

1million
stories of
hope, courage
and resilience.

BRAC MICROFINANCE
SIERRA LEONE LIMITED

ANNUAL REPORT 2025



“ Poverty is not just poverty of money or income, we also see poverty of self-esteem, hope, opportunity and freedom. Hope is an element in which people take action and energise themselves out of poverty.

Sir Fazle Hasan Abed KCMG
Founder, BRAC



TABLE OF CONTENTS





Message from the Board Chairperson	4
Message from the Chief Executive Officer	5
About BRAC	6
BRAC International Microfinance	12
BRAC Microfinance Sierra Leone Limited	16
Donors and Partners	31
Financial Highlights	32

MESSAGE FROM THE BOARD CHAIRPERSON

It has been a successful year for BRAC Microfinance Sierra Leone Limited (BMSLL).

We served more than 64,000 clients living in poverty with responsible financial services, 96% of whom are women. Currently, almost half of our total clients live in rural areas and 56% of our clients are below the global poverty line of USD 5.50 per day.

We are continuously striving to provide more holistic support to our clients and also this year we further expanded our financial and digital literacy training through the Accelerating Impact for Young Women (AIM) programme with support from the Mastercard Foundation. Since launching in 2023, more than 17,000 women acquired essential skills and knowledge to manage their finances and businesses better and our studies show that these trainings have a significant positive impact on incomes and quality of life.

For the seventh consecutive year, BMSLL measured its social performance through annual Lean Data impact surveys and the results show that BRAC clients are able to earn more, save more at home, and manage their finances more effectively. 81% reported that the loans BMSLL provides are their first experience accessing such a service, underscoring our success in reaching a previously underserved population.

In 2025, BRAC Microfinance Sierra Leone Limited reported a Social Outcomes Index score of 86%, significantly higher than the previous year. This increase is particularly driven by improvements in household welfare and financial resilience.

While we recognise these achievements, we are also conscious of the challenges many of our clients continue to face. Rising inflation, higher costs of basic commodities and the increasing effects of climate change are placing additional strain on households and small businesses across Sierra Leone. Women and people living in poverty and in rural communities are often disproportionately affected by these shocks.

On behalf of the board, I would like to express my appreciation to the Bank of Sierra Leone for its continued partnership. We are equally grateful to the Government of Sierra Leone for creating an enabling environment that allows us to serve women and communities across the country. To our investors and partners, thank you for partnering with us to extend our reach and deepen our impact year after year.

Finally, to our colleagues in Sierra Leone, especially our frontline teams working in the most challenging conditions: thank you for your commitment, resilience and belief in our mission. You are the driving force behind our achievements, bringing our mission to life and creating lasting impact in the communities we serve.

As we look ahead to the coming years, we will continue partnering with communities to develop and scale solutions that support people to realise their full potential. Our commitment to creating impact for the women in Sierra Leone is paramount. At BRAC, we believe that everyone has the potential to transform their own life. What is often missing is access to opportunity, particularly for those facing poverty and inequality.

Strengthening their resilience through access to responsible financial services and economic opportunities remains central to our mission.



Hans Eskes

Board Chairperson

BRAC Microfinance Sierra Leone Limited

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

BRAC Microfinance Sierra Leone Limited (BMSLL) continued to demonstrate strong institutional performance and client impact in 2025, building on our mission to deliver inclusive financial services and empower underserved populations, particularly women living in poverty and hard-to-reach communities.

In 2025, our continued partnership with 60 Decibels, leveraging the Lean Data methodology. The findings are highly encouraging: an overwhelming 98% of clients reported an improvement in their quality of life, while 90% indicated that loan repayment is not a challenge. Additionally, 96% of clients confirmed a clear understanding of loan fees, interest rates, and associated terms.

A particularly notable highlight this year is our Net Promoter Score (NPS) of 71, positioning BMSLL within the top global tier for customer satisfaction. This strong endorsement underscores our success in building trust, delivering value, and fostering long-term client relationships.

BMSLL continues to advance its mission of serving people living in poverty, especially women living in rural and hard-to-reach communities. Our operational footprint now spans all 16 administrative districts through a network of 45 branches. As of year-end, we served 64,996 active clients, of whom 96% are women. This outreach is supported by a workforce of 633 employees, 95% of whom are women, demonstrating our sustained commitment to inclusive, women-led financial services.

We continued to prioritise investments in talent development and leadership capacity to sustain and scale our mission. In 2025, we strengthened our branch manager trainee and area manager trainee pipelines, delivered targeted capacity-building initiatives across both field and support functions, and enhanced institutional coaching frameworks. These efforts are central to cultivating a high-performing, mission-driven workforce equipped to operate effectively in an increasingly dynamic environment.

Looking ahead, we remain committed to responsible and impact-driven growth, with an increased focus on reaching clients living below USD 3.20 per day. In 2026 and beyond, we will continue to advance our strategy by expanding outreach while ensuring that growth is underpinned by strong client value, institutional resilience, and long-term sustainability.

Appreciation

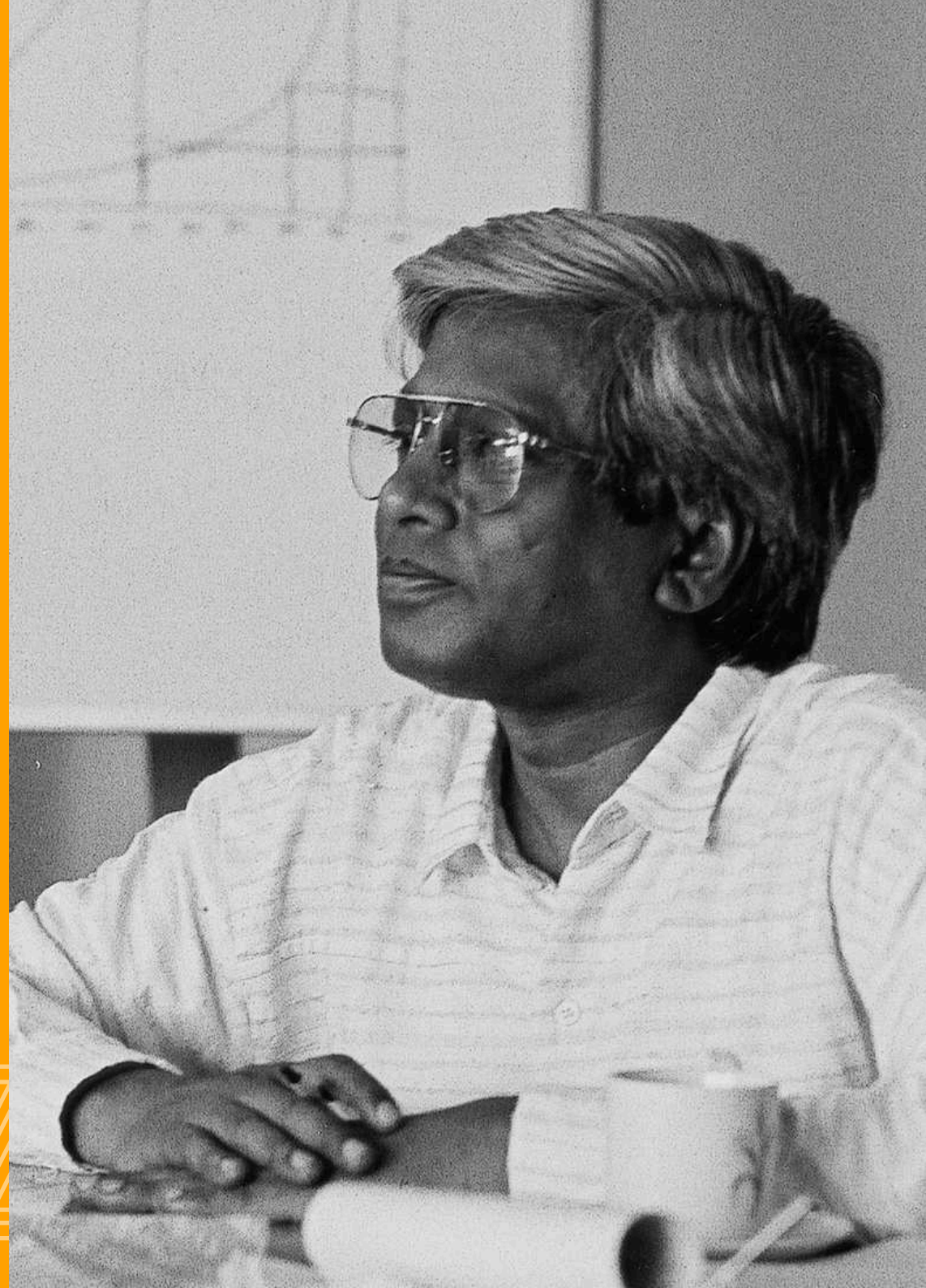
We extend our sincere appreciation to our clients for their continued trust. We also recognise and thank our dedicated staff, particularly our frontline teams, whose commitment and efforts are central to our impact and success.

We are grateful to our partners, funders, and regulators for their ongoing confidence and collaboration, which are critical to sustaining and scaling our work. Finally, we acknowledge with deep appreciation the Board of Directors for their strategic guidance and steadfast support in advancing our mission to deliver inclusive financial services that create meaningful and lasting impact.



Md. Joynol Abedin
Chief Executive Officer (Acting)
BRAC Microfinance Sierra Leone 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 north-eastern 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 145 million people 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.

OUR VISION

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

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 VALUES



Integrity



Innovation



Inclusiveness



Effectiveness

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 ACROSS THE WORLD

AFS: Agriculture and Food Security
AIM: Accelerating Impact for Young Women
BEP: BRAC Education Programme
BHP: BRAC Health Programme
BYP: BRAC Youth Platform
CCP: Climate Change Programme
CR: Climate Resilience
DRMP: Disaster and Risk Management Programme
ECD&E: Early Childhood Development and Education
GJD: Gender Justice and Diversity
HCMP: Humanitarian Crisis Management Programme
HER: Humanitarian and Emergency Response
HNW: Health, Nutrition, and WASH
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
UPG&L: Ultra-Poor Graduation and Livelihoods
WASH: Water, Sanitation and Hygiene
YE: Youth Empowerment

NETHERLANDS

Stichting BRAC International
registered as a foundation

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

AIM, ECD&E, MF, YE

RWANDA

AIM, CR, MF,
UPGI, YE

LIBERIA

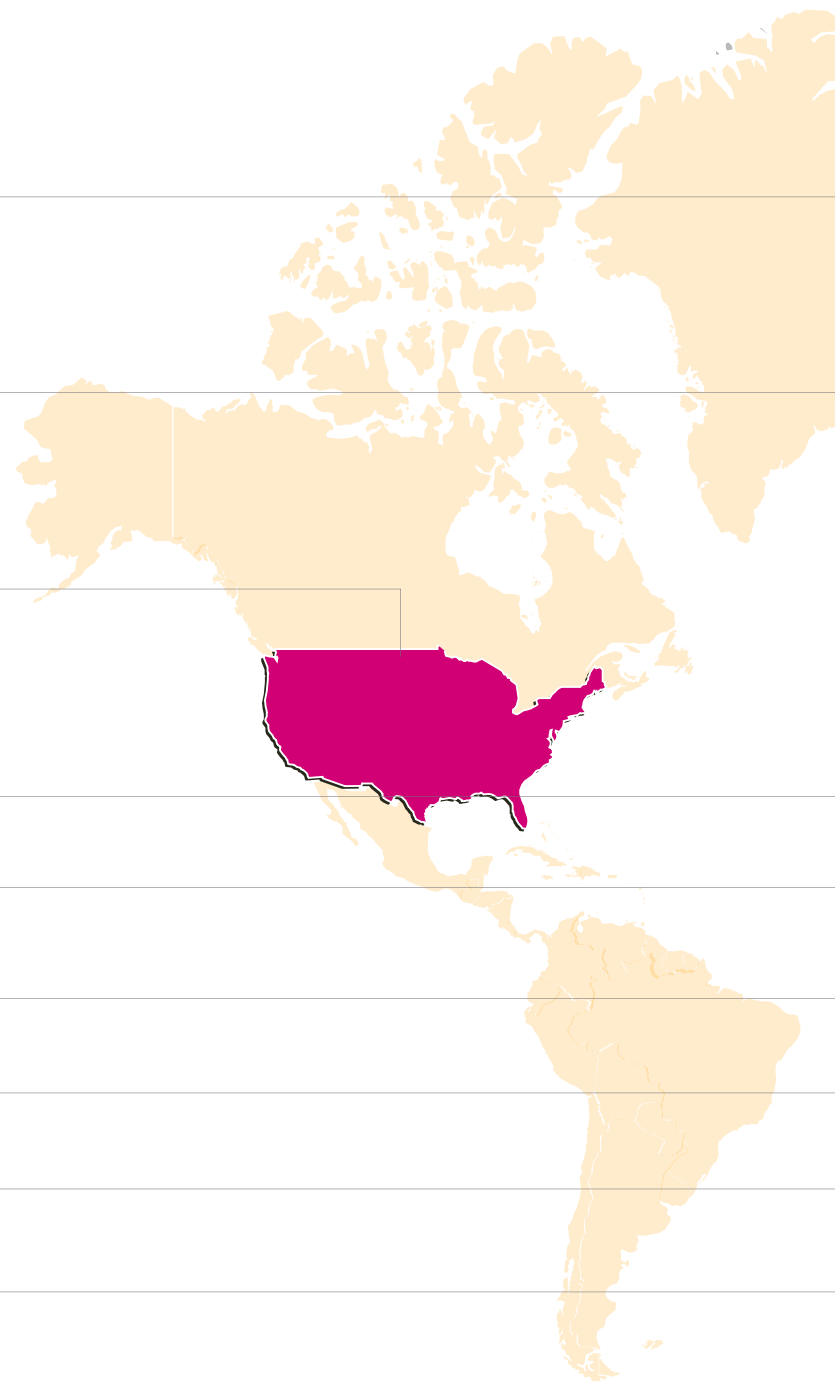
AFS, AIM, HNW, MF, YE

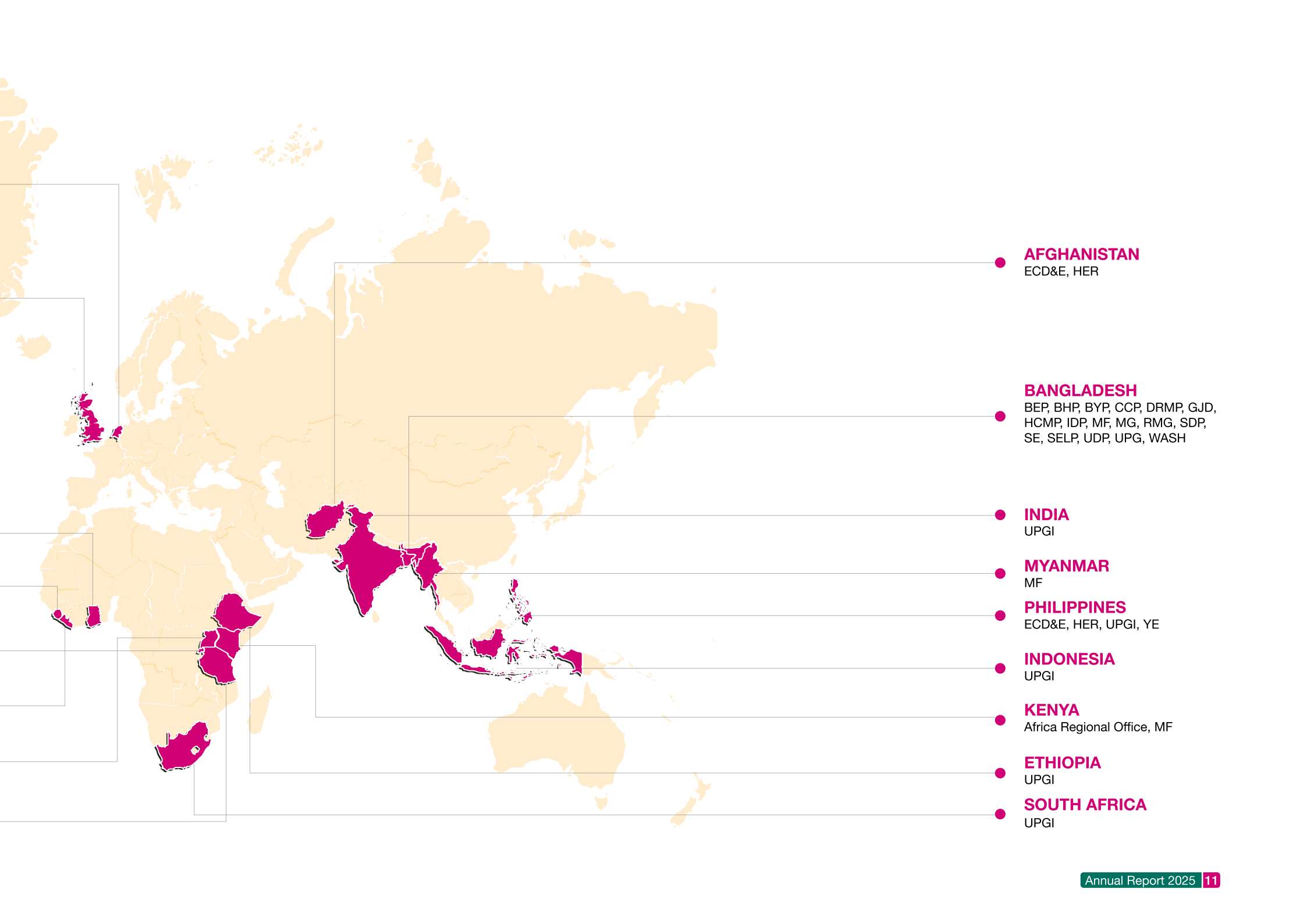
UGANDA

AIM, ECD&E, HER,
HNW, MF, UPG&L, YE

TANZANIA

AFS, AIM, MF, YE





AFGHANISTAN

ECD&E, HER

BANGLADESH

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

INDIA

UPGI

MYANMAR

MF

PHILIPPINES

ECD&E, HER, UPGI, YE

INDONESIA

UPGI

KENYA

Africa Regional Office, MF

ETHIOPIA

UPGI

SOUTH AFRICA

UPGI

BRAC INTERNATIONAL MICROFINANCE

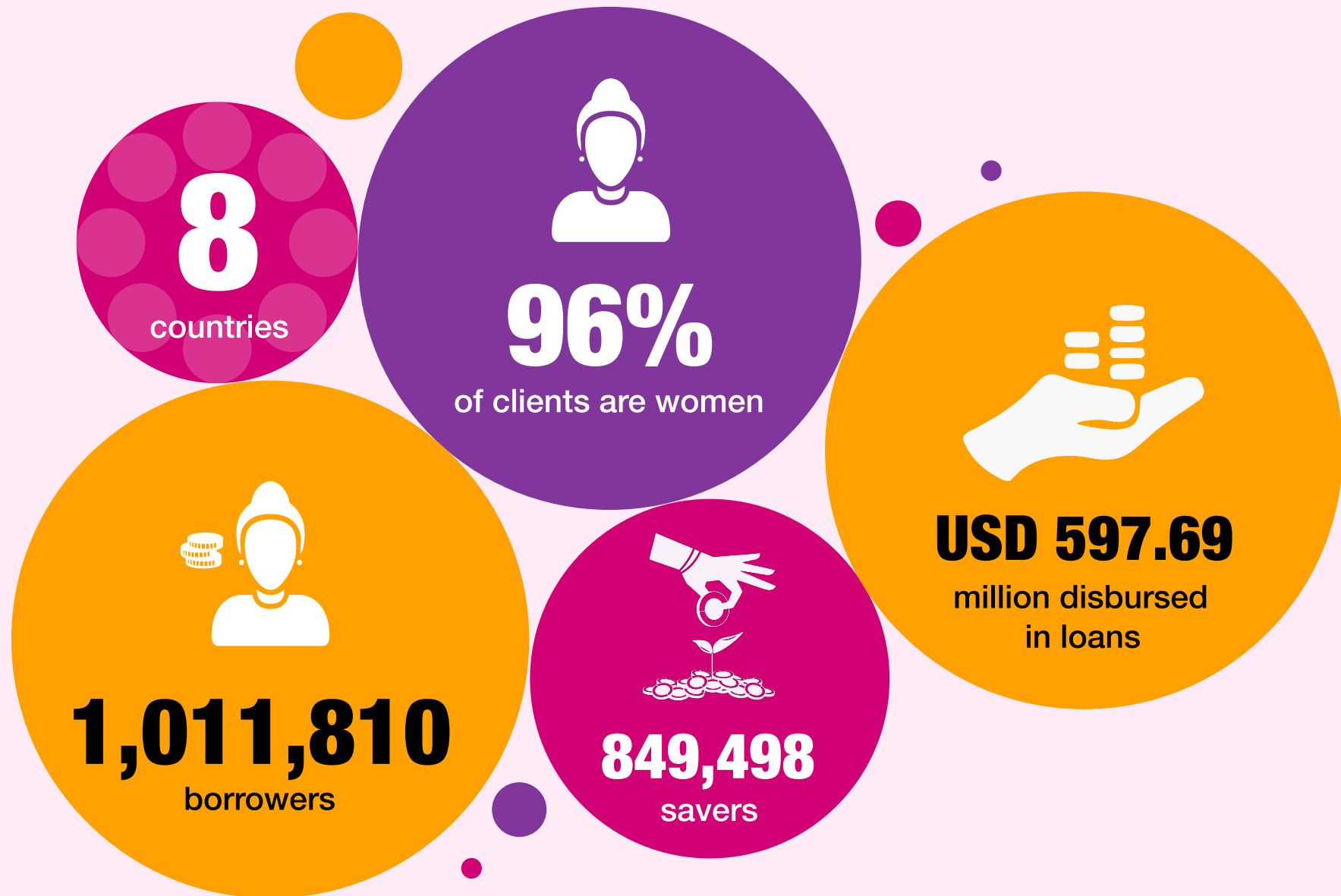
BRAC champions a model of development that drives both economic and social progress, believing that true, lasting change must deliver both.

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 1 million clients across eight countries: Myanmar, Tanzania, Uganda, Rwanda, Kenya, Sierra Leone, Ghana, and Liberia.

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 them economically.





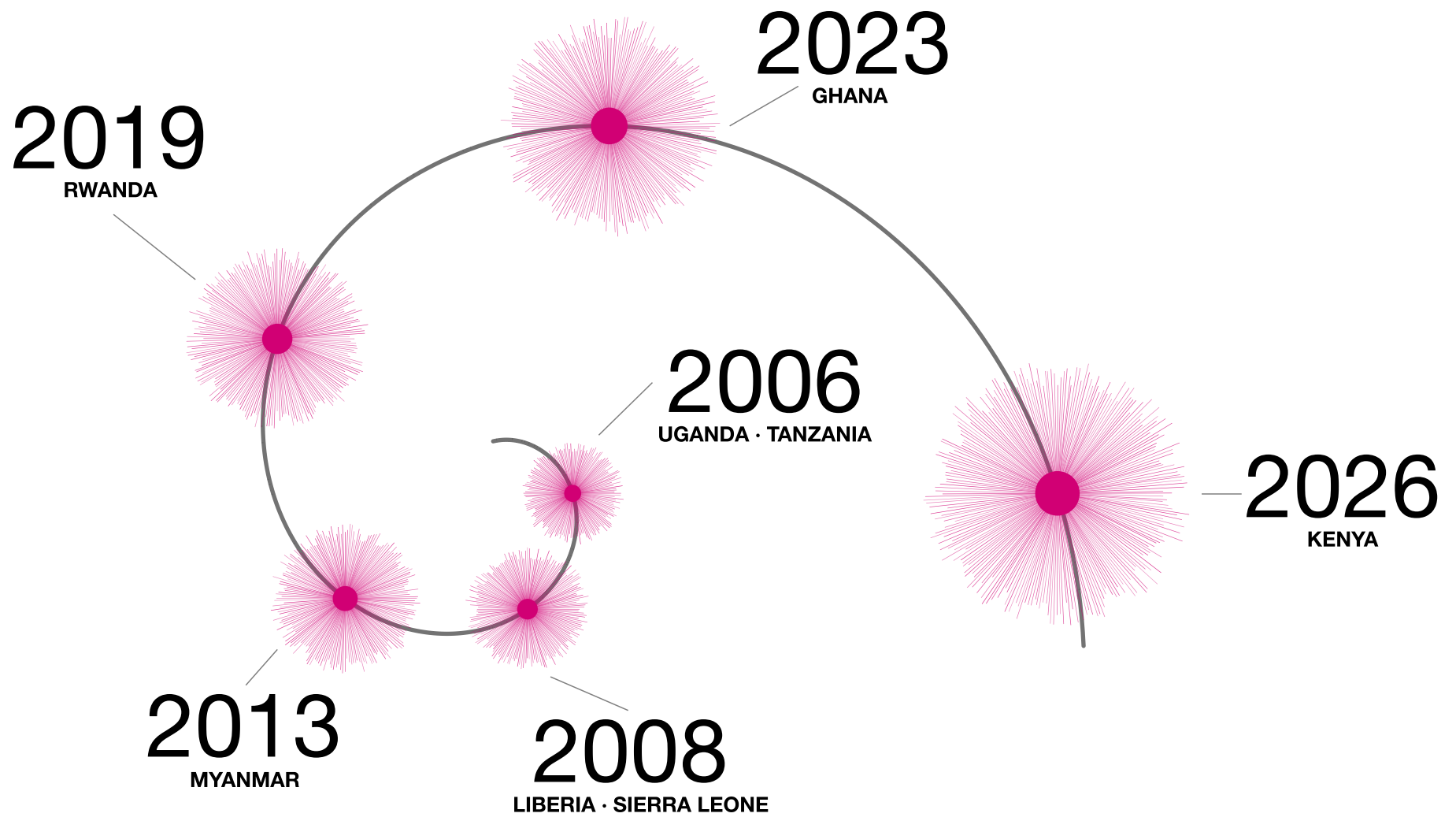
*As at December 2025

JOURNEY TO A MILLION

One million lives. One million stories of hope, courage, and resilience.

Across Asia and Africa, we now partner with one million clients, supporting them with access to responsible financial services to invest in themselves, their families, and their communities.

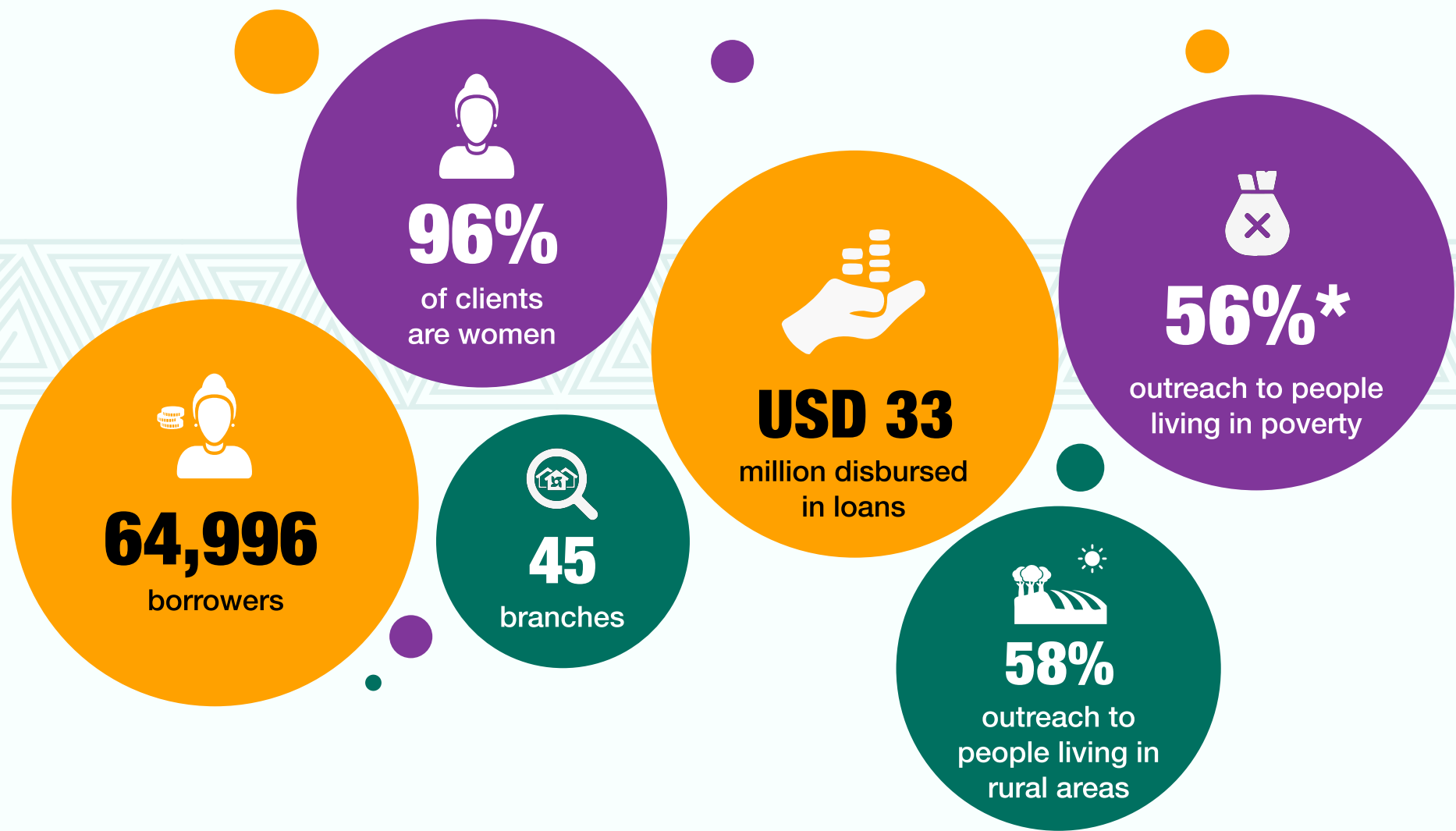
This milestone is made possible by the commitment and dedication of our colleagues across eight countries and is an embodiment of BRAC's belief that every person has the opportunity to realise their full potential.



BRAC MICROFINANCE SIERRA LEONE 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

*As at December 2025
*People earning less than \$5.50 per day

OUR PRODUCTS

Our core product offering consists of collateral-free, group-based microloans exclusively for women, designed to expand financial inclusion and strengthen women's economic empowerment. Under this model, women form small, trust-based groups where they support one another while accessing individual loans, which are repaid in regular, manageable instalments.

In addition, our agrifinance product continues to support women smallholder farmers by providing access to credit aligned with agricultural cycles. Repayment terms are structured around harvesting seasons, enabling farmers to invest in their farms at the right time and repay when income is generated.

Our small enterprise loan product targets micro and small-scale entrepreneurs, offering tailored financing solutions that enable them to expand operations, increase productivity, and grow sustainable businesses.





FROM FIREWOOD SELLER TO BUSINESS OWNER:

Jenneh Musa's journey of growth and resilience

Today, Jenneh manages a significantly expanded business portfolio and is currently accessing a loan of NLe 16,000 (USD 730).

Her journey was not without challenges. In the early years, Jenneh kept her participation in BRAC confidential from her husband, who was initially opposed to her taking loans.

“At first, I couldn't tell my husband. He was against it.”

Jenneh Musa's journey with BRAC is a powerful story of transformation, resilience, and sustained entrepreneurial growth. She joined BRAC in 2009 as part of the first group of clients in Bo Town and recalls the beginning of her journey with pride.

“When BRAC came to Bo, I was among the first batch to receive a loan. That was the beginning of everything for me.”

Starting with an initial loan of NLe 400 (USD 20), Jenneh began a small business selling firewood for cooking. She purchased in bulk and retailed in smaller quantities within her community, gradually building her experience and confidence in business. As her business grew, she diversified into selling palm oil, buying in gallons and reselling in litres.



“

I started small, selling firewood, and little by little I grew. Today, I buy and sell in bulk.

”

With subsequent loans, including an increase to NLe 800 (USD 40), she further expanded into garri trading, purchasing in bags and selling in smaller measures. Over time, her enterprise steadily scaled, enabling her transition from retail trading into wholesale operations within just a few years.

Beyond business growth, Jenneh's success has translated into meaningful improvements in her household. She has supported her children's education, with one already a university graduate and another preparing to enter tertiary education. She has also significantly improved her living conditions, transitioning from a leaking, dilapidated home to owning a three-bedroom house and three commercial shops.

“Before, our house was in a very bad state. But today, I can proudly say I own a three-bedroom house and three big shops.”

Looking ahead, Jenneh and her husband plan to further expand their investments, including additional structures to support their growing business activities.

Her message to other women is both simple and powerful: “Use the money wisely, and your entrepreneurial success will have no limit.”



FINANCIAL, DIGITAL, AND LIFE SKILLS TRAINING (FLT)

Financial, digital, and life skills training (FLT) continued to play an important role in helping clients improve their personal wellbeing, financial literacy, business development, and digital skills, supported by the Mastercard Foundation Accelerating Impact for Young Women (AIM) Programme.

In 2025, FLT was actively implemented across 35 branches. Since launching in 2023, more than 17,000 clients have received the training. Looking ahead, BMSLL plans to expand the programme further, with 10 new microfinance branches in 2026, targeting 18,000 new clients. To support this expansion, Training of Trainers (ToT) sessions will be conducted in April 2026 for new microfinance staff and branches.





DIGITAL TRANSFORMATION

In 2025, BMSLL continued to advance its digital transformation agenda with the introduction of the Digital Field Application (DFA), which is currently being piloted in one branch.

This pilot aims to improve staff productivity and drive operational efficiency by reducing paperwork, minimising manual data entry errors, and enabling the collection of high-quality data to support data-driven decision-making.

Following the positive results and clear value proposition demonstrated during the pilot phase, the entity plans to scale up the initiative to an additional nine branches in 2026.

SOCIAL PERFORMANCE

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 is why, since 2019, we have partnered with 60 Decibels to carry out annual Lean Data 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 2025, we conducted our seventh 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.

After engaging with BRAC,



98%

of clients said their quality of life had improved



98%

of clients saved more



98%

of clients managed their finances better



99%

of clients contributed more to household decisions



99%

of clients earned more

HIGHLIGHTS FROM THE LEAN DATA IMPACT SURVEY

LEADING WITH INTEGRITY

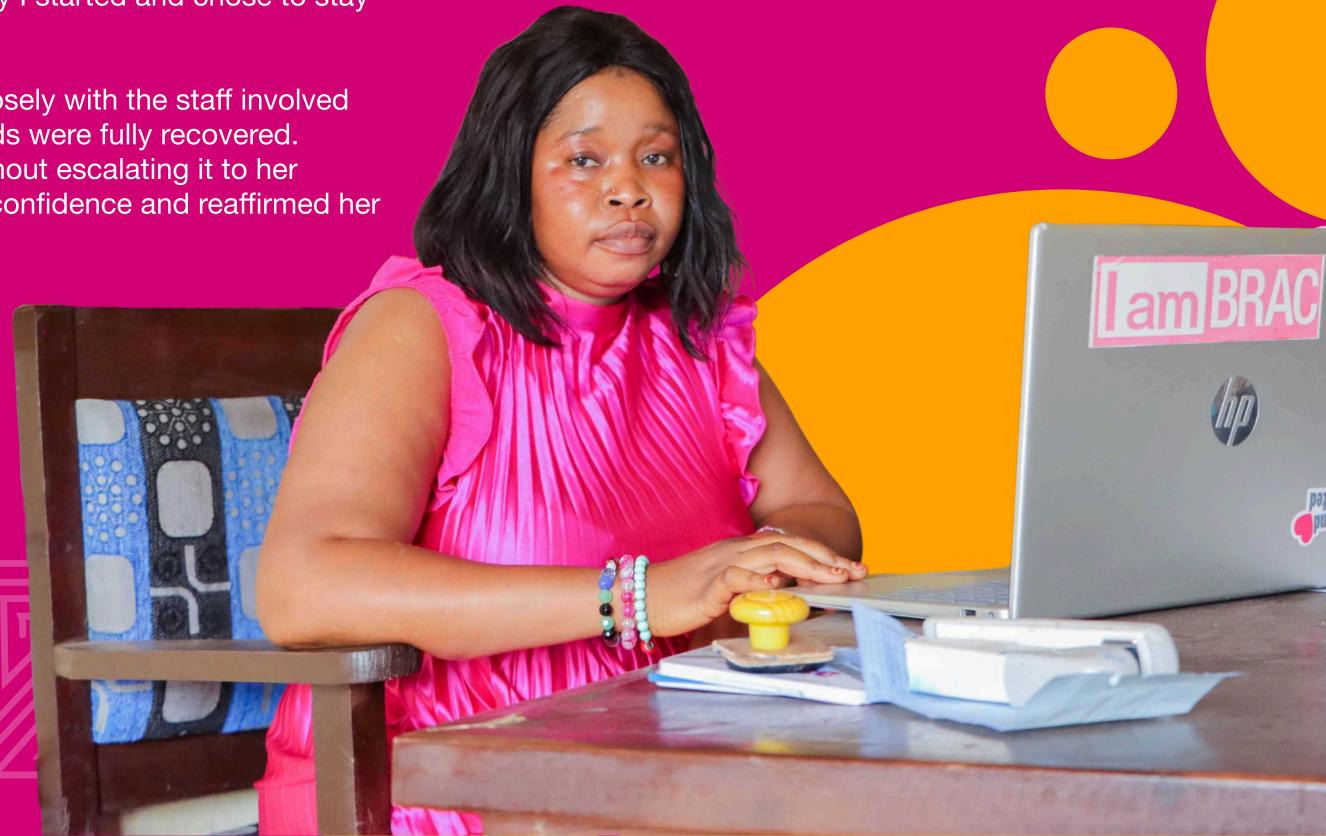
Neneh Sward Turay's journey with BRAC is a story of growth and unwavering determination. Since joining the organisation in 2010 as a credit officer, she has steadily risen through the ranks, demonstrating commitment and leadership at every stage of her career.

Beginning her career in Bo, Kandeh Town, Neneh served as a credit officer for four years before being promoted to branch manager, a role she held for nearly a decade. Today, she serves as an area manager, overseeing operations in the Moyamba region and Mile 19 branch, where she continues to drive performance and support both staff and clients.

Her early years in BRAC were not without challenges. She recalls a time when operational resources were limited, fieldwork was demanding, and the work environment was particularly tough. One of the most defining moments of her career came when she uncovered a case of financial mismanagement involving two staff members under her supervision. Despite the pressure, risks, and emotional toll, Neneh chose to stand firm.

"At one point, I wanted to resign, but I reminded myself why I started and chose to stay and fight the good fight."

Through persistence and strong leadership, she worked closely with the staff involved and their guarantors, ensuring that all misappropriated funds were fully recovered. Remarkably, she managed the situation independently, without escalating it to her supervisors at the time. This experience strengthened her confidence and reaffirmed her commitment to integrity.



“

I faced threats, challenges in the field, and difficult moments with clients, but I stood on the right course and never gave up.

”

Beyond her professional achievements, Neneh's personal journey is equally inspiring. A mother of two, she began her education in Makeni before moving to Tongoh in the Northern Province due to family circumstances, where she was supported by her sister. Determined to succeed, she pursued higher education alongside her career, earning a diploma in procurement from the Institute of Public Administration and Management, followed by a Bachelor's degree, and later advancing her studies in logistics and procurement. She furthered her education at the University of Management and Technology in Makeni, graduating in 2025.

“My motivation to study was to empower myself and prepare for higher responsibilities within BRAC.”

Neneh credits her passion for the job, supportive supervisors, and the conducive working environment at BRAC as key factors that have kept her motivated over the years. Through her work, she has been able to transform her life, supporting her children's education, assisting her younger sister, and gaining financial independence.

“This job has reshaped my life, it has given me respect, independence, and the ability to support my family.”

As a leader, Neneh emphasises integrity and respect as the core values guiding her work. She prioritises strong interpersonal relationships with both staff and clients, believing that trust and mutual respect are essential for sustainable impact.

“Integrity and respect are the values I hold on to every day in my work.”

Looking ahead, Neneh remains ambitious. Her greatest aspiration is to rise to the position of regional manager, where she can contribute even more significantly to BRAC's mission of empowering communities.

Neneh Sward Turay is an area manager at Moyamba Region and Mile 19 Branch.



AWARDS AND RECOGNITION

- Best Portfolio Award, in recognition of outstanding portfolio performance with the lowest Non-Performing Loan (NPL) ratio in the industry
- Best Compliant MFI Award, for exemplary adherence to regulatory requirements
- MFI with the Highest Outreach Award, reflecting the institution's commitment to serving unbanked populations
- Best Customer-Centric Award, acknowledging excellence in customer-focused service delivery
- Women for Excellence Award from the West African Women Network in January 2025, in recognition of its contribution to women's empowerment



BRANCH LOCATIONS



LEADERSHIP TEAM

Board of Directors

Hans Eskes

Board Chairperson

Abhijit Gupta

Director

Tapan Kumar Karmakar

Director

Anne Mutta

Director

Management Team

Md. Faridudzzaman

Head of Finance (In-charge)

Vandy Kamara

Business Development Manager

Kobina Nketsia Yankey

Head of Internal Audit

Josephine Nanyombi

Manager, Risk and Compliance

Md. Joynol Abedin

Head of Operations (Acting Chief Executive Officer)

DONORS AND PARTNERS



FINANCIAL HIGHLIGHTS

Net Income

In 2025, BRAC Microfinance (SL) Limited's operating income increased noticeably but profitability declined due to increased loan losses resulting from the fishing ban and demolition of roadside businesses. Consequently, the entity reported a Profit Before Tax (PBT) of USD 439,544 compared to USD 1,186,254 in 2024.

To address these challenges, the entity implemented a range of corrective measures to adopt a more cautious lending approach, taking into account the continued impact of the fishing ban and the demolition of smallholder businesses. These initiatives have started to yield positive results, with operational and portfolio performance showing improvement since the beginning of 2026.

Operating Expenses

Total operating expenses for the year amounted to USD 7,055,941, reflecting a 21.41% increase from the previous year's figure of USD 5,811,494 in 2024.

Provision for Impairment losses

In 2025, the amount charged for loan impairment was USD 1,203,700, a 167% increase from USD 450,037 in 2024. The Portfolio at Risk (PAR >30 days) rose to 7.81%, compared to 3.85% in the previous year. The total reserve for impairment stood at USD 1,322,884, up from USD 525,773 in 2024, representing 8.77% of the gross loan portfolio.

Financial Position

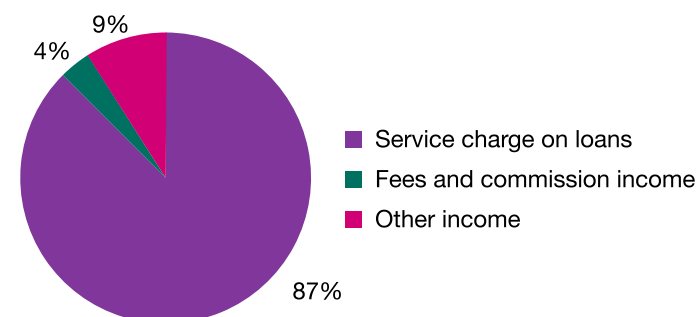
In 2025, BRAC Microfinance (SL) Limited's total assets grew by 22%, reaching USD 22,072,642. Loans and advances to customers increased by 8% and now constitutes 65% of total assets. Net equity rose by 5% to USD 5,967,190.

Value Added Statements

A value added statement provides a detail information of the total addition and distribution of value created by the organization. BRAC Microfinance (SL) Limited contributes positively to overall economic development by empowering the poor people (specially women) through micro-credit, employees through the payment of salaries and allowances and by assisting the local regulatory authorities through paying taxes and of course keeping in mind of organization's growth.

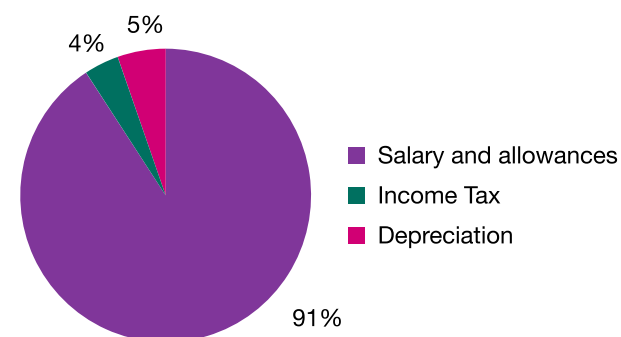
Value Added	2025		2024	
	Amount (USD)	% of Total	Amount (USD)	% of Total
Service charge on loans	7,567,593	234%	6,416,404	177%
Fees and commission income	367,766	11%	356,809	10%
Other income	763,826	24%	674,571	19%
Other operating expense	(4,267,521)	-132%	(3,377,997)	-93%
Loan prov. (doubtful losses)	(1,203,700)	-37%	(450,037)	-12%
Total Value Added	3,227,964	100%	3,619,750	100%

Value Added in 2025



Value Distributed	2025		2024	
	Amount (USD)	% of Total	Amount (USD)	% of Total
Employees				
Salary and allowances	2,636,143	82%	2,328,908	64%
Local Authorities				
Income tax	114,448	4%	301,302	8%
Depreciation	152,278	5%	104,589	3%
Growth				
Retained Income	325,095	10%	884,952	24%
Total Value Distributed	3,227,964	100%	3,619,750	100%

Value Distributed in 2025

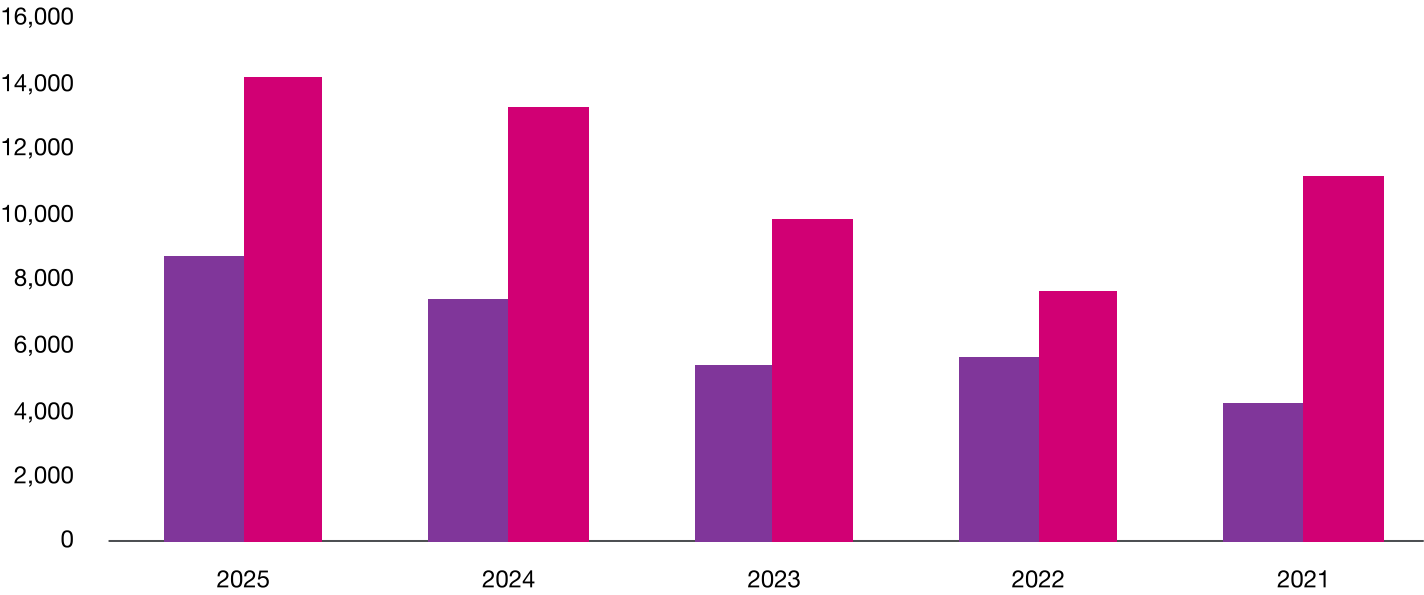


Contribution to exchequer	2025 Amount (USD)	2024 Amount (USD)
Income Tax	114,448	301,302
Withholding tax	294,658	218,012
Social Security and pension	532,415	438,914
Total	941,521	958,227

Performance Review (in USD):

Particular	2025	2024	2023	2022	2021
Income Statement					
Operating Income	8,699,185	7,447,784	5,298,150	5,636,310	4,107,000
Total Expenditure	7,055,942	5,811,494	4,720,163	3,010,522	3,284,000
Net profit/(loss) before tax	439,543	1,186,254	288,183	2,193,653	1,157,000
Financial Position					
Total Assets	22,072,642	18,135,777	12,989,995	10,301,029	13,351,262
Net Equity	5,967,190	5,665,965	4,762,313	5,307,060	6,341,000
Loans to Customer (net)	14,268,717	13,250,758	9,800,342	7,671,031	11,079,970
Cash at Bank	6,417,788	3,522,415	1,882,819	2,083,675	1,848,493
Returns and Ratio					
Return on Asset	2%	7%	2%	21%	9%
Cost to Income	81%	78%	89%	53%	80%
Operational Statistics					
Total Borrowers	64,996	70,827	69,870	61,657	57,174
PAR>30	7.81%	3.85%	2.75%	4.10%	3.44%

Annual Income and Portfolio in Thousand USD



Last five years income vs. portfolio (in'000 USD)

Operating Income Net Loans



ADVISER

Tahjib Shamsuddin

AUTHOR

David Musa Bangura

EDITORS

Sameeha Suraiya Chowdhury

Syeda Tasnim Islam

Noushin Tarannum Neha

PHOTOS

Tahjib Shamsuddin

BRAC Microfinance Sierra Leone Limited

DESIGN

Sharara Zaheen

Shahneela Jabeen

Shafayatul Amin Diganto

BRAC MICROFINANCE SIERRA LEONE LIMITED

13 Bath Street, Brookfields,

Freetown, Sierra Leone

E: info.bracsl@brac.net

BRAC INTERNATIONAL HOLDINGS B.V.

Zuid-Hollandlaan 7,

2596 AL Den Haag

The Netherlands

E: info@bracinternational.nl