brac | Uganda Bank Ltd

Now you can do more

2024

BRAC UGANDA BANK LTD

ANNUAL REPORT

“Since women are
the ones who manage
poverty, shouldn’t they
be in charge of managing
development as well?”

-Sir Fazle Hasan Abed
1936-2019

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MESSAGE FROM THE BOARD CHAIR

2024 was a year of growth for BRAC Uganda Bank Ltd. (BUBL), filled with unprecedented achievements. BUBL returned a profit after tax of UGX 8.16 billion and recorded a 10.8% growth in assets. As we celebrate these accomplishments, we remain acutely aware of the broader challenges in the industry, but ready to face them with the commitment to empower women at the bottom of the pyramid, especially those living in poverty and in rural and hard-to-reach areas of Uganda.

BUBL has further adopted the incorporation of a sustainability approach in its operating framework, given that a sustainable business can ultimately be achieved through a model that respects people and the environment. This strategic approach was affirmed when BUBL emerged as the winner in the category of "Most Resilient Bank with Sustainable Impact," organized by the Institute of Corporate Governance of Uganda.

BUBL further joined as a member of the Global Alliance for Banking on Values. These achievements are a testament to BUBL's commitment to improving customer well-being while serving them with high standards. We have also made strides in building partnerships with key strategic partners that are aligned with the BUBL's mission and are working toward increasing impact at scale and promoting financial inclusion.

The bank continues to focus on enhancing its corporate governance structures as well as driving its digital agenda. Considering the volatile economic and regulatory environment, I have every confidence in the bank's ability to consistently deliver its best, with the collaborative and collective support of the entire ecosystem of stakeholders, partners, and shareholders.

Outlook for 2025

Looking forward, I am inspired by the work ahead of us: leveraging strategic partnerships to achieve customer-centred growth in deposits, loans, and customer base, and implementing the talent management strategy to attract, develop, and retain a strong talent pool. These goals will be achieved by simplifying processes without compromising controls, scaling results, and driving sustainable operations that will lead to impact at scale.

I am truly grateful to our customers, regulators, strategic partners, shareholders, and the Board of Directors for their steadfast support. Additionally, I would like to extend my sincere thanks to our dedicated staff for their hard work and unwavering commitment to our mission. Working together, we will continue to positively impact the lives of the people we serve.

With BRAC Uganda Bank Ltd, *"Now you can do more!"*

Albert Elasu Obongonyinge
Board Chairman
BRAC Uganda Bank Limited

MESSAGE FROM THE CEO

With a proud legacy of empowering people at the bottom of the economic pyramid, especially women facing poverty and those in remote areas, BRAC Uganda Bank Ltd (BUBL) saw tremendous growth in 2024. Throughout the year, the bank experienced remarkable progress, resilience, and a strong focus on delivering value, embedding itself in the customer journey as the cornerstone of its operations. The bank's strong results stemmed from the execution of key strategic priorities in digital innovation, operational efficiency, customer experience, and responsible business practices. The outstanding performance of the year highlights the trust and confidence stakeholders have in the bank.

Financial Performance

Despite operating in a dynamic and competitive environment, the strategic initiatives put in place resulted in a strong performance compared to 2023. The bank recorded a growth of 7% in Net Loans and Advances, an increase of 60% in Customer Deposits, and a 15% growth in Total Equity, resulting in the improved Net Profit of UGX 8.16 billion (USD 2.27 million) in 2024.

The improvement in performance is attributable to measures taken to strengthen our risk management systems, invest in staff capacity building, enhance operational efficiency, and explore alternative delivery channels through digital platforms to improve customer experience. Management remains committed to delivering customer-centred growth to its stakeholders.

Customers

Among the many accomplishments of the year is the significant growth in our customer base, which is a clear testament to the bank's focus on delivering exceptional services, building lasting relationships, and introducing innovative solutions.

Staff

Our staff remains the most valued asset of BUBL. We appreciate your dedication, hard work, unwavering commitment, resilience, and passion in driving performance. In the face of a challenging marketplace and structural realignment, your agility and adaptability have elevated the bank to greater heights. It is because of your collective efforts that we can celebrate this remarkable performance.

Sustainability and Impact

In addition to efforts to improve the lives and livelihoods of women at the bottom of the pyramid, the bank continued to actively advance the sustainability agenda by encouraging customers, communities, and the public to join the sustainability journey. Management remains focused on delivering customer-centred growth to its stakeholders.

Looking Ahead

As we navigate the uncertain times of 2025, the bank remains committed to key strategic priorities, including growing deposits and a quality loan book, leveraging strategic partnerships for impactful growth, and implementing a talent management strategy to attract, develop, and retain top talent. Some priorities remain constant: digital transformation and advancing the sustainability agenda. We expect the outlook to be challenging, given continued macroeconomic and geopolitical headwinds. However, BUBL remains agile and responsive to changes in the marketplace.

Appreciation

I would like to sincerely thank our strategic partners, shareholders, and Board of Directors for their ongoing trust and support. To our talented staff, your hard work, creativity, and passion have been the foundation of our success, enabling us to surpass expectations and achieve extraordinary results. Finally, a heartfelt thank you to our valued customers for your unwavering loyalty and support.

Together, we embody our brand promise, *"Now you can do more!"*

Nkosilathi Moyo
Chief Executive Officer
BRAC Uganda Bank Limited

WHERE HOPE PLANTED ROOT

In 1972, in a country still reeling from the Liberation War, Sir Fazle Hasan Abed launched a modest relief effort in the remote village of Sulla in northeastern Bangladesh to support returning refugees. This initiative gradually took root and evolved into something much larger.

From those humble beginnings, BRAC became a global organisation, partnering with over 100 million across Asia and Africa. At its core is a simple belief: given the right support, people can transform their own lives.

Grounded in the Global South and shaped by constant learning, BRAC listens, adapts, and acts—with humility, boldness, and deep trust in human potential.

ABOUT BRAC

OUR MISSION

Our mission is to empower people and communities in situations of poverty, illiteracy, disease, and social injustice. Our interventions aim to achieve large-scale, positive changes through economic and social programmes that enable men and women to realise their potential.

OUR VISION

A world free from all forms of exploitation and discrimination where everyone has the opportunity to realise their potential.

OUR VALUES

- Integrity
- Inclusiveness
- Effectiveness
- Innovation

STICHTING BRAC INTERNATIONAL

Stichting BRAC International is a non-profit foundation formed in the Netherlands. It governs all BRAC entities outside Bangladesh with the objective to engage in charitable and social welfare activities in any country of the world.

BRAC INTERNATIONAL HOLDINGS B.V.

BRAC International Holdings B.V. (BIHBV) was set up in 2010 as a private limited liability company and is a wholly-owned subsidiary of Stichting BRAC International. BIHBV is a socially responsible for-profit organisation engaging people in sustainable economic and income-generating activities.

BRAC INTERNATIONAL MICROFINANCE

BRAC champions a model of development that drives both economic and social progress, believing that true, lasting change must deliver both. Central to this vision is access to responsible financial services: a gateway that allows those excluded from traditional financial systems to invest in themselves, uplift their families, and strengthen their communities.

Since pioneering microfinance in 1974, BRAC has expanded its reach beyond Bangladesh, launching international operations in 2002. Today, BRAC's microfinance programmes serve more than 921,000 clients across seven countries: Myanmar, Tanzania, Uganda, Rwanda, Sierra Leone, Ghana, and Liberia. 96% of these clients are women.

Our mission is clear: to provide financial services responsibly to those at the bottom of the pyramid—particularly women living in poverty in rural and hard-to-reach areas. We aim to fuel self-employment opportunities, build financial resilience, and harness women's entrepreneurial spirit by empowering

OUR REACH

96%
of clients are women

7
Countries

887,686
Savers

921,243
Borrowers

$478.7m
Disbursed in loans

*as at December 2024

No Job, No Feed, No Problem

Story of Teopista Nampiima

Teopista Nampiima wasn't born into farming. She was born into storytelling. Known on-screen as Wahida Nampiima Lubwama, she spent years reporting on Uganda's agricultural scene, first as an intern at NBS, then a presenter at BBS, where she hosted farming programs and rubbed shoulders with the very people growing Uganda's food. But while the camera rolled on other farmers' successes, something stirred behind her composed smile: a hunger to create her own story in the soil.

In 2019, she swapped the newsroom for a rented home in Lubya and borrowed land in Mutundwe. With her husband, she built a poultry house, poured UGX 12 million (USD 3,339) into it, and filled it with broilers. They didn't last. A missed vaccination led to Gumboro disease. They buried 250 birds. Thieves took the rest.

Broke, grieving, and still green in the business, they brought in 700 more birds. This time, she followed every protocol, yet when the birds reached six weeks, they still looked three weeks old. "We fed them well," she says. "They just didn't grow."

Then came the pivot. Watching the farmers she used to interview. Those with local chickens and steady sales. She saw where resilience lived. She shifted from broilers to indigenous breeds. Then COVID-19 hit, and everything stalled. She lost her job, the birds were hungry, and the dream felt like it might die, again. Desperate, she called her sister, who told her about BRAC. Armed with her husband's land title, she took her first loan. "That loan fed our birds," she says. "It fed our hope."

One loan became five. With each, they expanded: a car for deliveries, a pharmacy for side income, a plot in Kawuku, then another. By the fifth loan, they were signing for seven acres in Busujju. "I never thought we'd come this far," Teopista says, surveying the rows of birds, the land, and life.

For women like her, access isn't just financial, it's cultural. "Many of us don't have land titles. Getting a loan means convincing your husband, forming a group, hoping others don't default." That's why she mentors other women now. Not with neat plans or perfect formulas, but with raw truth.

"You don't need to have it all figured out.
You just need to start."

Her legacy isn't made of feathers. It's built from stubborn hope, losses that taught her more than success ever could, and the quiet belief that tomorrow can be different, if you work for it. She may have walked away from the mic, but Teopista is still telling stories. Only now, she's living one worth listening to.

BRAC UGANDA BANK LIMITED

Our mission is to provide a range of financial services responsibly to people at the bottom of the pyramid. We particularly focus on women living in poverty in rural and hard-to-reach areas to create self-employment opportunities, build financial resilience, and promote women's entrepreneurial spirit by empowering them economically.

OPERATIONAL HIGHLIGHTS

93% of clients are women

44% outreach to people living in poverty*

88% outreach to people living in rural areas

$33m in savings deposits

183,403 borrowers

541,171 savers

$126m disbursed in loans

As at December 2024
*Earning less than $5.5 per day

OUR PRODUCTS

In the hands of a woman with vision, even the smallest opening can set a new course. At BRAC, we build financial pathways that move with her ambition: circles of women built on trust, loans that fuel growth, and savings that turn daily discipline into lasting security.

Our core products include a collateral-free, group-based microloan provided exclusively to women and small enterprise loans for entrepreneurs seeking to expand their businesses. Additionally, we launched our Agrifinance product in 2024 that provides group-based loans to farmers to help them increase their productivity and encourage self-sustainability towards a better livelihood for them and their families. This product was piloted in six branches and is underway to be scaled up to 20 branches.

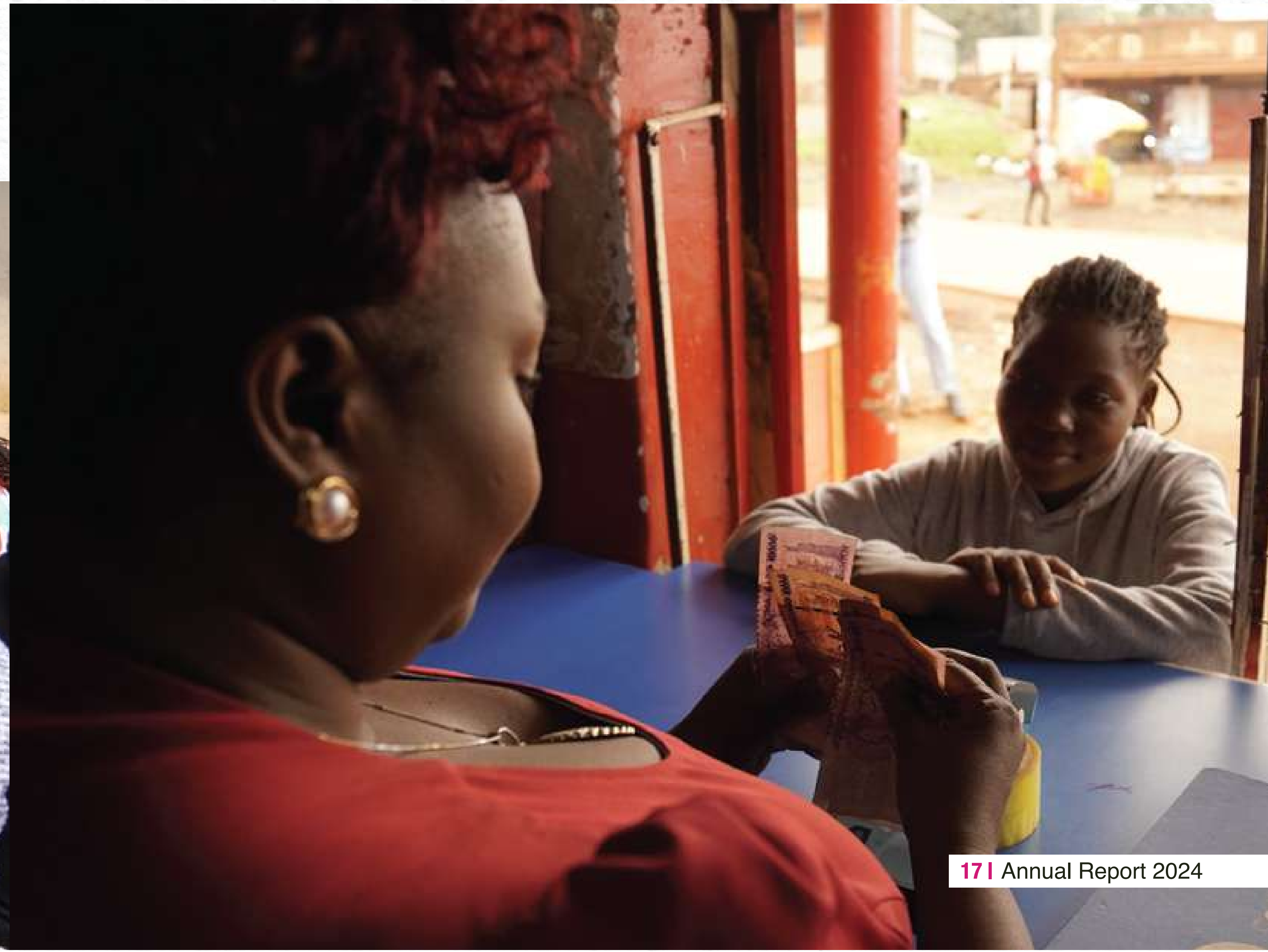
We also provide five types of savings products: Flex Save, a transactional account tailored for borrowers and mid-to-low-income households; Wise Save, intended for both formal and informal entrepreneurs and salaried individuals aiming to save for specific goals; Safe Save, developed for community-based savings and credit groups; a Fixed Deposit account offering competitive interest rates for investment purposes; and a Corporate Account specifically for registered corporate business entities.

DIGITAL TRANSFORMATION

The client value proposition is at the core of our digital transformation efforts, with a particular emphasis on reducing the gap in women's digital financial inclusion. We are embracing financial technology by digitising field operations and adopting alternative delivery channels to increase operational efficiency and offer greater convenience to our clients.

The mobile push and pull service, which allows customers to deposit and withdraw from their accounts, had 55,426 new customers and facilitated a total of 253,702 transactions worth over USD 9 million.

BUBL acquired a USSD code (*226#) in 2023 to bring services closer to customers, offering bill payments, cash deposits, withdrawals, balance inquiries and mini statements. The USSD has since then enrolled 36,906 customers with 4,263 monthly active customers with transactional value of USD 1 Million.



FINANCIAL AND DIGITAL LITERACY

In 2024, BUBL launched the Financial and Digital Literacy training programme for group loan clients, all of whom are women, to provide them with the necessary knowledge and skills to manage their finances better and strengthen their financial resilience. The training included topics on personal well-being, financial literacy, business development, and digital skills. By the end of the pilot, BUBL had reached 20,797 women, all of them living in rural areas.

This effort complements BUBL's existing initiatives to improve clients' financial awareness, such as the pre-disbursement orientation training for new clients, which provides detailed information about BUBL's products and services, including loan amounts, pricing, repayment methods, interest rates, complaint channels, and other relevant terms and conditions.

HUMAN RESOURCE INITIATIVES

We introduced the Staff Provident Fund to improve employee value proposition where we were contributing 4.2% towards the staff benefits after their tenure in BRAC Uganda Bank Ltd or in the event of their demise. We also included a dependant on the medical insurance cover of staff members to cater for their immediate family members and reduce staff turnover.

We enhanced staff salaries as part of improving employee value proposition and also implemented a PMS based salary increment to improve productivity amongst staff members.

SOCIAL PERFORMANCE

What if the most valuable data doesn't come from dashboards, but from doorsteps?

At BRAC, we believe the best way to understand impact is to sit with our clients, listen to their stories, and learn from their lived experiences. That's why, since 2019, we've partnered with 60 Decibels to carry out annual Lean Data^{SM} surveys—short, meaningful conversations that reveal how our services are truly affecting people's lives.

These insights directly inform our Social Performance Management and Client Protection efforts, pushing us to do better, be more responsive, and stay focused on what matters most to the people we serve.

In 2024, we conducted our sixth impact survey on five social outcome focus areas of BRAC: quality of life, financial resilience, women's economic empowerment, self-employment and livelihood opportunities, and household welfare. All respondents surveyed were women.

Highlights from Lean Data Impact Survey

After engaging with BRAC

98% of clients said their quality of life had improved

93% of clients saved more

99% of clients managed their finances better

96% of clients earned more

98% of clients reported greater independence in making financial decisions

AWARDS

We were honored to emerge the winner of the Resilience and Sustainable Impact Award in the category of MDIs and Credit Institutions in October 2024. This award was in recognition of our efforts to improve financial resilience amongst Ugandans living in poverty particularly women in rural areas for over 15 years.

LEADERSHIP TEAM

Board of Directors

Mr. Albert Elasu Obongonyinge
Chairperson

Ms. Florence Nsubuga Nakimbugwe
Member

Ms. Annette Mbabazi Rumanyika Mulira
Member

Ms. Peace Kabatangare
Member (Appointed 14 Oct 2024)

Mr. Anthony Peter Wainaina Kamau
Member

Ms. Orsolya Farkas
Member (Appointed 2 Jan 2024)

Ms. Laurie Jean Spengler
Member

Ms. Bridget Lee Dougherty
Member (Appointed 1 Sept 2024)

Mr. Seewoosagur Domun
Member

Mr. Nkosilathi Moyo
Member

Mr. William Mawejje
Chief Operating Officer

Mr. Shameran Abed
Member (Retired effective 31st August 2024)

Ms. Susanne Decker
Member (Retired effective 02nd January 2024)

MANAGEMENT TEAM

Nkosilathi Moyo
Managing Director

Ssengendo Ntege Andrew Kevin
Head of Risk

Manzi Max
Head of Legal

Nalugya Irene
Manager Strategy, Products and Projects

Polycarp Mugizi
Head of ICT

Bob Paul Lusembo
Head of Business Growth

Kiggundu Jonathan
Manager Marketing, Communications and Customer Experience

Stella Agaba
Head of Finance

Lawrence Omony
Head of Compliance

Anne Ritah Namunyaako
Head of Internal Audit

Catherine Kyomugisha
Head of Human Resource and Training

Georgina Lwere
Procurement Manager

Jenah Nyende Kirabo
Head of Business Operations

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ipa — Innovations for Poverty Action
Gates Foundation
SPTF
European Investment Bank
mastercard foundation
60_dB
Whole Foods Market Foundation
Long Term Foundation

OUR BRANCH NETWORK

BRAC ACROSS THE WORLD

EUROPE
An independent charity to raise profile and funds for BRAC globally

USA
An independent charity to raise profile and funds for BRAC globally

GHANA
MF

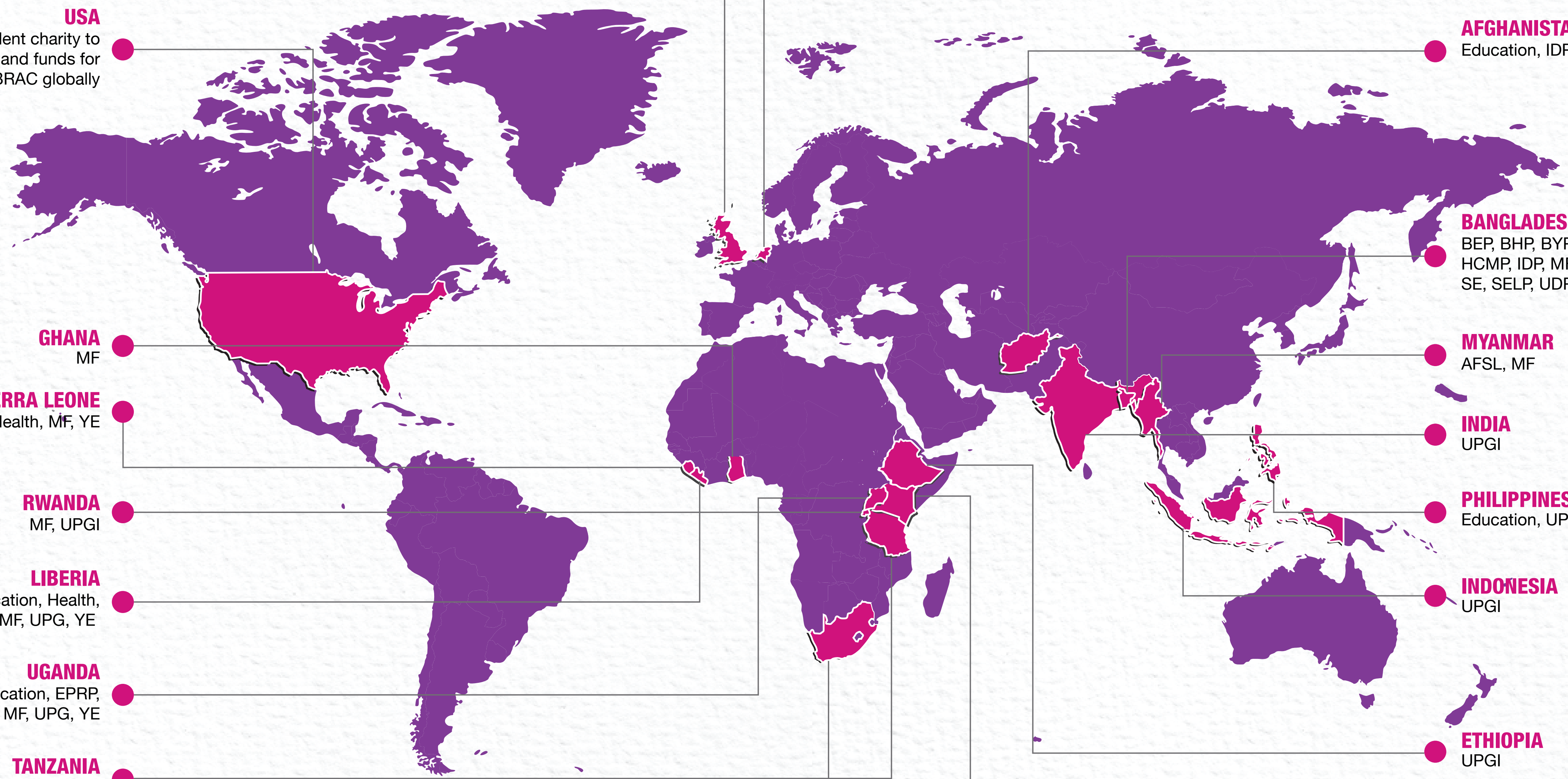
SIERRA LEONE
AFSL, Health, MF, YE

RWANDA
MF, UPGI

LIBERIA
AFSL, Education, Health, MF, UPG, YE

UGANDA
ECD, Education, EPRP, Health, MF, UPG, YE

TANZANIA
AFSL, ECD, MF, YE



NETHERLANDS
Stichting BRAC International registered as a foundation

AFGHANISTAN
Education, IDP

BANGLADESH
BEP, BHP, BYP, CCP, DRMP, GJD, HCMP, IDP, MF, MG, RMG, SDP, SE, SELP, UDP, UPG, WASH

MYANMAR
AFSL, MF

INDIA
UPGI

PHILIPPINES
Education, UPGI

INDONESIA
UPGI

ETHIOPIA
UPGI

SOUTH AFRICA
UPGI

KENYA
Africa Regional Office

AFSL: Agriculture, Food Security and Livelihood
BEP: BRAC Education Programme
BHP: BRAC Health Programme
BYP: BRAC Youth Platform
CCP: Climate Change Programme
DRMP: Disaster and Risk Management Programme
ECD: Early Childhood Development
EPRP: Emergency Preparedness and Response Programme
GJD: Gender Justice and Diversity
HCMP: Humanitarian Crisis Management Programme
IDP: Integrated Development Programme
MF: Microfinance
MG: Migration
RMG: Readymade Garments
SDP: Skills Development Programme
SE: Social Enterprises
SELP: Social Empowerment and Legal Protection
UDP: Urban Development Programme
UPG: Ultra Poor Graduation
UPGI: Ultra Poor Graduation Initiative
WASH: Water, Sanitation and Hygiene
YE: Youth Empowerment

FINANCIAL HIGHLIGHTS

BRAC UGANDA BANK LTD.

Net Income

BRAC Uganda Bank Ltd. completed 2024 by registering pretax profit of USD 3,118,382 compared to USD 734,739 in 2023. The company slowly recovered from impact of COVID-19 with 15% year-on-year growth in operating income which was reflected in the positive bottom line.

Operating Expenses

Total operating expenses for the year 2024 was USD 21,694,282 as against USD 21,081,715 in 2023 showing a increase of 3%. The increase was mainly due to the increase in staff expenses.

Provision for Impairment losses

In 2024, amount charged for impairment on loans was USD 1,319,343 compared to USD 860,388 in 2023. The company followed IFRS 9 provisioning policy to be inline with Bank of Uganda's guidelines. Portfolio at Risk (PAR>30) is 4.27%.

Financial Position

In 2024, the company's total assets increased by 14% to USD 80,212,848 compared to the previous year's total assets of USD 70,216,330 and the company holds a key position in the market. Loans and advances to customers increased by 10% and is now 67% of total assets. Net equity increased by 19% to USD 16,641,174 from USD 13,989,521 in 2023.

Contribution to Government exchequer

BRAC Uganda Bank Ltd. regularly contributes government exchequer through providing tax on its income and withholdings and deposition tax from it's employees and suppliers and contributing to The National Social Security Fund (NSSF). Total contribution to government exchequer for the last two years as follows:

Particular	2024	2023
	Amount (USD)	Amount (USD)
Income Tax	947,334	467,038
Social Insurance	1,336,627	1,336,498

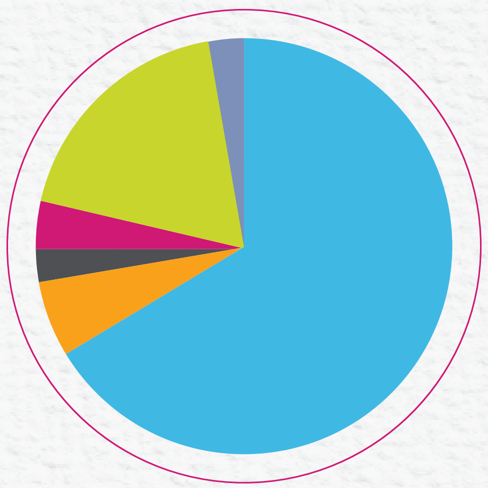
Value Added Statements

A value added statement provides a detail account of total value addition and the distribution of value created by the organization. BRAC Uganda Bank Ltd contributes positively to overall economic development by empowering the poor people (especially females) through micro-credit and employees through creating opportunities for the Ugandan youth population by providing them with a dynamic working environment and capacity building through on the job and international training. BRAC also assists the local regulatory authorities by paying taxes regularly.

Value Added:

Particulars	2024		2023	
	Amount (USD)	% of Total	Amount (USD)	% of Total
Service charge on loans	26,852,303	118%	23,855,092	122%
Membership fees	2,290,718	10%	2,215,782	11%
Other income	915,942	4%	925,391	5%
Grant income	1,405,668	6%	850,972	4%
Forex gain/(loss)	11,823	0%	16,470	0%
Other operating exp	(7,450,898)	-33%	(7,506,266)	-38%
Expected credit loss	(1,319,343)	-6%	(860,388)	-4%
Total Value Added	**22,706,212**	**100%**	**19,497,053**	**100%**

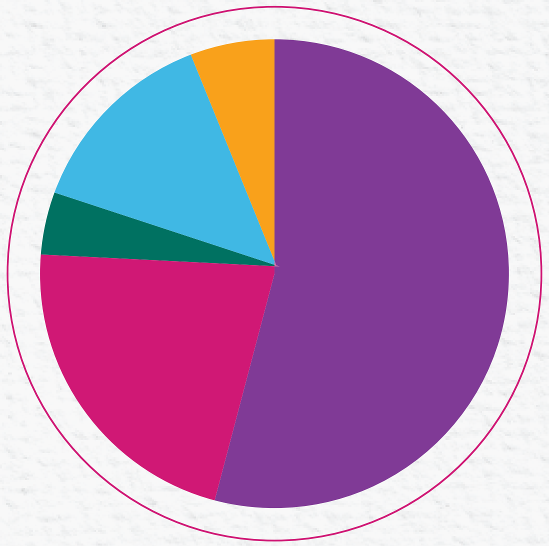
Value Added in 2024



Value Distributed:

Particulars	2024		2023	
	Amount (USD)	% of Total	Amount (USD)	% of Total
Employees				
Salary and allowances	12,506,429	54%	11,535,020	60%
Creditors				
Interest Expense	5,303,988	23%	4,710,316	25%
Local Authorities				
Income tax	947,334	4%	467,038	2%
Growth				
Retained Income	3,118,382	13%	734,739	4%
Depreciation	1,411,918	6%	1,738,668	9%
Total Value Distributed:	**23,288,051**	**100%**	**19,185,781**	**100%**

Value Distributed in 2024

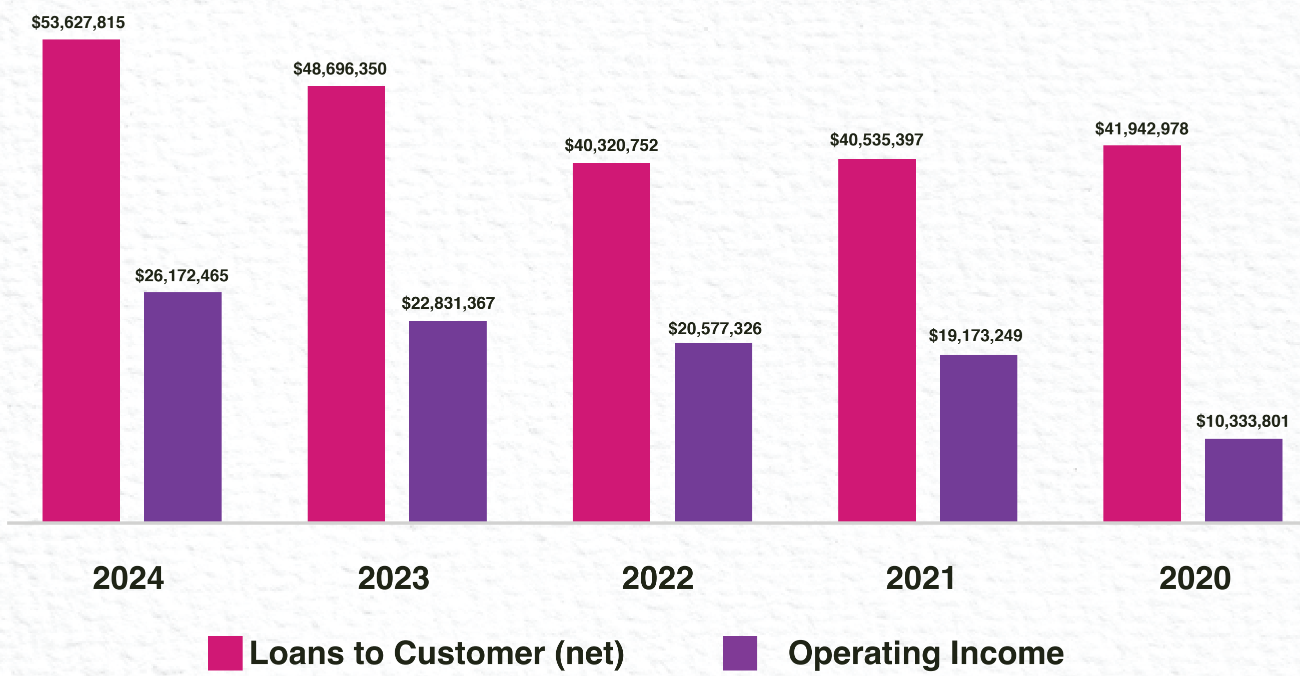


Performance Review (in USD)

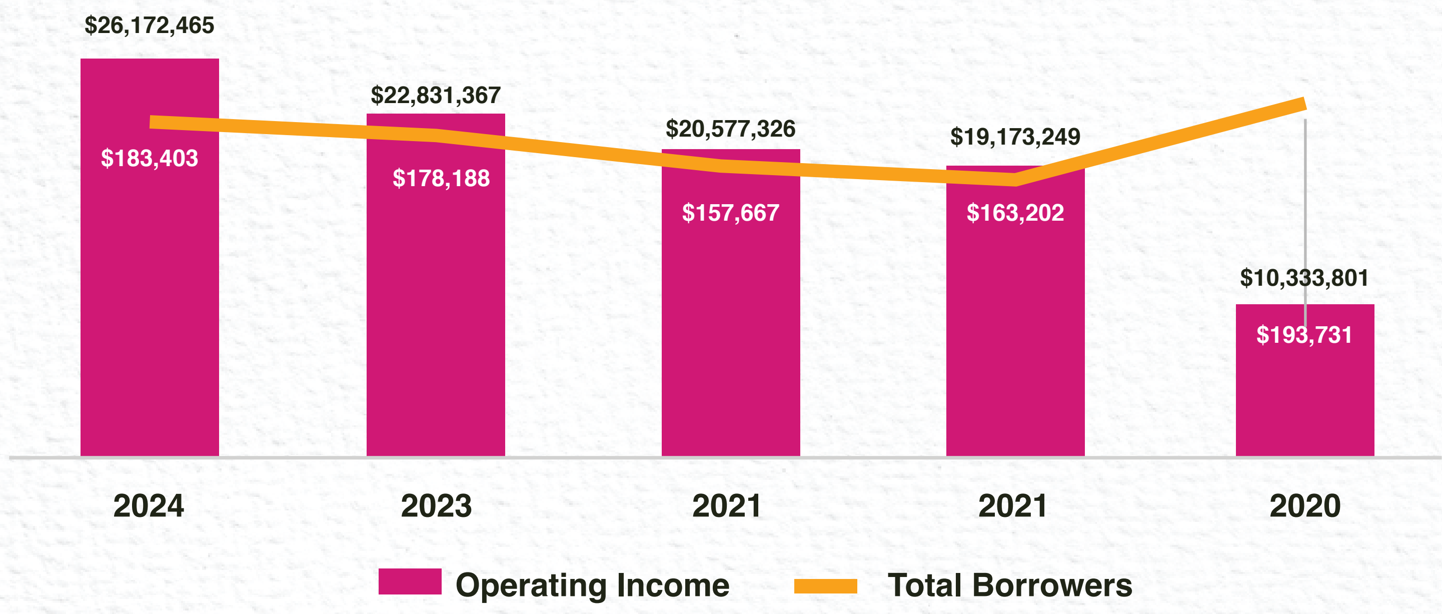
Particulars	2024	2023	2022	2021	2020
Income Statement					
Operating Income	26,172,465	22,831,367	20,577,326	19,173,249	10,333,801
Net profit/(loss) before tax	3,118,382	734,739	477,637	340,020	-10,273,639
Financial Position					
Total Asset	80,212,848	70,216,330	70,799,047	64,605,407	71,038,940
Loans to Customer (net)	53,627,815	48,696,350	40,320,752	40,535,397	41,942,978
Cash in Hand	672,127	443,752	648,833	752,285	810,914
Returns and Ratio					
Return on Asset	4%	1%	1%	1%	-14%
Cost to Income	93%	98%	65%	108%	76%
Operational Statistics					
Total Borrowers	183,403	178,188	157,667	163,202	193,731
PAR>30	4.27%	3.62%	4.44%	12.96%	19.61%

Operating Income vs Profit Before Tax

Portfolio vs Operating Income



Operating Income vs Borrower



ADVISOR
Tahjib Shamsuddin

PHOTOS
BRAC UGANDA BANK LIMITED
Tahjib Shamsuddin

WRITER AND EDITOR
Michelle Wandia

Contributor
Jonathan Kiggundu

DESIGN
Communications, BRAC International

BRAC UGANDA BANK LIMITED
Plot 201, Mengo, Kabuusu, Rubaga
P O Box: 6582 Kampala, Uganda
T:+256 200 900720
E: bracugandabankltd@brac.net

BRAC INTERNATIONAL HOLDINGS B.V.
Zuid-Hollandlaan 7,
2596 AL Den Haag
The Netherlands
E: info@bracinternational.nl