	-	(1,580,587)	-	(1,580,587)
Disposed/matured of investment securities		(4,893,582)	-	(12,838,826)	-	(17,732,408)
Closing balance		**-**	**-**	**35,759,231**	**-**	**35,759,231**

b Movement in allowances for impairment

In thousands of Naira	GROUP 31 December 202	GROUP 31 December 202	BANK 31 December 202	BANK 31 December 202
Balance at 1 January	40,705	113,030	15,511	67,241
Charge during the year/(Writeback) (see note 10)	27,980	(72,325)	(15,511)	(51,730)
Closing balance	**68,685**	**40,705**	**-**	**15,511**

20 Loans and advances at amortised cost

In thousands of Naira	Note	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Loans and advances at amortised cost		529,729,866	439,220,855	555,055,701	463,443,174
Less: Allowance for impairment (see (b))		(767,137)	(745,703)	(834,352)	(811,792)
		528,962,729	**438,475,152**	**554,221,349**	**462,631,382**

The carrying value of the loans and advances approximate the fair value of the loans

a Movement in Loans and advances at amortised cost

In thousands of Naira		GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 202
Principal		431,557,389	404,717,501	455,779,708	404,717,501
Impairment		(745,703)	(171,700)	(811,792)	(171,700)
Interest		7,663,466	5,800,147	7,663,466	5,800,147
Opening		438,475,152	410,345,948	462,631,382	410,345,948
Impairment charge during the year	10	(21,434)	(574,003)	(22,560)	(640,092)
Loans disbursed		358,846,260	274,530,653	358,846,260	298,752,971
Interest income on loans	8	70,985,458	57,422,034	72,088,934	58,492,110
Loan principal payments received		(272,464,467)	(247,690,765)	(272,464,427)	(247,690,764)
Interest received		(66,858,240)	(55,558,715)	(66,858,240)	(56,628,791)
Closing		**528,962,729**	**438,475,152**	**554,221,349**	**462,631,382**
Principal		517,939,182	431,557,389	542,161,541	455,779,708
Impairment		(767,137)	(745,703)	(834,352)	(811,792)
Interest		11,790,684	7,663,466	12,894,160	7,663,466
Closing - Loans and advances at amortised cost		**528,962,729**	**438,475,152**	**554,221,349**	**462,631,382**

b Movement in allowances for impairment

In thousands of Naira	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 202
Balance at 1 January	745,703	171,700	811,792	171,700
Charge for the year (see note 10)	21,434	574,003	22,560	640,092
Closing balance	**767,137**	**745,703**	**834,352**	**811,792**

c Impairment allowance reconciliation between IFRS 9 and CBN prudential guideline General Loan Loss Provision (GLLP)

In thousands of Naira	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Impairment provision as per IFRS 9 Expected Credit Loss	834,352	811,792	834,352	811,792
Opening Regulatory Risk Reserve Balance	9,415,872	8,038,653	9,415,872	8,038,653
	10,250,224	8,850,445	10,250,224	8,850,445
Impairment provision as per G LLP	(11,889,760)	(10,227,664)	(11,889,760)	(10,227,664)
Excess IFRS 9 ECL over GLLP (additional transfer)/written back (See note 31e)	**(1,639,536)**	**(1,377,219)**	**(1,639,536)**	**(1,377,219)**

21 Investment in Subsidiary

a Subsidiaries

31 December 2025

In thousands of Naira	Note	% Holding	Cost	Impairment	Carrying Value
Impact Credit Guarantee Limited		100	31,865,000	-	31,865,000
		100	**31,865,000**	**-**	**31,865,000**

31 December 2024

In thousands of Naira	Note	% Holding	Cost	Impairment	Carrying Value
Impact Credit Guarantee Limited		100	31,865,000	-	31,865,000
		100	**31,865,000**	**-**	**31,865,000**

b Movement in gross investment in subsidiary

In thousands of Naira	BANK 31 December 2025	BANK 31 December 2024
Balance as at the beginning of the year	31,865,000	11,675,431
Additions	-	20,189,569
Balance as at end of year	**31,865,000**	**31,865,000**

C General information about the subsidiary

This wholly owned subsidiary, incorporated on 8 March 2019 as a limited liability company, was set up to carry on the business of issuing credit guarantees to participating financial institutions (PFI) in respect of loans granted to eligible businesses in the Micro, Small and Medium Enterprises (MSME) sector. The subsidiary's principal place of business is 952/953 Idejo Street, Victoria Island, Lagos.

22 Property and equipment

Group *In thousands of naira*	*Note*	Motor Vehicles	Office Equipment	Computer Equipment	Furniture & Fittings	Leasehold improvement	Right of Use Assets (ROU)	Work in Progress	Total
Cost									
Balance as at 1 January 2025		1,509,364	182,547	471,749	110,978	139,661	617,122	12,662,107	15,693,528
Additions during the year		1,143,580	28,684	135,523	2,853	4,184	78,800	5,389,900	6,783,523
Reclassifications		-	-	-	-	2,400	-	(2,400)	-
Disposals		(244,888)	(6,830)	(2,575)	-	-	-	-	(254,293)
Balance as at 31 December 2025		2,408,055	204,401	604,696	113,831	146,245	695,922	18,049,607	22,222,758
Accumulated Depreciation									
Balance as at 1 January 2025		805,959	115,979	357,144	88,863	114,937	349,238	-	1,832,120
Charge for the year	15	394,078	21,372	96,857	6,225	22,762	110,969	-	652,263
Disposals		(159,017)	(5,129)	(1,813)	-	-	-	-	(165,959)
Balance as at 31 December 2025		1,041,020	132,222	452,188	95,088	137,699	460,207	-	2,318,423
Carrying amounts									
Carrying amount as at 1 January 2025		**703,405**	**66,568**	**114,605**	**22,115**	**24,724**	**267,884**	**12,662,107**	**13,861,408**
Carrying amount as at 31 December 2025		**1,367,035**	**72,179**	**152,508**	**18,743**	**8,546**	**235,715**	**18,049,607**	**19,904,335**

In thousands of naira	Motor Vehicles	Office Equipment	Computer Equipment	Furniture & Fittings	Leasehold improvement	Right of Use Assets (ROU)	Work in Progress	Total
Cost								
Balance as at 1 January 2024	1,401,931	116,441	406,654	91,687	106,948	487,722	10,692,407	13,303,789
Additions during the year	159,217	66,178	80,939	19,291	32,713	129,400	1,969,700	2,457,439
Write offs	-	-	-	-	-	-	-	-
Disposals	(51,784)	(72)	(15,844)	-	-	-	-	(67,700)
Balance as at 31 December 2024	1,509,364	182,547	471,749	110,978	139,661	617,122	12,662,107	15,693,528
Accumulated Depreciation								
Balance as at 1 January 2024	564,253	100,916	284,095	80,759	106,066	205,985	-	1,342,074
Charge for the year	269,820	15,135	88,893	8,104	8,871	143,253	-	534,076
Write offs	-	-	-	-	-	-	-	-
Disposals	(28,114)	(72)	(15,844)	-	-	-	-	(44,030)
Balance as at 31 December 2024	805,959	115,979	357,144	88,863	114,937	349,238	-	1,832,120
Carrying amount as at 1 January 2024	**837,678**	**15,525**	**122,559**	**10,928**	**882**	**281,737**	**10,692,407**	**11,961,716**
Carrying amount as at 31 December 2024	**703,405**	**66,568**	**114,605**	**22,115**	**24,724**	**267,884**	**12,662,107**	**13,861,408**

i There were no impairment losses on any class of property and equipment during the year. (31 December 2024: Nil)
ii There were no capitalized borrowing cost related to acquisition of property and equipment during the year. (31 December 2024: Nil)
iii There were no liens or encumbrances on assets as at the year end. No assets have been pledged as security for borrowing. (31 December 2024: Nil)
iv There were no capital commitments as at year end. (31 December 2024: Nil)
v The Right of Use (ROU) asset relates to the DBN's lease of its Abuja and Lagos offices

Bank In thousands of naira	Note	Computer Equipment	Office Equipment	Motor Vehicles	Furniture & Fittings	Leasehold improvement	Right of Use Assets (ROU)	Work in Progress	Total
Cost									
Balance as at 1 January 2025		456,700	179,612	1,396,597	109,583	139,661	617,122	12,662,108	15,561,383
Additions during the year		108,701	27,572	1,125,240	2,853	4,184	78,800	5,389,900	6,737,250
Reclassifications		-	-	-	-	2,400	-	(2,400)	-
Disposals		(2,575)	(6,830)	(219,323)	-	-	-	-	(228,728)
Balance as at 31 December 2025		562,826	200,354	2,302,514	112,436	146,245	695,922	18,049,608	22,069,905
Accumulated Depreciation									
Balance as at 1 January 2025		342,643	113,621	742,982	88,359	114,937	349,238	-	1,751,779
Charge for the year	15	91,426	20,985	367,443	6,033	22,762	110,969	-	619,618
Disposals		(1,813)	(5,129)	(135,524)	-	-	-	-	(142,466)
Balance as at 31 December 2025		432,255	129,478	974,901	94,391	137,699	460,207	-	2,228,931
Carrying amounts									
Carrying amount as at 1 January 2025		**114,057**	**65,991**	**653,615**	**21,224**	**24,724**	**267,884**	**12,662,108**	**13,809,604**
Carrying amount as at 31 December 2025		**130,571**	**70,876**	**1,327,613**	**18,044**	**8,546**	**235,715**	**18,049,608**	**19,840,974**

In thousands of naira	Note	Computer Equipment	Office Equipment	Motor Vehicles	Furniture & Fittings	Leasehold improvement	Right of Use Assets (ROU)	Work in Progress	Total
Cost									
Balance as at 1 January 2024		391,788	113,508	1,295,381	91,206	106,948	487,722	10,692,408	13,178,960
Additions during the year		80,755	66,178	153,000	18,377	32,713	129,400	1,969,700	2,450,123
Write offs		-	-	-	-	-	-	-	-
Disposals		(15,843)	(72)	(51,784)	-	-	-	-	(67,699)
Balance as at 31 December 2024		456,700	179,614	1,396,597	109,583	139,661	617,122	12,662,108	15,561,384
Accumulated Depreciation									
Balance as at 1 January 2024		272,278	99,052	526,862	80,372	106,066	205,985	-	1,290,615
Charge for the year	15	86,209	14,641	244,233	7,987	8,871	143,253	-	505,194
Write offs		-	-	-	-	-	-	-	-
Disposals		(15,844)	(72)	(28,113)	-	-	-	-	(44,029)
Balance as at 31 December 2024		342,643	113,621	742,982	88,359	114,937	349,238	-	1,751,780
Carrying amount as at 1 January 2024		**119,510**	**14,456**	**768,519**	**10,834**	**882**	**281,737**	**10,692,408**	**11,888,345**
Carrying amount as at 31 December 2024		**114,057**	**65,993**	**653,615**	**21,224**	**24,724**	**267,884**	**12,662,108**	**13,809,604**

i There were no impairment losses on any class of property and equipment during the year. (31 December 2024: Nil)
ii There were no capitalized borrowing cost related to acquisition of property and equipment during the year. (31 December 2024: Nil)
iii There were no liens or encumbrances on assets as at the year end. No assets have been pledged as security for borrowing. (31 December 2024: Nil)
iv There were no capital commitments as at year end. (31 December 2024: Nil)
The Right of Use (ROU) asset relates to the DBNs lease ofits Abuja and Lagos offices.

23 Intangible Assets

In thousands of Naira	Note	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Cost					
Opening Balance		553,358	525,944	532,753	505,339
Additions		325,598	27,414	322,231	27,414
Closing Balance		878,956	553,358	854,984	532,753
Amortization					
Opening Balance		405,570	296,091	385,006	276,377
Charge during the year	15	105,643	109,479	104,573	108,629
Closing balance		**511,213**	**405,570**	**489,579**	**385,006**
Carrying amount (Opening)		**147,788**	**229,852**	**147,747**	**228,963**
Carrying amount (Closing)		**367,743**	**147,788**	**365,405**	**147,747**

Intangible assets include software and licences

i There were no impairment losses on intangible assets during the year (31 December 2024: Nil)
ii There were no capitalized borrowing cost related to acquisition of intangible assets during the year. (31 December 2024: Nil)
iii There were no liens or encumbrances on intangible assets as at the year end (31 December 2024: Nil)
iv All intangible assets are non-current. All intangible assets have finite useful lives and are amortized over three years.
vThere are no interna lly generated or leased assets included in the above intangible assets account.
vi There are no capital commitments as at year end (31 December 2024: Nil)

24 Other assets

In thousands of Naira	Note	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Financial assets					
Cash Advances		35,173	3,742	35,173	3,742
Guarantee Fee Receivables (see note (i))		1,114,218	643,535	-	-
Receivable from ICGL (see note (ii))		-	-	103 144	84,869
Other Receivables (see note (iii))		81,272	60,522,729	81,272	60,413,076
Less: Impairment on other financial asset (see note (a))		(70,094)	(96,047)	-	-
		1,160,569	61,073,959	219,589	60 501 687
Non-financial assets					
Prepaid expenses		200,596	154,847	195,198	142,310
Withholding Tax (WHT) receivables (see note (iv))		2,549 302	1,697 566	2,362 538	1,309 171
		2,749,898	**1,852,413**	**2, 557 736**	**1,451,481**
Total		**3,910,467**	**62,926,372**	**2,777,325**	**61,953,168**

(I) Guarantee fee receivables relates to guarantee fee income for which payments have not been received during the year.
(ii) Receivable from ICGL relates to shared service cost due from the Bank's subsidiary as at report date.
(iii) Other receivable relates to World Bank Project Implementation Unit (PIU) expenses, largely techinical assistance related expenses, paid by the Bank on behalf of the PIU during the year for which the Bank is yet to be reimbursed by World Bank as at report date.
(iv) WHT receivable relates to WHT on interest income on placements with banks for which credit notes are yet to be used against company income tax as at report date.

a Movement in allowances for impairment

In thousands of Naira	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Balance at 1 January	96,047	16,059	-	-
(Writeback)/Charge for the year (see note 10)	(25,953)	79,988	-	-
Closing balance	**70,094**	**96,047**	**-**	**-**

25 Employ ee benefit obligation

In thousands of Naira	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Defined pension contribution				
Opening balance	2,021	1,658	-	-
Additions during the year	194,548	389,181	175,022	122,839
Payments	(196 282)	(388 818)	(174 735)	(122 839)
Balance, end of the year	**287**	**2,021**	**287**	**-**

26Provision for guarantee

In thousands of Naira	Note	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Deferred Guarantee Income					
Balance, beginning of the year		223,741	154,131	-	-
Net movement during the year		25 241	69 610	-	-
Balance, end of the year		248,982	223,741	-	-
ECL Allowance on financial guarantee					
Balance, beginning of the year		342,487	220,818	-	-
Guarantee expense for the year	13b	1,094,552	575,857	-	-
Claims incurred during the year		(1,101,203)	(454,188)	-	-
Balance, end of the year		335,836	342,487	-	-
Total		584,818	566,228	-	-

The Bank does not offer credit guarantee services, this service is only provided by the Subsidiary-Impact Credit Guarantee Limited and as such no provision for guarantee was recognized at the Bank for the year ended 31 December 2025(31 December 2024:Nil). There was a total claim of N1.1billion incurred during the year ended 31 December 2025 (31 December 2024: N454 million).

27 Borrowings

Borrowings comprise loans from the Federal Government of Nigeria, received and to be repaid in Naira, for on-lending to Participating Financial Institutions, who on-lend these funds to eligible MSMEs in Nigeria. The exposure of borrowings to interest rate risks and liquidity risks can be found at Note 6.5a and Note 6.6 respectively. There are no collateral or lien over the assets of the Bank as a result of the borrowings.

The Federal Government of Nigeria obtained the financing from the International Development Partners, and the carrying amounts are as analysed below:

In thousands of Naira	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
KfW German Development Bank (Bi-lateral) (see note (i))	42,862,165	40,631,991	42,862,165	40,631,991
AFD Women borrowing (see note (ii))	42,021,443	39,778,915	42,021,443	39,778,915
International bank for reconstruction and development (IBRD) LPRES (see note (iii))	105,498,305	104,142,198	105,498,305	104,142,198
International Bank for Reconstruction and Development (IBRD) (see note (iv))	124,084,784	132,401,618	124,084,784	132,401,618
Agence Francaise de developpement (AFD) (see note (v))	20,118,086	24,591,982	20,118,086	24,591,982
KfW German Development Bank (see note (vi))	23,254,678	29,068,444	23,254,678	29,068,444
African Development Bank (AfDB) (see note (vii))	42,232,267	46,937,490	42,232,267	46,937,490
African Development Fund (Fund of ADF) (see note (viii))	10,939,122	11,504,506	10,939,122	11,504,506
Balance, end of the year	**411,010,850**	**429,057,144**	**411,010,850**	**429,057,144**

The Bank has not had any defaults of principal, interest or other breaches with respect to their liabilities during the year.

i The amount due to KfWGerman Development Bank("KfW")of EUR 25million, (the carrying amount in Naira includes Principal: N41.6billion, Interest: N1.3 billion) were received by the Bank in EURO for the purpose of on lending to MSMEs for financing investments in renewable energies and energy efficiency. The Loan was given in two equal tranches of EUR 12.5million.Theloan has a tenor of 10 years with a non compounding interest rate on the loan amount fixed at 2%p.a. until the maturity date. Interest and principal are due in one instalment and payable at maturity.

ii The amount due to Agence Francaise de development ("AFD")of EUR 25 million(the carrying amount in Naira includesPrincipal:N42.02billion, nterest:N0million)were received by the Bank in EURO for the purpose of reducing gender inequalities in Nigeria by strengthening access to financing for MSMEs contributing to the economic empowerment of women. The loan is repayable in fourteen (14) equal semi-annual instalment, with the first instalment due and payable on 31 May 2028, with maturity date of 30 November 2034. The loan was given at 3.08% interest rate per annum.

iii The amount due to International Bank for Reconstruction and Development (IBRD)for the LPRES to the tune of N105.5 billion, (Principal: N104.5 billion, Interest: N955.2 million) were received by the Bank for the purpose of implementing the credit line facility and the risk sharing facility of the Livestock Productivity and Resilience Support Project(LPRES). The loan has a tenorof27yearswithafixed interest rateof1.25%p.a. until the maturity date. The loan is repayable(in Naira) in 55 semi-annual instalments, with the first repayment due on 1st April 2027 and the last due on 1 October 2051

iv The amount due to International Bank for Reconstruction and Development (IBRD)of N124.08 billion(Principal: N 122.86billion, Interest: N1.23billion) represents the carrying amount of the first, second, third, fourth and fifth drawdown of the World Bank's US$ 480 million commitment to the Federal Government of Nigeria ("FGN"). A subsidiary agreement exists between the FGN and DBN denominated in Naira, in respect of this borrowing. The purpose of the borrowing is to provide funds to Micro, Small and Medium Scale Enterprises (MSMEs) through eligible Participating Financial Institutions (PFIs). The first tranche of the borrowing was received on 29August 2017 and the loans are repayable(in Naira) in 42 semi-annual instalments; with amoratorium of 5 years on principal repayment. The interest rate is 4% per annum; and the last repayment date of the facility is 15 October 2036.

v The amount due to Agence Francaise de development("AFD") of N 20.12 billion (Principal: N 19.99 billion, Interest: N 132.88 million) represents the carrying amount of the first, second and third drawdown of the AFD's $ 130 million commitment to the Federal Government of Nigeria ("FGN"). A subsidiary agreement exists between the FGN and DBN denominated in Naira, in respect of this borrowing. The purpose of the borrowing is to provide funds to Micro, Small and Medium Scale Enterprises(MSMEs) through eligible Participating Financial Institutions(PFIs). The 3 tranches of the borrowing was received on 7 September 2017, 25 January 2019 and 24 December 2020. The loan is repayable (in Naira) in 20 semi-annual instalments, with the first payment due on 31 October 2020 and last due on 30 April 2030. The interest rate is 3.55 % per annum.

vi The amount due to KfW German Development Bank("KfW") of N23.25 billion(Principal: N23.25 billion, Interest: N2.87million) represents the carrying amount of the N11.61 billion first tranche, N5.81 billion second tranche, N5.82 billion third tranche and N5.82 billion fourth tranche of total drawdown of the KfW's $200 million commitment to the Federal Government of Nigeria("FGN") and Development Bank of Nigeria("DBN"). The funds were received by the Bank in Naira from the Federal Government of Nigeria ("FGN") through the Ministry of Finance and is repayable by the Bank in Naira.

Although, the Development Bank of Nigeria and the Federal Government of Nigeria("FGN") are both named borrowers in the borrowing agreement with the foreign development partner; the funds are received directly from KfW by the FGN; who undertakes to provide the funding to DBN. The purpose of the borrowing is to provide funds to Micro, Small and Medium Scale Enterprises(MSMEs) through eligible Participating Financial Institutions(PFIs). The first tranche of the borrowing was received on 12 October 2017 and the loan is repayable (in Naira) in semi-annual instalments, with the first payment due on 30 December 2019 and last due on 30 December 2029. The interest rate is 3.99 % per annum

vii The amount due to African Development Bank("AfDB") of N42.23 billion(Principal: N41.86 billion, Interest:N373.29million) represents the carrying amount of the first and second drawdown of the AfDB's $400 million commitment to the Federal Government of Nigeria("FGN")and Development Bank of Nigeria("DBN"). Although, the Development Bank of Nigeria and the Federal Government of Nigeria("FGN") are both named borrowers in the borrowing agreement with the foreign development partner; the funds are received directly from AfDB by the FGN; who undertakes to provide the funding to DBN. The inflows were received on 27 March, 2018 and 10 October, 2019 and the loans are repayable(in Naira) in semi-annual instalments over 15 years in 30 equal instalments with the last instalment due on 15 October 2034. The interest rate is 4 % per annum.

viii African development fund("ADF") is a special fund of the African Development Bank("AfDB"). The N10.94 billion(Principal: N10.92 billion, Interest: N23.83 million) ADF represents the carrying amount of the first, second and third tranches of the ADF borrowing commitment to the Federal Government of Nigeria("FGN") and Development Bank of Nigeria("DBN"). The actual inflow of the three tranches were received on 31 January 2018,9April, 2018 and 11 October 2019 respectively and the loans are repayable (in Naira) in semi-annual instalments over 15 years in 30 equal instalments with the last instalment due on 15 October 2044. The interest rate is 1 % per annum.

a

Movement in borrowings *In thousands of Naira*	Note	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Principal		426,640,000	265,862,975	426,640,000	265,862,975
Interest		2,417,144	2,118,335	2,417,144	2,118,335
Opening		429,057,144	267 981 310	429 057 144	267 981 310
Additional long term debt		-	186 565 230	-	186 565 230
Long term principal repayment		(23,482,910)	(25,788,205)	(23482 910)	(25 788 205)
Interest expense for the year	9	12,294,745	10,552,186	12,294,745	10,552,186
Interest paid		(5,619,236)	(10,253,377)	(5,619,236)	(10,253,377)
Foreign exchange (gain)/loss		(1,238,893)	-	(1,238,893)	-
Closing		**411,010,850**	**429,057,144**	**411,010,850**	**429,057,144**
Principal		407,341,090	426,640,000	407,341,090	426,640,000
Interest		3,669,760	2,417,144	3,669,760	2,417,144

28 Debt Securities Issued
Development Bank of Nigeria Plc. Issued a local bond on July13, 2023 with a coupon rate of 14.4% payable semi-annually. The bond has a tenor of 5years and is due on July13, 2028. The principal amount on the local bond is payable at maturity, whilst interest is payable on a semi-annual at 14.4%.

In thousands of Naira	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Debit securities at amortized cost:				
Local Bond	24,356,665	24,301,232	24,356,665	24,301,232
Balance, end of the year	**24 356 665**	**24 301 232**	**24 356 665**	**24 301 232**

a

Movement in debt securities issued *In thousands of Naira*	Note	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Opening		24,301,232	24,235,595	24,301,232	24,244,335
Interest expense for the year	9	3,367,433	3,369,687	3,367,433	3,369,687
Interest paid		(3,312,000)	(3,304,050)	(3,312,000)	(3,312,790)
Closing		**24,356,665**	**24,301,232**	**24,356,665**	**24,301,232**
Principal		22,676,985	22,676,985	22,676,985	22,676,985
Interest		1,679,680	1,624,247	1,679,680	1,624,247

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Derivative Instrument *In thousands of Naira*	Note	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Hedging Instrument *Foreign exchang ederivatives: Notiona lAmount*					
Currency Swap Contract		(42,319,500)	(20,940,658)	(42,319,500)	(20,940,658)
		(42,319,500)	**(20,940,658)**	**(42,319,500)**	**(20,940,658)**
Hedging Instrument *Foreign exchange derivatives: Fair Value*					
Currency Swap Contract		430,037	651,178	430,037	651,178
Total		**430,037**	**651,178**	**430,037**	**651,178**
Current		**430,037**	**651,178**	**430,037**	**651,178**
Non-Current		-	-	-	-

Derivative financial instruments consists of currency swaps. They are held for day to day cash management rather than for trading purposes and are held at fair value. The Contractshave intended settlements date of ten (10) years. Derivative contracts are valued with reference to data obtained from sources such as FMDQ. The movement in fair value is as a result of a depreciation of the reporting currency of the Group (Naira) within the period.

a

Movement in derivative Instrument *In thousands of Naira*	Note	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Opening		(651,178)	-	(651,178)	-
Gain/(loss) on derivatives		834,333	(651,178)	834,333	(651,178)
Cashflow movement	0	246,882	-	246,882	-
Closing		**430,037**	**(651,178)**	**430,037**	**(651,178)**

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Other liabilities *In thousands of Naira*	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Financial Liabilities				
Audit fees	77,938	52,375	59,125	37,625
Accrued directors emolument	-	17,500	-	-
Accrued performance bonus (see note (i))	3,221,141	1,705,359	2,640,000	1,500,000
Sundry creditors - Other Payables	839,407	1,108,141	834,806	1,022,797
Provision for Guarantee (Incured Loss)	324,296	411,928	-	-
Lease liability	158,535	152,732	158,535	152,732
Dividend payable	-	-	-	-
Deposit from Participating Financial Institutions	206,925	431,867	206,925	431,867
IBRD LPRES Grant (see note (ii))	7,595,265	8,040,165	7,595,265	8,040,165
Accured expenses	3,988,986	1,957,056	3,965,500	1,916,724
	16,412,493	**13,877,123**	**15,460,156**	**13,101,910**
Non Financial liabilities				
PAYE payable	-	7,674	-	62
NHF payable	194	62	194	-
WHT payable	47,237	80,311	37,580	79,362
VAT payable	95,283	53,134	8,614	3,538
NSITF payable	45,187	36,379	45,169	35,790
ITF payable	47,372	35,790	47,372	35,790
Interest in suspense	134,642	-	134,642	-
Provision - IDB (see note (iii))	132,835	179,407	132,835	179,407
	502,750	**392,757**	**406,406**	**333,949**
Total	**16,915,243**	**14,269,880**	**15,866,562**	**13,435,859**

i Accrued performance bonus relates to accrual for 4% of the Bank's profit before tax in respect of employee performance bonus in line with the Bank's policy. The amount is subject to payment to staff members upon approval by the board of directors.
ii IBRD LPRES Grant relates to techinal assistance avail to DBN. This is to facilitate access to finance for eligible Participarting Financial Institutions and end borrowers
iii Provision-IDB (InterestDraw-Back)relatestoanagr eementtheBankhaswith PFIswith activeMSMEloan portfoliotoref undanagreedpercentageofthetotalloaninter eston IDB loan product upon liquidation of the loan.

In thousands of Naira	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Balance, beginning of the year	179,407	189,277	179,407	189,277
Payment made during the year	(49,435)	(41,330)	(49,435)	(41,330)
Interest expense for the year	2,863	31,460	2,863	31,460
Balance, end of year	**132,835**	**179,407**	**132,835**	**179,407**

31 Capital and reserves

(a) Ordinary share capital

In thousands of Naira	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Issued and paid up 100,000,000 ordinary shares at ₦1 each				
Opening balance	100,000	100,000	100,000	100,000
Closing balance	**100,000**	**100,000**	**100,000**	**100,000**

(b) Share premium

In thousands of Naira	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Balance, beginning of the year	99,762,570	99,762,570	99,762,570	99,762,570
Balance, end of the year	**99,762,570**	**99,762,570**	**99,762,570**	**99,762,570**

The share premium of N99,762,570,000 represents a premium of N998 per share on 100 million ordinary shares paid up by the Bank's shareholders.

(c) Retained earnings

This account represents the retained earnings of the Group and Bank up to the statement of financial position date. The movement in this account during the year was as follows:

In thousands of Naira	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Balance, beginning of the year	110,320,401	86,732,142	103,484,353	83,414,867
Profit for the year	64,555,418	38,828,352	53,717,079	35,309,579
Dividend paid to shareholders	(5,835,000)	(3,270,000)	(5,835,000)	(3,270,000)
Transfer from Other reserves (see note 31(f))	420,287	-	-	-
Transfer to statutory reserves (see note 31(d))	(16,115,123)	(10,592,874)	(16,115,123)	(10,592,874)
Transfer to regulatory risk reserves (see note 31(e))	(1,639,536)	(1,377,219)	(1,639,536)	(1,377,219)
Balance, end of the year	**151,706,448**	**110,320,401**	**133,611,773**	**103,484,353**

(d) Statutory reserves

Nigerian banking regulations require the Bank to make an annual appropriation to a statutory reserve. As stipulated by S.15(1) of the Banks and Other Financial Institution Act,2020, an appropriation of 30% of profit after tax is made if the statutory reserve is less than paid-upshare capital and 15% of profit after tax if the statutory reserve is greater than the paid upshare capital. As at 31December 2024, the Bank's statutory reserves is less than its paid upshare capital of N100,000,000 and share premium of N99,762,570,000; hence 30% of the profit after tax was appropriated to the Statutory Reserve

In thousands of Naira	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Balance, beginning of the year	51,507,930	40,915,056	51,507,930	40,915,056
Transfer from appropriation (see note 30(c))	16,115,123	10,592,874	16,115,123	10,592,874
Balance end of year	**67,623,053**	**51,507,930**	**67,623,053**	**51,507,930**

(e) Regulatory risk reserves

The regulatory risk reserve represents the difference between the impairment on loans and advances computed under Nigeria GAAP based on the Central Bank of Nigeria prudential guidelines and the expected credit loss model required by IFRS 9 for the years ended 31 December 2025 and 31 December 2024.

In thousands of Naira	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Balance, beginning of the year	9,415,872	8,038,653	9,415,872	8,038,653
Transfer from retained earnings (see note 31(c))	1,639,536	1,377,219	1,639,536	1,377,219
Balance, end of year	**11,055,408**	**9,415,872**	**11,055,408**	**9,415,872**

(f) Other reserves

The reserve for debt notes comprises the cost associated with the conversion of debt to equity in Impact Credit Guarantee Limited (See note 21 for details)

In thousands of Naira	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Balance, beginning of the year	103,854	(1,539)	-	-
Movement during the year	(103,854)	105,393	-	-
Balance, end of year	**(0)**	**103,854**	**-**	**-**

32 Cash flow workings

a Changes in working capital

In thousands of Naira	Note	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
(I) *Other liabilities (excluding VAT Payable)*					
Opening		14,216,746	3,416,447	13,432,321	3,057,117
Change in lease liability (see c(ii) below)		5,803	-	5,803	-
Change in other liabilities		2,597,411	10,800,299	2,419,824	10,375,204
Closing	**30**	**16,819,960**	**14,216,746**	**15,857,948**	**13,432,321**
(ii) *Employee benefit obligation*					
Opening		2,021	1,658	-	-
Contribution for the year		194,548	23,652	175,022	-
Remittances for the year		(196,282)	(23,289)	(174,735)	-
Closing	**25**	**287**	**2,021**	**287**	**-**
The Bank did not recognise any employment benefit obligation during the year ended 31 December 2025 (31 December 2024 : Nil).					
(iii) *Other assets*					
Opening		62,926,372	1,422,745	61,953,168	737,691
Impairment loss on guarantee fee receivable	24a	25,953	(79,988)	-	-
Withholding tax credit note utilised	17(c)	(1,287,941)	(107,826)	(964,898)	-
Closing	**24**	**3,910,467**	**62,926,372**	**2,777,325**	**61,953,168**
(iv) *Provision for guarantee*					
Opening		566,228	374,949	-	-
Movement		18,590	191,279	-	-
Closing	**26**	**584,818**	**566,228**	**-**	**-**
The Bank did not recognise any provision for guarantee during the year ended 31 December 2025 (31 December 2024 : Nil).					
(v) *Impairment loss on financial assets comprises the following:*					
(Charge)/writeback on cash and cash equivalents	10	(361,031)	-	(358,218)	-
Writeback/(charge) on investment securities	10	27,979	519,545	(15,511)	540,139
Impairment loss on other financial receivables	10	(25,953)	79,988	-	-
Total impairment writeback on financial assets	**10**	**(359,005)**	**599,533**	**(373,729)**	**540,139**
(vi) *Impairment loss on Cash and cash equivalent*					
Opening		(667,044)	(350,828)	(662,085)	(264,229)
Movement		361,031	-	358,218	-
Closing	**18**	**(306,013)**	**(667,044)**	**(303,867)**	**(662,085)**
(vii) *Vat paid*					
Opening		53,134	19,028	3,538	3,055
Movement		42,149	6,591	5,076	(1,887)
Closing	**30**	**95,283**	**53,134**	**8,614**	**3,538**

b Property and equipment

(i) **Gain on disposal of property and equipment**

In thousands of Naira	Note	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Cost of assets	22	254,293	67,700	228,728	67,699
Accumulated depreciation		(165,959)	(44,030)	(142,466)	(44,029)
Carrying value		88,333	23,670	86,261	23,670
(Loss)/Gain on disposal		18	36	(1,232)	36
Proceeds from disposal		**88,351**	**23,706**	**85,029**	**23,706**

(ii) **Purchase of property and equipment**

In thousands of Naira		GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
Additions to property and equipment	22	6,783,523	2,457,438	6,737,250	2,450,123
Additions: Right of Use Assets	22	(78,800)	(129,400)	(78,800)	(129,400)
Purchase of property and equipment		**6,704,723**	**2,328,038**	**6,658,450**	**2,320,723**

c Right of Use Assets (ROU) and Payment of lease liability

In thousands of Naira	Note	GROUP 31 December 2025	GROUP 31 December 2024	BANK 31 December 2025	BANK 31 December 2024
(i) *Movement in lease liability*					
Opening		152,732	147,125	152,732	147,125
Changes in lease liability (see (ii) below)		5,803	5,607	5,803	5,607
Closing Balance	**30**	**158535**	**152,732**	**158535**	**152,732**

(ii)	*Changes in lease liability is summarised below:*					
	Addition to lease liability (non cash) -See (iii) below	22	78,800	129,400	78,800	129,400
	Interest expense	9	5,804	5,606	5,804	5,606
	Interest paid		-	-	-	-
	Write off / lease modification		-	-	-	-
	Cash paid during the year		(78,801)	(129,399)	(78,801)	(129,399)
			5,803	**5,607**	**5,803**	**5,607**
(iii)	*Movement in ROU asset*					
	Opening		(267,884)	(281,737)	(267,884)	(281,737)
	Addition to ROU asset	22	(78,800)	(129,400)	(78,800)	(129,400)
	Depreciation	22	110,969	143,253	110,969	143,253
	Closing	22	(235,715)	(267,884)	(235,715)	(267,884)
	Addition to ROU in note 22 is the sum of cash and non cash additions					
(iv)	*Lease interest expense*					
	Interest expense		5,804	5,606	5,804	5,606
	Write off / lease modification		-	-	-	-
	Closing		5,804	5,606	5,804	5,606

33 Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial and operational decisions, or one other party controls both. The definition includes directors and key management personnel.

a Parent and ultimate controlling party

The Federal Government of Nigeria is the Bank and Group's ultimate controlling party with the shares held in trust by the Ministry of Finance Incorporated (MoFI). The shares of the Bank held by MoFI as at 31 December 2025 stood at 59,868,000 units of share (31December2024: 59,868,000units), constituting 60% shareholding.

b Group and Bank

I Transactions with key management personnel

The Group and Bank's key management personnel and persons connected with them, are also considered to be related parties for disclosure purposes. Key management personnel includes close members of family of key personnel and any entity over which key management personnel exercises control. The Group and Bank did not have any transactions with key management personnel except for the following compensation disclosed below:

In thousands of naira	BANK 31 December 2025	BANK 31 December 2024
Executive Directors		
Salaries and wages	607,500	534,728
Pension contribution	37,794	28,556
	645,294	563,284
Other Key management staff:		
Salaries and wages	1,030,106	724,761
Pension contribution	55,799	45,922
	1,085,905	770,683

ii Transaction with subsidiary

There is an existence of a shared service agreement between the Bank and its subsidiary - Impact Credit Guarantee Limited (ICGL) where the Bank rendered Human resources, Information technology, Administrative, Corporate communication and branding, Finance, Internal audit, Risk management, Legal and Secretarial Services to its subsidiary either directly or through a third party. Income realised by the Bank from these shared services amounted to N195.07 m for the year ended 31 December 2025 (31 December 2024: N159.2m). The amount has however been eliminated at the group. (See Note 12)

There was an intercompany receivable of N103.14m (31 December 2024: N84.87m) between ICGL and the bank as at 31 December 2025 See Note 24). This has also been eliminated at the group.

The Bank granted a loan facility to its subsidiary company. The loan was granted to the subsidiary to facilitate the risk sharing portion of the World Bank & FGN funded Livestock Productivity and Resilience Support (LPRES) Project. The loan of N24 billion was disbursed by the bank on 30 September 2024, with a tenure of 27 years at an interest rate of 4.5% per annum, interest and principal repayable half yearly. It is a non-collateralised loan facility and no guarantees were provided. This loan and interest has been eliminated on consolidation and does not form part of the reported Group loans and advances balance

iii Other related parties and balances are listed below:.

In thousands of Naira

Related entities	Relationship	Nature	31 December 2025	31 December 2024
Federal Government of Nigeria (represented by the Ministry of Finance Incorporated)	Shareholder	**Borrowings**		
		Additional borrowings received	-	104,142,198
		Principal repayments made	(23,696,854)	(25,788,205)
		Interest expense incurred	(10,192,771)	9,781,751
		Interest repayments made	(9,014,914)	(10,253,377)
		Outstanding balance	105,498,305	104,142,198
		Investment Securities		
		Additional Treasury Bills purchased	314,185.78	35,759,231
		Interest income earned	6,653,157	3,807,279
		Treasury bills liquidated	36,073,417	16,000,000.0
		Outstanding balance	-	35,759,231

34 Events after the reporting date

There were no events after the end of the reporting period which could have a material effect on the consolidated and separate financial statements of the Bank which have not been recognised and/or disclosed in the financial statements.

35 The following table shows the analysis of assets and liabilities and on the basis of their current/ non-current classification.

Group *In thousands of Naira*	Note	Carrying Amount	31 December 2025 Current	Non Current
Assets				
Cash and cash equivalents	18	181,681,823	181,681,823	
Investment securities	19	75,420,594	21,257,502	54,163,092
Loans and advances at amortised costs	20	528,962,729	230,186,084	298,776,645
Property and equipment	22	19,904,335		
Intangible assets	23	367,743	-	
Deferred tax asset	17(b)	452,362	-	452,362
Derivative Asset	29	430,037	430,037	
Other assets	24	3,910,467	3,910,467	
Total Assets		**811,130,090**	**437,465,913**	**373,664,177**
Liabilities				
Employee benefit obligation	25	287	287	-
Provision for guarantee	26	584,818	584,818	-
Current tax liabilities	17(c)	28,331,181	28,331,181	-
Borrowings	27	411,010,850	-	411,010,850
Debt securities issued	28	24,356,665	-	24,356,665
Other liabilities	30	16,915,243	16,915,243	-
Total Liabilities		**481,199,044**	**45,831,529**	**435,367,515**

Group *In thousands of Naira*	Note	Carrying Amount	Current 31 December 2024	Non Current
Assets				
Cash and cash equivalents	18	144,963,887	144,963,887	-
Investment securities	19	98,300,053	56,709,496	41,590,557
Loans and advances to customers	20	438,475,152	248,227,095	190,248,057
Property and equipment	22	13,861,408	-	13,861,408
Intangible assets	23	147,788	-	147,788
Deferred tax asset	17(b)	431,209	-	431,209
Other assets	24	62,926,372	62,926,372	-
Total Assets		**759,105,869**	**512,826,850**	**246,279,019**
Liabilities				
Employee benefit obligation	25	2,021	2,021	-
Provision for guarantee	26	566,228	566,228	212,333
Current income tax liability	17(c)	19,047,559	19,047,559	-
Borrowings	27	429,057,144	-	429,057,144
Debt securities issued	28	24,301,232	-	24,301,232
Derivative Liabilities		651,178	651,178	
Other liabilities	30	14,269,880	14,269,880	-
Total Liabilities		**487,895,242**	**34,536,866**	**453,570,709**

Bank *In thousands of Naira*	Note	Carrying Amount	Current 31 December 2025	Non Current
Assets				
Cash and cash equivalents	18	181,114,801	181,114,801	-
Loans and advances at amortised costs	20	554,221,349	230,186,084	324,035,265
Investment in subsidiary	21	31,865,000	-	31,865,000
Property and equipment	22	19,840,974	-	19,840,974
Intangible assets	23	365,405	-	365,405
Deferred tax asset	17(b)	96,971	-	96,971
Derivative Asset	29	430,037	430,037	-
Other assets	24	2,777,325	2,777,325	-
Total Assets		**790,711,862**	**414,508,247**	**376,203,615**
Liabilities				
Employee benefit obligation	25	287	287	-
Current income tax liability	17(c)	27,324,694	27,324,694	-
Borrowings	27	411,010,850	-	411,010,850
Debt securities issued	28	24,356,665	-	24,356,665
Other liabilities	30	15,866,562	15,866,562	-
Total Liabilities		**478,559,058**	**43,191,543**	**435,367,515**

Bank *In thousands of Naira*	*Note*	Carrying Amount	31 December 2024 Current	Non Current
Assets				
Cash and cash equivalents	18	143,621,352	143,621,352	-
Investment securities	19	35,743,720	35,743,720	-
Loans and advances to customers	20	462,631,382	272,442,953	190,188,429
Investment in subsidiary	21	31,865,000	-	31,865,000
Property and equipment	22	13,809,604	-	13,809,604
Intangible assets	23	147,747	-	147,747
Deferred tax asset	17(b)	221,341	-	221,341
Other assets	24	61,953,168	61,953,168	-
Total Assets		**749,993,314**	**513,761,193**	**236,232,121**
Liabilities				
Current income tax liability	17(c)	18,277,176	18,277,176	-
Borrowings	27	429,057,144	-	429,057,144
Debt securities issued	28	24,301,232	-	24,301,232
Derivative Liabilities	29	651,178	651,178	
Other liabilities	17(c)	13,435,859	13,435,859	-
Total Liabilities		**485,722,589**	**32,364,213**	**453,358,376**

36 Dividend

The directors have proposed a dividend of N85.00k per share which represents 25% of retained earnings (Profit After Tax and after statutory reserves transfers) in the year ended 31 December 2025 (31 December 2024: N5,835,000,000). The basis of the proposed dividend is N58.35k per share.

37 Contingent liabilities

a. Contingent liabilities
In thousands of naira

	31-Dec-25	31-Dec-24
Financial guarantees	77,766,808	37,497,966
No of outstanding guarantees (unit)	**35,034**	**14,790**

As at the end of the year, the group estimated the on-balance sheet value of the guarantee contract as at the end of the year in line with the requirements of IFRS9. The group also recognized in the profit or loss account the probable outflow of economic resources that would be required to settle all known claims obligation. The value of guarantees disclosed as contingent liabilities represents the group's guarantee coverage on all active loans with PFIs that the company issued letters of guarantees on.

38 Compliance with banking regulations

The bank did not pay any penalty for non compliance to banking regulations during the year (31 December 2024: Nil)

OTHER NATIONAL DISCLOSURES

GROUP *In thousands of Naira*	31 December 2025	%	31 December 2024	%
Gross income	129,314,040		84, 031,915	
Interest expense	(17,450,519)		(13,958,939)	
Impairment (losses)/writeback on financial assets	337,571		(1,091,896)	
Bought in materials and services - local	(10,710,666)		(6,278,509)	
	101,490,426		**62, 702,571**	
Applied to pay:				
Employees				
- Employees as personnel expenses	7, 589,706	7	4,366,465	7
Government				
- Taxation	28,587,395	28	18,864,199	30
Retained in business				
Replacement of property and equipment/Intangible assets -	757, 907	1	643,555	1
Increase in reserves	64,555,418	64	38,828,352	62
	101,490,426	**100**	**62,702,571**	**100**

This statement represents the distribution of the wealth created through the use of the Group's assets and its employees' efforts

BANK

In thousands of Naira	31 December 2025	%	31 December 2024	%
Gross income	114,607,171		78,298,450	
Interest expense	(17,450,519)		(13,958,939)	
Impairment writeback/(losses) on financial assets	351,169		(1,180,231)	
Bought in materials and services - local	(8,679,260)		(5,149,405)	
	88,828,561		58,009,875	
Applied to pay:				
Employees				
- Employees as personnel expenses	6,611,079	7	3,889,556	7
Government				
- Taxation	27,776,212	31	18,196,917	32
Retained in business				
Replacement of property and equipment/Intangibles	724,191	1	613,823	1
- Increase in reserves	53,717,079	60	35,309,579	61
	88,828,561	100	58,009,875	100

This statement represents the distribution of the wealth created through the use of the Bank's assets and its employees' efforts

GROUP *In thousands of Naira*	31 DEC 2025	31 DEC 2024	31 DEC 2023	31 DEC 2022	31 DEC 2021
Assets					
Cash and cash equivalents	181,681,823	144,963,887	94,212,090	38,623,389	147,167,291
Investment securities	75,420,594	98,300,053	25,370,707	6,424,507	27,957,211
Loans and advances	528,962,729	438,475,152	410,345,948	369,402,568	321,694,875
Property and equipment	19,904,335	13,861,408	11,961,716	2,434,577	2,332,159
Intangible assets	367,743	147,788	229,853	240,512	160,613
Deferred tax asset	452,362	431,209	420,130	1,206,072	743,546
Derivative assets	430,037	-	-	-	-
Other assets	3,910,467	62,926,372	1,422,745	1,992,219	1,445,938
Total assets	**811,130,090**	**759,105,869**	**543,963,189**	**520,323,844**	**501,501,633**
Liabilities					
Employee benefit obligation	287	2,021	1,658	1,793	1,671
Provision for guarantee	584,818	19,047,559	374,949	324,507	161,527
Current income tax payable	28,331,181	429,057,144	12,353,214	11,754,184	7,142,706
Borrowings	411,010,850	651,178	267,981,310	291,139,709	298,134,621
Derivative liabilities	-	24,301,232	-	-	-
Debt securities issued	24,356,665	566,228	24,235,595	-	-
Other liabilities	16,915,243	14,269,880	3,469,581	2,594,347	1,685,028
Total liabilities	**481,199,044**	**487,895,242**	**308,416,307**	**305,814,540**	**307,125,553**
Equity					
Share capital	100,000	100,000	100,000	100,000	100,000
Share premium	99,446,137	99,762,570	99,762,570	99,762,570	99,762,570
Retained earnings	151,706,447	110,320,401	86,732,142	76,122,381	61,604,428
Other reserves:					
Statutory reserves	67,623,053	51,507,930	40,915,056	33,863,738	28,003,563
Regulatory risk reserve	11,055,408	9,415,872	8,038,653	4,660,615	4,905,519
Other reserves	-	103,854	(1,539)	-	-
Total equity	**329,931,045**	**271,210,627**	**235,546,882**	**214,509,304**	**194,376,080**
Total liabilities and equity	811,130,090	759,105,869	543,963,189	520,323,844	501,501,633
Gross income	129,314,040	84,031,915	54,814,486	49,362,546	39,583,460
Profit before tax	93,142,813	57,692,551	36,537,223	30,252,137	23,780,365
Taxation	(28,587,395)	(18,864,199)	(12,080,106)	(10,118,913)	(7,338,035)
Profit for the year	**64,555,418**	**38,828,352**	**24,457,117**	**20,133,224**	**16,442,330**

BANK *In thousands of Naira*	31 DEC 2025	31 DEC 2024	31 DEC 2023	31 DEC 2022	31 DEC 2021
Assets					
Cash and cash equivalents	181,114,801	143,621,352	85,212,612	131,058,757	135,321,043
Investment securities	-	35,743,720	19,245,754	-	26,618,294
Loans and advances	554,221,349	462,631,382	410,345,948	369,402,568	321,694,875
Investment in subsidiaries	31,865,000	31,865,000	11,675,431	11,375,000	11,375,000
Property and equipment	19,840,974	13,809,604	11,888,345	2,402,019	2,293,847
Intangible assets	365,405	147,747	228,962	233,649	148,093
Deferred tax asset	96,971	221,341	311,536	1,140,471	724,664
Derivative asset	430,037				
Other assets	2,777,325	61,953,168	737,691	1,623,938	1,066,397
Total assets	**790,711,862**	**749,993,314**	**539,646,279**	**499,242,213**	**492,312,233**
Liabilities					
Current income tax payable	27,324,694	18,277,176	12,128,833	11,575,456	6,893,466
Borrowings	411,010,850	429,057,144	267,981,310	291,139,709	298,134,621
Debt securities issued	24,356,665	24,301,232	24,244,335	-	-
Derivative liabilities	-	651,178	-	-	-
Other liabilities	15,866,562	13,435,859	3,060,655	2,342,031	1,568,835
Total liabilities	**478,559,058**	**485,722,589**	**307,415,133**	**305,057,196**	**306,596,922**
Equity					
Share capital	100,000	100,000	100,000	100,000	100,000
Share premium	99,762,570	99,762,570	99,762,570	99,762,570	99,762,570
Retained earnings	133,611,773	103,484,353	83,414,867	73,792,283	59,873,639
Other reserves:					
Statutory reserves	67,623,053	51,507,930	40,915,056	33,863,738	28,003,563
Regulatory risk reserve	11,055,408	9,415,872	8,038,653	4,660,615	4,905,519
Total equity	312,152,804	264,270,725	232,231,146	212,179,206	192,645,291
Total liabilities and equity	790,711,862	749,993,314	539,646,279	517,236,402	499,242,213
Gross income	78,298,450	78,298,450	52,446,323	47,552,077	38,181,383
Profit before tax	81,493,291	53,506,496	35,370,247	29,522,586	22,759,813
Taxation	(27,776,212)	(18,196,917)	(11,900,307)	(9,988,671)	(7,041,505)
Profit for the year	**53,717,079**	**35,309,579**	**23,469,940**	**19,533,915**	**15,718,308**

8

APPENDICES AND SUPPORTING INFORMATION

ACRONYMS & ABBREVIATIONS

Acronym	Full Form
AfDB	African Development Ba nk
AFD	Agence Française de Développement
AGM	Annual General Meeting
AI	Artificial Intelligence
ALCO	Asset and Liability Management Committee
ALM	Asset and Liability Management
AML	Anti-Money Laundering
AMPLIFI	DBN's 5-Year Strategic Framework (2024–2028)
APCON	Advertising Practitioners Council of Nigeria
BAC	Board Audit Committee
BACC	Board Audit and Compliance Committee
BADEA	Arab Bank for Economic Development in Africa
BCP	Business Continuity Plan
BCRC	Board Credit and Risk Committee
BEC	Board Ethics Committee
BGAC	Board Guarantee Appraisal Committee
BNGC	Board Nominations and Governance Committee
BOI	Bank of Industry
BRC	Board Risk Committee
BSD	Banking Supervision Department (CBN)
BSG	Business Support Group
CAC	Corporate Affairs Commission
CAMA	Companies and Allied Matters Act, 2020
CAMELS	Capital, Assets, Management, Earnings, Liquidity, Sensitivity (supervisory rating)
CBN	Central Bank of Nigeria
CCF	Credit Conversion Factor
CEO	Chief Executive Officer

ACRONYMS & ABBREVIATIONS CONT.

Acronym	Full Form
CFT	Counter Financing of Terrorism
CGU	Cash-Generating Unit
CIBN	Chartered Institute of Bankers of Nigeria
CIT	Company Income Tax
CITA	Companies Income Tax Act
CMAP	Continental Market Access Programme
COP29/30	Conference of the Parties (UN Climate Change Conference)
COSO	Committee of Sponsoring Organizations of the Treadway Commission
CPF	Counter-Proliferation Financing
CSR	Corporate Social Responsibility
DAE	Direct Access Entity (to the Green Climate Fund)
DBN	Development Bank of Nigeria
DDI	Development Dimension International
DFI	Development Finance Institution
EAD	Exposure at Default
EAP	Employee Assistance Programme
ECL	Expected Credit Loss
ECOWAS	Economic Community of West African States
EDC	Export Development Canada
EIB	European Investment Bank
EIR	Effective Interest Rate
ERM	Enterprise Risk Management
ERTS	Executive Roundtable on Mainstreaming Green and Sustainable Finance
ESBC	ECOWAS Sustainable Banking Charter
ESG	Environmental, Social and Governance
ESMP	Environmental and Social Management Plan
ESMS	Environmental and Social Management System
ESRM	Environmental and Social Risk Management
ETP	Entrepreneurship Training Programme
EY	Ernst & Young

ACRONYMS & ABBREVIATIONS CONT.

Acronym	Full Form
FATF	Financial Action Task Force
FCA	Fellow of the Institute of Chartered Accountants
FCIB	Fellow of the Chartered Institute of Bankers
FCIS	Fellow of the Chartered Institute of Secretaries
FGN	Federal Government of Nigeria
FI	Financial Institution
FINCLUDE	DBN Financial Inclusion Programme
FLI	Forward-Looking Information
FRC	Financial Reporting Council of Nigeria
FSB	Financial Stability Board
FVOCI	Fair Value Through Other Comprehensive Income
FVTPL	Fair Value Through Profit or Loss
GCF	Green Climate Fund
GDP	Gross Domestic Product
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GLLP	General Loan Loss Provision
IAASB	International Auditing and Assurance Standards Board
IAS	International Accounting Standard
IASB	International Accounting Standards Board
IBRD	International Bank for Reconstruction and Development
ICAN	Institute of Chartered Accountants of Nigeria
ICGL	Institutional Credit Guarantee Limited
ICSAN	Institute of Chartered Secretaries and Administrators of Nigeria
IDB	Islamic Development Bank
IESBA	International Ethics Standards Board for Accountants
IFRS	International Financial Reporting Standards
IKI	International Climate Initiative (Germany)
IMD	Institute of Management Development
IMF	International Monetary Fund
IMS	Integrated Management System

ACRONYMS & ABBREVIATIONS CONT.

Acronym	Full Form
INSEAD	Institut Européen d'Administration des Affaires
ISO	International Organisation for Standardisation
IT	Information Technology
JV	Joint Venture
KFW	Kreditanstalt für Wiederaufbau (German Development Bank)
KPMG	Klynveld Peat Marwick Goerdeler
KYC	Know Your Customer
LAPO	Lift Above Poverty Organisation
LGD	Loss Given Default
LMS	Learning Management System
LPRES	Livestock Productivity and Resilience Support Programme
MBA	Master of Business Administration
MCC	Management Credit Committee
MD	Managing Director
MFR	Member of the Federal Republic
MOFI	Ministry of Finance Incorporated
MRC	Management Risk Committee
MSME	Micro, Small and Medium Enterprise
NAMB	Nigeria Agribusiness and Mechanisation Bank
NASENI	National Agency for Science and Engineering Infrastructure
NASME	Nigerian Association of Small and Medium Enterprises
NBS	National Bureau of Statistics
NCCG	Nigerian Code of Corporate Governance 2018
NCGC	Nomination and Corporate Governance Committee
NCR	Nigeria Credit Reporting
NDPA	Nigeria Data Protection Act
NDPC	Nigeria Data Protection Commission
NESG	Nigerian Economic Summit Group
NGFS	Network for Greening the Financial System
NIF	Nigeria Infrastructure Fund

ACRONYMS & ABBREVIATIONS CONT.

Acronym	Full Form
NIM	Nigerian Institute of Management
NITDA	National Information Technology Development Agency
NPL	Non-Performing Loan
NRS	Nigerian Revenue Service
NSBP	Nigerian Sustainable Banking Principles
NSIA	Nigeria Sovereign Investment Authority
NTA	Nigeria Tax Act
OCI	Other Comprehensive Income
PAR90	Portfolio at Risk (90 days)
PAT	Profit After Tax
PBT	Profit Before Tax
PD	Probability of Default
PFI	Participating Financial Institution
PIU	Project Implementation Unit
PLC	Public Limited Company
POCI	Purchased or Originated Credit-Impaired
PTF	Presidential Task Force
PWC	PricewaterhouseCoopers
RBC	Risk-Based Compliance
RCSA	Risk and Control Self-Assessment
RIMAN	Risk Managers Association of Nigeria
ROAA	Return on Average Assets
ROAE	Return on Average Equity
ROU	Right of Use (asset)
SEC	Securities and Exchange Commission
SHF	Sanitation and Hygiene Fund
SICR	Significant Increase in Credit Risk
SIEM	Security Information and Event Management
SMEDAN	Small and Medium Enterprises Development Agency of Nigeria
SME	Small and Medium Enterprise

ACRONYMS & ABBREVIATIONS CONT.

Acronym	Full Form
SPPI	Solely Payments of Principal and Interest
UBA	United Bank for Africa
UNSHF	United Nations Sanitation and Hygiene Fund
VAT	Value Added Tax
WAF	Web Application Firewall
WDFI	Wholesale Development Finance Institution
WE-FI	Women Entrepreneurs Finance Initiative
WED	World Environment Day
WHT	Withholding Tax
WIRA	Women Investment Readiness Accelerator
YEIB	Youth Entrepreneurship and Innovation Bank

GLOSSARY OF KEY ITEMS

Term	Definition
Capital Adequacy	The sufficiency of a bank's capital relative to its risk-weighted assets, ensuring the bank can absorb losses while continuing to meet its obligations to depositors and other creditors.
Credit Guarantee	A risk-sharing mechanism under which DBN covers up to 60% (and up to 75% under L-PRES) of credit risk on loans originated by Participating Financial Institutions (PFIs) to MSMEs.
Development Finance Institution (DFI)	A specialised financial institution established by government or multilateral bodies to support economic development through concessional lending, equity investment, or blended finance.
Environmental and Social Management System (ESMS)	A structured framework that DBN and its PFIs use to identify, assess, manage and monitor environmental and social risks associated with lending activities.
Expected Credit Loss (ECL)	A probability-weighted estimate of credit losses over the life of a financial instrument, incorporating forward-looking information, as required under IFRS 9.
Exposure at Default (EAD)	The estimated outstanding credit exposure at the time a borrower defaults, used in ECL calculations.
Financial Inclusion	The availability and accessibility of affordable, appropriate financial products and services to underserved individuals and enterprises.
Forward-Looking Information (FLI)	Macroeconomic variables (e.g., inflation rate, prime lending rate, crude oil prices, exchange rates) incorporated into ECL models to reflect future economic conditions, as required under IFRS 9.
Green Finance	Financial instruments, products and services designed to deliver environmental benefits and support the transition to a low-carbon, climate-resilient economy.
Integrated Reporting	A concise, holistic communication showing how an organisation's strategy, governance, performance and prospects create value over the short, medium and long term, guided by the International IR Framework.
Loss Given Default (LGD)	The percentage of an exposure that is expected to be lost if a borrower defaults, taking into account collateral, recovery rates and recovery costs.
Materiality	The significance of an issue to DBN's capacity to create value and to the interests of its key stakeholders, determined through a structured assessment of stakeholder expectations and strategic relevance.
Micro, Small and Medium Enterprise (MSME)	An enterprise classified by size, revenue or employee count as micro, small or medium, representing the primary target beneficiary of DBN's lending and guarantee activities.
Non-Performing Loan (NPL)	A loan on which the borrower has not made scheduled interest or principal payments for a defined period (typically 90 days or more), per CBN prudential guidelines.
On-lending	The process by which DBN provides wholesale funding to PFIs, which the PFIs then lend directly to eligible MSME borrowers.
Participating Financial Institution (PFI)	A CBN-licensed financial institution that has been on-boarded by DBN to on-lend funds to eligible MSMEs.

GLOSSARY OF KEY ITEMS CONT.

Term	Definition
Portfolio at Risk (PAR90)	The proportion of the total loan portfolio where scheduled repayments are overdue by more than 90 days.
Probability of Default (PD)	The likelihood, expressed as a percentage, that a borrower will fail to meet its debt obligations within a specified time horizon, used in ECL modelling.
Prudential Reserve	A non-distributable reserve representing the difference between loan loss provisions computed under CBN prudential guidelines and impairment charges calculated under IFRS 9's ECL model.
Right of Use (ROU) Asset	An asset recognised on the balance sheet under IFRS 16 representing the lessee's right to use an underlying leased asset for the duration of the lease term.
Significant Increase in Credit Risk (SICR)	A trigger condition under IFRS 9 that causes a financial asset to be moved from Stage 1 (12-month ECL) to Stage 2 (lifetime ECL) measurement when credit risk has materially increased since origination.
Six Capitals	The six forms of capital — Financial, Manufactured, Human, Intellectual, Social & Relationship, and Natural — that DBN uses and affects in creating value, as defined by the International IR Framework.
Sustainability	DBN's commitment to conducting its business in a manner that balances financial performance with responsible environmental stewardship, positive social impact and sound governance.
Technical Assistance	Non-financial support, including training, advisory services and capacity building, provided by DBN to PFIs and MSMEs to strengthen their operational, financial management and ESG capabilities.
Value Creation Model	DBN's framework illustrating how inputs (the Six Capitals) are transformed through its business and delivery model into outputs and outcomes for stakeholders and the wider economy.
Wholesale Development Finance Institution (WDFI)	A development finance institution that channels funds to end-beneficiaries indirectly through PFIs, rather than lending directly to individual borrowers.

REPORTING STANDARD ALIGNMENT

Standard / Framework	Issuing Body	Relevant Sections & Application
International Integrated Reporting (IR) Framework	IIRC / IFRS Foundation	Core structure of the Integrated Report including Value Creation Model, Six Capitals framework, Materiality determination, Connectivity of information. Applied throughout Sections 1–7
Global Reporting Initiative (GRI) Standards	Global Reporting Initiative	Sustainability-related disclosures; ESG performance metrics; stakeholder engagement reporting. Applied in Section 4 and 5 – Governance & Leadership, DBN's Green Finance Strategy. Pp xx–xx).
UN Sustainable Development Goals (SDGs)	United Nations	Alignment of DBN's development mandate, lending activities and impact metrics to relevant SDGs. (Referenced throughout Sections 1–7, particularly in section 5).
Nigerian Sustainable Banking Principles (NSBPs)	Central Bank of Nigeria	Green Finance Strategy; ESMS and ESRM frameworks; responsible lending practices; NSBP progress scorecard (Section 4 - 5)
IFRS Accounting Standards (General)	International Accounting Standards Board (IASB)	Basis of preparation for the Consolidated and Separate Financial Statements. Applied throughout Section 8 – Audited Financial Report and Accounts.
IFRS 9 – Financial Instruments	IASB	ECL model (PD, LGD, EAD); SICR assessment; staging (Stage 1–3); forward-looking macroeconomic scenarios; prudential reserve reconciliation. Applied in Notes to Financial Statements.
IFRS 15 – Revenue from Contracts with Customers	IASB	Guarantee fee recognition, commission and fee income accounting. Applied in Notes to Financial Statements.
IFRS 16 – Leases	IASB	Right of Use (ROU) asset recognition; lease liability measurement and disclosure. Applied in Notes to Financial Statements.
IFRS 18 – Presentation and Disclosure in Financial Statements (replaces IAS 1)	IASB	New presentation requirements effective for periods beginning 1 January 2027. Noted as a forthcoming standard for future adoption in Notes to Financial Statements.
IAS 1 – Presentation of Financial Statements	IASB	Financial statement presentation (until superseded by IFRS 18); disclosure of material accounting policies (Amendments to IAS 1 and IFRS Practice Statement 2 adopted). Applied in Notes.
IAS 12 – Income Taxes	IASB	Deferred tax recognition and measurement; minimum tax computation; Company Income Tax (CIT) disclosures. Applied in Notes to Financial Statements.
IAS 21 – Effects of Changes in Foreign Exchange Rates	IASB	Foreign currency translation; Lack of Exchangeability Amendments (August 2023 IASB amendments noted). Applied in Notes to Financial Statements.
IAS 28 – Investments in Associates and JVs	IASB	Equity method accounting for associates; treatment on loss of significant influence. Applied in Notes to Financial Statements.

REPORTING STANDARD ALIGNMENT CONT.

Standard / Framework	Issuing Body	Relevant Sections & Application
IAS 37 – Provisions, Contingent Liabilities and Assets	IASB	Provision recognition criteria; contingent liability disclosures. Applied in Notes to Financial Statements.
COSO 2013 Internal Control–Integrated Framework	Committee of Sponsoring Organizations of the Treadway Commission	Internal Control over Financial Reporting (ICFR); five-component framework (Control Environment, Risk Assessment, Control Activities, Information & Communication, Monitoring). Applied in Section 4 – Regulatory Compliance.
CBN Code of Corporate Governance for Development Finance Institutions	Central Bank of Nigeria	Board composition, independence, tenure, performance evaluation, and CBN submission requirements. Applied throughout Section 4 – Corporate Governance.
Nigerian Code of Corporate Governance 2018 (NCCG)	Financial Reporting Council (FRC) Nigeria	Board effectiveness; independence of non-executive directors; Principle 14.1 disclosures; Article 3.6 AGM reporting. Applied in Section 4 – Corporate Governance.
SEC Corporate Governance Guidelines (SCGG)	Securities and Exchange Commission Nigeria	Director appointment process; conflict of interest disclosures; governance reporting to the SEC. Applied in Section 4 – Corporate Governance.
FATF Recommendations on AML/CFT	Financial Action Task Force	AML/CFT/CPF compliance programme; KYC procedures; transaction monitoring; sanctions screening. Applied in Section 4 – Regulatory Compliance & Control.
CBN AML/CFT/CPF Regulations 2022	Central Bank of Nigeria	Domestic AML/CFT/CPF compliance requirements; CBN Administrative Sanctions Regime 2023. Applied in Section 4 – Regulatory Compliance & Control.
ISO 27001:2022 – Information Security Management Systems	International Organisation for Standardisation	Cybersecurity governance; SIEM; data access controls; ISO revalidation audit (2025). Applied in Section 4 – Cybersecurity & Data Protection.
ISO 20000-1:2018 – IT Service Management Systems	International Organisation for Standardisation	IT service delivery and management; surveillance audit maintained with zero exceptions (2025). Applied in Section 4.
ISO 22301 – Business Continuity Management Systems	International Organisation for Standardisation	Business continuity planning (BCP); operational resilience framework. Applied in Section 4.
Network for Greening the Financial System (NGFS) Climate Scenarios	Network for Greening the Financial System	Climate risk scenario analysis (transition and physical risks); portfolio resilience assessment across three NGFS reference scenarios. Applied in Section 5 – DBN's Green Finance Strategy.
Nigeria Data Protection Act (NDPA) / NDPC Regulations	Nigeria Data Protection Commission	Personal data governance; staff and PFI data handling requirements; registration with NDPC. Applied in Section 4 – Cybersecurity & Data Protection.
ISAE 3000 – Assurance Engagements Other than Audits	IAASB	Basis for any third-party assurance or limited assurance engagement on sustainability disclosures referenced in the report.