



REPORT TO SOCIETY 2025

Inclusive Finance, Transformative Impact

**GOING
FURTHER,
TOGETHER**



“ At dfcu, sustainability is at the heart of our purpose, guiding us to be not just a bank, but a partner in our nation’s progress. Our business flourishes when communities are strong, customers are empowered, and the environment is protected.

Helena Mayanja

Head, Corporate Affairs & Sustainability,
dfcu Bank



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About our Report to Society

Welcome to our inaugural Report to Society, a milestone publication that captures the tangible impact of our work and the strides we are making in embedding sustainability into everyday operations. Guided by our purpose of transforming lives and businesses in Uganda, this report reflects our commitment to building a resilient, responsible institution actively contributing to Uganda's sustainable development goals.



 REPORT TO SOCIETY 2025

This Report is positioned as an impact report, a transparent account of how our initiatives create value for stakeholders and communities. We recognise that our responsibility goes beyond financial performance. It is reflected in how we contribute to Uganda's economic, social and environmental landscape in practical, measurable ways.

At the same time, this Report to Society marks an important milestone on our path towards a comprehensive sustainability report, which we will develop in alignment with emerging disclosure standards. In particular, we have embarked on a journey towards full adoption of the International Sustainability Standards Board (ISSB) frameworks, including IFRS S1 and IFRS S2. This commitment ensures that our future reporting will be consistent, transparent, and forward-looking, reinforcing our role as a trusted partner in Uganda's growth strategy.

Why this Report Matters

Through this Report to Society, we reaffirm our commitment to advancing Uganda's ten-fold growth strategy anchored on agro-industrialisation, tourism, mineral development, and science and technology innovation under the ATMS 2040 framework. We deliver on this agenda through programmes that drive:



Inclusive growth: Expanding participation in agro-industrial trade to ensure all segments of society benefit from modernisation.



Climate resilience Safeguarding agro-industrialisation against environmental shocks by embedding sustainability strategies.



Community support: Strengthening communities through impactful interventions in health, education, and enterprise development for sustained growth.

The initiatives and stories documented here illustrate our strategic intent to deliver enduring value for shareholders, customers, employees, regulators, partners, and communities. This inaugural report is both a reflection of achievements and a promise of continued progress, advancing our sustainability agenda, engaging transparently, and driving positive change across Uganda.

Scope and Boundary

This Report covers the operations of **dfcu** Limited (the Group), comprising **dfcu** Bank and **dfcu** Foundation, and emphasizes their collective contributions to shared value creation. It has been prepared to meet the expectations of our diverse stakeholders indicated above.

Looking ahead, we have conducted a materiality assessment to identify critical sustainability-related risks and opportunities. Future disclosures will be strictly informed by these priorities, ensuring that our reporting evolves into a full sustainability report that meets global standards while remaining deeply relevant to Uganda's context.



“ The initiatives and stories documented here illustrate our strategic intent to deliver enduring value for **shareholders, customers, employees, regulators, partners, and communities.** ”





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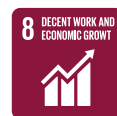
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Our Sustainable Development Goals (SDGs) Focus



About dfcu

Our Heritage and Evolution

dfcu Limited was established in 1964 by the Commonwealth Development Corporation (CDC) of the United Kingdom and the Government of Uganda, through the Uganda Development Corporation (UDC), under the name Development Finance Company of Uganda Limited. Its founding objective was to support long-term development projects whose financing needs and risk profiles lay beyond the appetite of existing commercial lending institutions at the time.

Following a restructuring, the International Finance Corporation (IFC) and the German Development Corporation (DEG) each acquired a 25% stake, strengthening **dfcu's** international development finance partnerships. Over the decades, **dfcu** has evolved through strategic acquisitions and reorganisations that expanded its reach and deepened its impact:

- ▶ In **1999**, **dfcu** acquired Uganda Leasing Company, creating **dfcu** Leasing to provide direct asset-based finance.
- ▶ In **May 2000**, **dfcu** acquired Gold Trust Bank, establishing **dfcu** Bank and extending services to commercial banking alongside equity finance, long-term development finance, leasing, and working capital finance.
- ▶ A subsequent reorganisation transferred all financial services to **dfcu** Bank, positioning **dfcu** Limited as a holding company managing properties and equity investments.
- ▶ On **14 October 2004**, **dfcu** Limited was listed on the Uganda Securities Exchange, reinforcing its commitment to transparency and accountability.
- ▶ In **2024**, the Agribusiness Development Center (ADC) transitioned into a company limited by guarantee, giving rise to the **dfcu** Foundation, a not-for-profit entity dedicated to empowering farmers, MSMEs, women, and youth.

As of 31 December 2025, the **dfcu** Group comprised three entities:

- 01. dfcu Limited**
The holding company, managing properties and equity investments.
- 02. dfcu Bank**
The commercial banking subsidiary, driving financial inclusion and sectoral growth.
- 03. dfcu Foundation**
The impact-driven arm, advancing social and economic transformation through capacity building and empowerment initiatives.



For a more detailed view about **dfcu, please refer to the 2025 Annual Report pages 7-19.*

Why this heritage is important

This heritage underscores **dfcu's** longstanding role in Uganda's development journey, from pioneering long-term finance in the 1960s to today's integrated Group structure that combines governance, finance, and social impact.

The evolution of **dfcu** reflects a consistent trajectory premised on building institutions that not only deliver financial services but also drive transformation across communities, businesses, and the wider economy.



Focus of our Impact

In Uganda, **dfcu's** unique perspective is shaped by more than six decades of service and transformation. Our legacy is not only about longevity; it is about impact. We have:



Transformed agribusiness by enabling farmers and agribusinesses to access finance, build capacity, and scale operations.



Supported local businesses by providing financing, advisory services, and partnerships that help entrepreneurs grow sustainably.



Advanced banking for women by creating tailored solutions that empower women entrepreneurs and strengthen their participation in the economy.



Driven digital banking for Investment Clubs and SACCOS, expanding access, convenience, and financial inclusion across the country.

This Report to Society highlights the transformative impact we are driving across key sectors that underpin Uganda's economic transformation. Our impact focuses on:



Small and medium enterprises (SMEs)



Women in business and youth empowerment



Savings and credit cooperatives (SACCOS) and Investment clubs



Health and other community-related initiatives



Support for enterprises in agriculture



Environmental stewardship

The Report also showcases the impactful initiatives we deliver through the **dfcu** Foundation and our valued partners, together advancing inclusive growth, resilience, and sustainable development across the nation.

As we celebrate over **60 years** of transformative financial services, we acknowledge the confidence of our customers, the trust of regulators, and the leadership of the Government of Uganda, all of which have enabled us to remain a cornerstone of national development.

Sector Impact Across Uganda



TRADE & COMMERCE

Strengthens retailers, wholesalers, exporters and importers by offering tailored financial solutions.



MANUFACTURING

Provides long-term financing for manufacturers, driving industrialisation and employment creation.



EDUCATION

Finances education infrastructure, enhancing access and quality of education whilst building Uganda's future skill base.



AGRICULTURE

Supports the backbone of Uganda's economy via financing to farmers, processors and exporters.



OIL & GAS

Offers specialised financial solutions across the value chain.



BUILDING & CONSTRUCTION

Provides credit structures and financing to developers.



PUBLIC SECTOR

Partners with government and not-for-profit organisations to drive national programmes.



MULTINATIONALS

Caters to global corporates with standardised financial products.

Innovation at the Heart of Impact

At **dfcu**, innovation is the engine of our impact. In line with evolving customer preferences and rapid digital adoption, we are continually reimagining how we reach, serve, and empower our customers. Our innovations span platforms, products, and financing solutions that directly advance financial inclusion and support economic growth.



Reflections From Our Leadership



“

Our inaugural Report to Society reflects more than six decades of purposeful impact. For almost as Uganda has been a sovereign nation, dfcu has been woven into its growth story, supporting businesses at every stage, opening doors to opportunity, and helping generations of Ugandans build livelihoods, assets and brighter futures. Behind every milestone are people whose ambitions were matched with support, entrepreneurs who created jobs, communities that prospered and institutions that grew stronger. We are proud of the legacy entrusted to us and are determined to ensure it will continue creating lasting value for generations to come.

Prof. Winifred Tarinyeba
Chairperson, Board of Directors, dfcu Bank



KEY MILESTONES:

- ✓ Facilitated businesses at every stage
- ✓ Woven dfcu into Uganda's growth story
- ✓ Opening doors to opportunity
- ✓ Supported Ugandans build livelihoods, assets & brighter futures.



“

dfcu's contribution is best measured through the lives, businesses and sectors we have helped transform. Our impact is visible in entrepreneurs gaining access to capital, women-led businesses building the capacity to scale, young people accessing opportunities to learn, work and innovate, and enterprises across agriculture, manufacturing, trade and services becoming more resilient and competitive. This Report brings that contribution into view and shows how purposeful banking strengthens businesses, communities, institutions and the wider economy.

Charles Mudiwa
Chief Executive Officer, dfcu Bank



KEY MILESTONES:

- ✓ Easier access to capital
- ✓ Scaled women-led businesses
- ✓ Empowered young people
- ✓ Strengthened enterprises in agriculture, manufacturing, trade & services



Reflections From Our Leadership



“

Sustainability is often presented as a new idea, yet its clearest expression is in an institution's ability to create value, remain relevant and serve society across generations. For more than sixty years, **dfcu** has shown that commercial strength and positive societal impact can reinforce each other. Our longevity is not only a measure of endurance; it is evidence of a business that has continued to evolve responsibly, respond to changing needs and remain anchored in purpose. This Report presents that record and the responsibility we carry forward.

Jimmy D. Mugerwa

Chairman, Board of Directors, dfcu Limited



KEY MILESTONES:

- ✓ Evolved responsibly
- ✓ Responded to changing stakeholders' needs
- ✓ Committed to sustainable value creation
- ✓ Reinforced commercial strength and positive societal impact



“

The mandate of the **dfcu** Foundation is to place people and enterprise at the centre of development. We expand financial access, strengthen the capabilities of entrepreneurs, support viable enterprises and build partnerships that connect communities to opportunity. Our work recognises that access to finance is most powerful when it is matched with knowledge, networks and pathways to sustainable markets. We want every intervention to leave behind more than a successful programme: capable people, stronger businesses and communities better equipped to shape their own prosperity.

Dr James Ssemwanga

Board Chair – dfcu Foundation



KEY MILESTONES:

- ✓ Matched access to finance with knowledge, networks and markets
- ✓ Strengthened businesses and communities
- ✓ Forged partnerships that connect communities to opportunities



Reflections From Our Leadership



Guided by the belief that success is inseparable from the wellbeing of surrounding communities, dfcu Foundation designs programmes, forges partnerships, and implements initiatives that transform lives, strengthen businesses, and build resilient communities across Uganda. As dfcu Group's social impact and sustainability arm, the Foundation works to develop value chains and enterprises linked to sustainable markets and finance. Its focus is on transforming SMEs and agribusinesses into commercially viable businesses, while promoting climate-smart practices throughout the value chain.

Mabel Kasente Ndawula
Executive Director, dfcu Foundation



KEY MILESTONES:

- ✓ Enterprise development initiatives
- ✓ Financial inclusion programmes
- ✓ Institutional development strategies



Our Impact in Numbers

EMPOWERING WOMEN IN BUSINESS

+80,000

women impacted so far since 2007

UGx 3 billion +

advanced to women entrepreneurs in 2025

+5,000

accessed credit to expand enterprises in 2025

+900

women trained via Rising Woman Initiative in 2025



1 M

women reached via regional training, proposal-writing competitions, business expos, and live television forums.



FINANCIAL INCLUSION (IN 2025)



+85,000

women and youth-led businesses impacted

+400

enterprises supported via Business Accelerator Programme



1,773 to 4,560

Growth of **dfcu** agents

Transactions via agents doubled from

500,000 to 1 million

+80

Transactions taking place through digital channels

68%

uptake in digital engagement across both feature and smart phones

Impact on SACCOs & Investment Clubs

+65,000

Number of participating groups since 2017

UGx 106 billion

in SACCO deposits mobilised in 2025



+3,000

trainings conducted in 2025

Launched the **Verve Card** to drive enhancement of Sacco members to access their funds via **dfcu** and other Interswitch ATMs as well as swipe their cards at POS machines.



3,209 new SACCO savers onboarded in 2025

ACCELERATING SME GROWTH



+80,000

businesses impacted so far



6,527

SMEs financed in 2025

+2,000

number of SMES borrowing via on the SME Mobi Loan

UGx 4 billion

disbursed monthly via Mobi Loan.

+5,000

SMEs supported through Acceleration Hub.



Our Impact in Numbers

IMPACT THROUGH PARTNERSHIPS (IN 2025)

+60,000

women and youth-led businesses mentored via **dfcu** Rising Women partnership

118

women entrepreneurs trained via MTN Advancing Women Entrepreneurs (AWE) Accelerator Programme



Financial linkages facilitated:

UGx 32.42 billion

in financial linkages to Rabo Foundation and **dfcu** Bank

UGx 29.67 billion

credit advanced to expand enterprises

UGx 13Bn+

disbursed through **GROW** initiative

UGx 1.2Bn+

disbursed via **dfcu** MoStock stockists finance offering

1,500–2,500

livelihoods supported via improved access to finance for businesses and enhanced income stability across ecosystems

16,000+

processed across digital partnerships

22,000

farmers reached (46% women)

11,139

unique learners reached via partnership with Rabo Foundation

HEALTH IMPACT IN THE COMMUNITIES



11

medical camps deployed across Uganda with Rotary Club



25,000 +

individuals reached via medical camps



2,250

surgeries conducted, 22 being life-saving heart surgeries



ENERGY EFFICIENCY

11.5%

reduction in grid energy consumption

UGx 9m

Recorded monthly savings in electricity bill

80%

Solarisation target at Pader Branch



Lowered
Scope 2
greenhouse gas emissions



ENVIRONMENTAL SUSTAINABILITY

62,000

trees planted in 2025

500,000

trees targeted to be planted by 2029



Single-use plastic bottles eliminated via “**Sip Sustainably**” campaign

+35%

reduction of monthly consumption of plastic liners



Toilet cisterns converted from **10 litre to 5 litre** capacity to reduce water waste

Shallow well system piloted with

5,000

litres per pumping capacity



Paper documentation and courier services reduced



Remote Banking reduces environmental footprint associated with physical travel



Sustainability is not a destination; it is a continuous journey of responsible choices. At dfcu, we recognise that the health of our environment underpins the health of our economy. Our commitment to renewable energy, operational efficiency, and responsible resource management reflects our belief that resilient businesses can only flourish within resilient ecosystems. Every solar panel installed, every kilowatt saved, and every tonne of emissions reduced brings us one step closer to a greener, more prosperous Uganda



OUR IMPACT, ONE STORY AT A TIME

We recognise that capital is never neutral; where it flows determines the opportunities available to communities, the resilience of the national economy, and the sustainability of our environment.



Statement from Head, Sustainability



Looking ahead, sustainability will be fully integrated into the Bank's 2027–2030 corporate strategy, reinforcing our commitment to embedding sustainable practices into decision-making, operations, products, and services.



Helena Mayanja

Head, Corporate Affairs & Sustainability

As a leading actor in Uganda's financial services sector, our decisions shape communities and the environment. But our role extends far beyond financing. We are embedding ESG risk considerations into every aspect of our operations, aligning with international best practices and Uganda's national transformation agenda.

At **dfcu**, sustainability is at the heart of our purpose, guiding us to be not just a bank, but a partner in the nation's progress. Our business flourishes when communities are strong, customers are empowered, and the environment is protected.

This commitment is being translated into action through the integration of sustainability across the Bank's strategic framework. By embedding sustainability into core business processes, with dedicated metrics, targets, accountable teams, and data sources, the Bank is ensuring that sustainable practices become an integral part of how it creates long-term value.

Building cross-functional capacity

The Bank is intentionally building its cross-functional capacity and skillsets in sustainable finance. Specifically, the Bank is engaging the Uganda Bankers' Association for technical assistance in the development of the Sustainable Finance Framework (SFF), which is targeted for closure within this financial year.

In parallel to the development of the framework, the Bank is proactively building internal capacity in development of green and social financing products, expanding its strategic partners as well as actively growing and tracking its green and social financing portfolio. A cross-departmental team has successfully completed training in green product development, delivered by the Uganda Green Enterprise Finance Accelerator (UGEFA) in partnership with the European Union. The training focused on eligibility criteria aligned with the Uganda Green Taxonomy, which will inform the development of the bank's Sustainable Finance Framework.

The Bank is leveraging the Uganda Bankers Association ESG Framework for tracking,



Statement from Head, Sustainability

assessment, and ESG reporting. As the bank matures its sustainability and sustainability reporting capacity, in-house reporting template will be in use in 2027, aligned to the measurable metrics and targets that are due for completion by 31 December 2026.

The Management Sustainability Committee chaired by the Chief Executive was operationalised and sits every month. The committee provides strategic oversight, guidance, and advisory enablement on all sustainability-related matters across **dfcu** Bank, which includes shaping, reviewing, and recommending the integration of sustainability strategy, implementation frameworks, and initiatives that address environmental, social, governance (ESG), and economic sustainability.

Strengthening Governance and Accountability

Impact at **dfcu** Bank begins with strong governance. The Board Risk Committee provides ultimate oversight, ensuring that every strategic decision is aligned with the Bank's risk appetite and designed to safeguard long-term impact. The Management Sustainability Committee sets the strategic direction and reviews performance, embedding sustainability into the heart of our impact agenda. Meanwhile, the Sustainability Working Committee drives day-to-day implementation, translating strategy into action through product formulation, innovation, and measurable initiatives.

Together, these governance structures ensure that impact is not incidental but intentional, anchored in accountability, strengthened through execution, and integrated across the Bank's strategy, operations, and stakeholder commitments. This model positions **dfcu** Bank as an institution where governance is the foundation of impact, and sustainability is inseparable from growth and resilience.

Innovation and the Future of Finance

Digital Lending: Mobi Loans: Fast, digital credit solutions accessible anytime and anywhere.

- 01 | **MoStock Loan:** Supporting traders with flexible stock financing.
- 02 | **MTN Agents Weekend Loan:** Designed for short-term liquidity needs, aligned to customer cash cycles.
- 03 | **Personal and SME Mobi Loan:** Quick financing for personal emergency and short-term business needs.

Shaping the Future Together

The policies we adopt, the investments we make, and the innovations we champion today will shape not only the future of **dfcu** but also the opportunities available to generations of Ugandans. By building capacity, strengthening governance, and setting measurable targets, we are creating lasting impact.

The 2025 Report to Society is a testament to this commitment. It reflects our determination to work hand in hand with stakeholders to build a bank that thrives while ensuring Uganda thrives with it.

The Road Ahead

Looking ahead, **dfcu** is committed to producing a comprehensive Sustainability Report that aligns with the evolving reporting landscape. In line with Uganda's regulatory deadlines, we will adopt the International Sustainability Standards Board (ISSB) framework, specifically IFRS S1 and IFRS S2, by 2028. This commitment ensures that our disclosures are consistent, transparent, and forward-looking, providing stakeholders with confidence in our sustainability journey.

By positioning ourselves among the early adopters in Uganda's financial sector, **dfcu** reinforces its role as a leader in sustainable finance and operational resilience. Aligning with IFRS S1 (General Sustainability-Related Disclosures) and IFRS S2 (Climate-related Disclosures) will enable us to deliver clear, comparable, and decision-useful information, demonstrating how sustainability risks and opportunities actively shape our strategy, governance, and performance.





Sustainable Finance as the Engine of Impact

At **dfcu**, sustainable finance is deliberately positioned as the foundation of our strategy, reflecting our conviction that economic growth must be both equitable and resilient.

We recognise that capital is never neutral; where it flows determines the opportunities available to communities, the resilience of the national economy, and the sustainability of our environment. For this reason, **dfcu** has moved beyond traditional, passive lending to actively design financial solutions that embed sustainability principles across all dimensions of our operations.

Driving Inclusive and Resilient Growth

Over the last decade, sustainable finance in Uganda has been driven by financial inclusion innovations, climate policy frameworks, blended finance partnerships, and the rise of ESG integration. While these advances have widened access to financial services, yet significant challenges remain, particularly in bridging the credit gap for micro and small enterprises (MSEs), which form the backbone of Uganda's private sector but often lack affordable financing.

dfcu recognises that sustainable finance must balance financial inclusion with broader resilience. Informal mechanisms such as Village Savings and Loan Associations (VSLAs) continue to play a vital role for rural households and women-led enterprises, serving as gateways to formal inclusion. By embedding sustainability into every financial solution, **dfcu** crafts tailored strategies across personal, commercial, and enterprise segments, strategies that directly align with Uganda's key drivers of sustainable finance.

KEY DRIVERS OF SUSTAINABLE FINANCE IN UGANDA

- ⇒ **Blended finance:** Partnering with government, donors, and corporates to de-risk investments and crowd in private capital for priority sectors.
- ⇒ **Green financing:** Supporting climate-smart agriculture, renewable energy, and eco-friendly enterprises to safeguard growth against environmental shocks.
- ⇒ **Capacity building:** Providing literacy, mentorship, and enterprise training to strengthen resilience and unlock sustainable livelihoods.



Empowering Through Knowledge and Capacity

Sustainable finance goes beyond credit; it requires equipping individuals and enterprises with the skills to grow responsibly and withstand shocks. In 2025, **dfcu** invested in extensive non-financial support, including:

01

Financial literacy programmes for women and youth

02

Mentorship initiatives to scale enterprises sustainably.

03

Succession training to help youth integrate into family businesses.



85,000+

women and youth-led businesses were trained through the **dfcu** Foundation



400+

Enterprises supported by the Business Accelerator Programme

These initiatives demonstrate that sustainable finance is about building capacity, not just extending credit.



Accelerating Sustainable Finance Through Retail Banking

Expanding Access Through Technology

Technology is a cornerstone of **dfcu's** sustainable finance agenda. By strengthening its agency banking model with in-house infrastructure, **dfcu** expanded reach into remote areas:

- ▶ Agents grew from **1,773** to **4,560**
- ▶ Transactions doubled to **1 million**
- ▶ Deposits reached UGx 20 billion, mobilising savings into the formal system

Similarly, USSD mobile banking (240#) democratised access, with 51% of new customers enrolling via basic phones, bridging digital divides and ensuring no one is left behind.

Strategic Partnerships for Impact

Partnerships amplify **dfcu's** sustainable finance agenda:

- 
 The **dfcu Rising Woman Initiative** mentored **60,000+** women and youth-led businesses.
- 
 The **MTN AWE (Advancing Women Entrepreneurs) Initiative** enabled women entrepreneurs to break into supply chains, disbursing **UGx 5.3 billion**
- 
 The government-backed **GROW Programme** extended targeted support to women and youth enterprises.



Women in Business: Empowering Uganda's Women Entrepreneurs

Women entrepreneurs own an estimated 40 percent of small and medium-sized businesses in Uganda, a figure projected to continue rising.

Yet, access to formal financing remains a persistent challenge, constrained by collateral requirements, limited financial literacy, and weak integration into markets and supply chains. Across Africa, the SME financing gap for women exceeds \$40 billion, presenting both a powerful commercial opportunity and a critical development imperative. **dfcu** Bank is uniquely positioned to bridge this gap in Uganda.

Launched in 2007, the **dfcu** Women in Business Programme has become a cornerstone of empowerment, addressing both financial and non-financial barriers faced by women entrepreneurs. Over the years, WiB has supported more than 80,000 women across Uganda through tailored financial solutions, training, networking, and mentorship.

In 2025 alone, **dfcu** Bank disbursed over UGX 13 billion to more than 5,000 women-led businesses, enabling them to access credit and expand their enterprises. At the same time, over 30,000 women-owned businesses actively transacted with **dfcu** Bank. These achievements underscore the programme's relevance and its pivotal role in driving inclusive growth and empowering women entrepreneurs across Uganda.



Across Africa, the **SME financing gap** for women exceeds

USD 40 billion

2025 AT A GLANCE



Since 2007, we have empowered

80,000+

women entrepreneurs across Uganda



30,000+

Women-owned businesses banking with **dfcu**



5,000+

Women accessing business credit



900+

Women trained through the Rising Woman Initiative



1 MILLION +

Women reached through virtual regional training



dfcu Rising Woman Initiative



Under WiB, the **dfcu** Rising Woman Initiative, implemented in partnership with Nation Media Group, has emerged as a national platform spotlighting women entrepreneurs. In 2025, the initiative trained over 900 women and reached more than 1 million virtually through regional training, proposal-writing competitions, business expos, and live television forums.



Its core objectives are to equip women with knowledge, networks, and resources for growth, while amplifying their voices through media platforms.

By fostering sustainable, future-ready businesses, Rising Woman ensures that no woman is left behind.



Financial Inclusion and Training

The WiB programme also delivers practical training in record keeping, energy efficiency, and climate-smart farming, critical tools for reducing financial exclusion. In 2025, participation increased significantly compared to 2024, with 95% of attendees rating the sessions as “very relevant.”

Key outcomes included:

40%

Percentage of participants opening accounts with dfcu Bank.

40%

Percentage of participants expressing interest in formalizing their businesses to compete more effectively.

With women controlling 70% of household spending in Uganda, financing them not only drives deposits and loans but also strengthens repayment performance. Women borrowers consistently demonstrate lower non-performing loan ratios than the industry average, protecting capital while expanding inclusion.

Green Finance and Sustainability

Aligned with t's sustainability agenda, WiB further extends financing to women-led enterprises in green sectors that create economic value.

We finance women-led enterprises in:



Solar Energy



Clean Cooking Solutions



Sustainable Farming

This approach integrates environmental responsibility with economic empowerment, positioning women entrepreneurs as agents of climate-positive transformation.

Job Creation and Economic Impact

28

Average jobs created per registered WiB customers

Women entrepreneurs are economic anchors whose businesses span urban, peri-urban, and rural areas. A 2025 survey of 50 WiB customers revealed that, on average, each registered business employs 28 people, demonstrating scalability and sustainability.

EMPLOYMENT BY GENDER

68%

Female workers

32%

Male workers

EMPLOYMENT TYPE

65%

Part-time

34%

Full-time

Registered businesses contribute to statutory obligations such as **PAYE taxes** and **NSSF savings**, strengthening both individual financial security and national revenue.



Empowering Women Entrepreneurs via dfcu's GROW Initiative

dfcu Bank is one of the implementing partners for the Government of Uganda's GROW Project (Generating Growth Opportunities and Productivity for Women Enterprises), an initiative dedicated to supporting women entrepreneurs to scale their businesses, sustain self-employment, and create jobs across the country.

The GROW Project addresses both the financial and developmental needs of women entrepreneurs, providing essential resources to expand operations and achieve long-term sustainability. As an implementing partner, **dfcu** Bank facilitates the disbursement of funds and delivers comprehensive support through its well established Women in Business (WiB) Programme, which has been at the forefront of empowering women across Uganda for more than a decade.

Since its launch, the WiB programme has transformed the lives of thousands of women entrepreneurs by offering not only financial support but also skills training, mentorship, and access to networks. The GROW Project perfectly complements these ongoing efforts, enabling **dfcu** to extend its impact even further.

No of beneficiaries in 2025:

415

Financial support advanced:

UGx 18.5bn



Advancing Women Entrepreneurs (AWE) Accelerator Programme

Launched in 2023, the AWE Accelerator Programme is powered by a strategic partnership between MTN Uganda, MTN Mobile Money Uganda, **dfcu** Bank, UN Women, American Tower Corporation (ATC), Innovation Village and NSSF Hi-Innovators. Since its launch, it has recorded a leap in women's participation within MTN Uganda's supplier network; from 7% in 2023 to 15% in 2024 and, with 118 women-owned enterprises successfully onboarded through the initiative.

For **dfcu** Bank, AWE perfectly aligns with its purpose of Transforming Lives and Businesses in Uganda. **Through the AWE partnership, dfcu Bank has developed a dedicated financial and non-financial support package for participating women entrepreneurs.**

8% a leap in women's participation within MTN Uganda's supplier network in 2024



The programme includes subsidised interest rates, relaxed collateral requirements and business advisory services designed to enable women-owned service providers to scale, win corporate contracts, and grow their bottom lines.

While 38% of Ugandan businesses are owned by women, they remain underrepresented in high-growth sectors and face challenges in accessing finance and large-scale procurement opportunities. Through the power of partnerships such as AWE, **dfcu** Bank is bridging this gap; creating a stronger, more inclusive entrepreneurial ecosystem that empowers women to compete and succeed.

"When women are given the right tools, capital and networks, they do more than just run businesses; they transform communities," says Annette Kiconco, Chief Retail Banking Officer at dfcu Bank.

Number of beneficiaries in 2025:

118

Financial support advanced:

UGx 2bn



Looking Ahead

Together with partners, **dfcu** Bank is committed to advancing women entrepreneurs by de-risking them through financial training and offering accessible credit facilities. The WiB platform positions **dfcu** as Uganda's leading growth ecosystem for women-led enterprises.

We celebrate the outstanding women entrepreneurs shaping Uganda's future and renew our commitment to breaking barriers, creating opportunities, and ensuring that every woman with a vision can transform it into a thriving business.



How dfcu is Driving SMEs Transformation Across Uganda

1. SMEs as Drivers of Growth

Small and medium-sized enterprises (SMEs) remain the backbone of Uganda's economy, contributing nearly 75% of GDP and employing over two million people, predominantly youth and women. On average, each SME sustains four jobs, making them the country's largest job creators and a critical pillar of inclusive growth.

Despite their importance, SMEs face persistent barriers that include limited access to finance, constrained market opportunities, and knowledge gaps in business management. These challenges often trap enterprises in low-investment, low-return cycles.

In alignment with its purpose of Transforming Lives and Businesses in Uganda, dfcu's engagement with SMEs is therefore both strategic and mission-driven. By supporting SMEs, dfcu directly strengthens the sector that drives Uganda's GDP and employment, bridges structural financing gaps, and equips enterprises with the knowledge and tools to scale sustainably. This commitment ensures that Uganda's economic transformation is inclusive, resilient, and future-ready.

2. Enterprise Transformation Programmes

In 2025, dfcu's enterprise programmes impacted more than 20,000 businesses, primarily micro and small enterprises. These family-owned businesses operate in segments where access to finance is structurally constrained. dfcu's targeted interventions that combine training, financial support, and digital solutions, are designed to help SMEs transition into structured corporates.

To measure impact, dfcu classifies enterprises by annual turnover:

- ⇒ Micro enterprises:
below **UGx 200 million**
- ⇒ Small enterprises:
UGx 200 million – UGx 5 billion
- ⇒ Medium enterprises:
UGx 5 billion – UGx 10 billion
- ⇒ Commercial segment:
above **UGx 10 billion**

A strategic highlight in 2025 was the separation of the business banking division, creating a dedicated SME segment to better serve this vital sector.



20,000+

Business impacted in 2025

Primarily micro and small enterprises



3. Bridging the SME Credit Gap



6,527

SMEs financed in 2025, up 1.5x from 2,597 in 2024.



48%

Growth of Loans to SMEs to UGx 193 billion (2024: UGx 157 billion)



UGx 638 billion

Growth of SME savings (2024: UGx 619 billion)

Breakdown of SME financing:

SOLE-PROPRIETORSHIP BUSINESSES:

3,673

Enterprises

UGx 86

billion in loans

TRADE & SERVICES:

2,206

Enterprises

UGx 54

billion in loans

EDUCATION SECTOR:

120

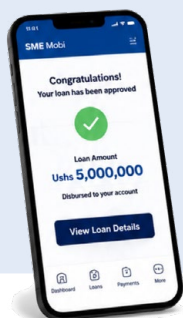
Schools

UGx 19

billion in loans



4. Digital Innovation – SME Mobi



In 2025, **dfcu** rolled out SME Mobi, onboarding over 2,000 SMEs. The platform disburses more than UGx 4 billion monthly, enabling quick access to unsecured working capital loans of up to UGx 5 million. This innovation directly addresses the challenge of collateral requirements, unlocking growth for small businesses.



+2,000

in no. of SMEs borrowing



UGx 4 billion

Disbursed monthly through the platform



5. Financial Literacy and Capacity Building



Topics included:

- ➔ Debt management
- ➔ Marketing in the digital age
- ➔ Regional expansion strategies
- ➔ Organisational structuring
- ➔ Succession planning



Additionally, **dfcu's** Acceleration Hub hosted 200 SMEs monthly, impacting 5,000 businesses in 2025. This initiative supports enterprises in transitioning from micro to corporate scale.

200

SMEs hosted monthly

5,000

Businesses impacted

Impact Summary



20,000+
businesses impacted
through training and
financial support.



2,000+
SMEs onboarded on
the SME Mobi platform,
disbursing UGx 4 billion
monthly.



Generational
transitions
successfully
facilitated in
family-owned
businesses.



6,527
SMEs financed, with
loans growing 23%
year-on-year.



5,000
SMEs supported
through the
Acceleration Hub.

Success Stories



Hardware One

grew from a kiosk to a national distributor of construction materials, supported by dfcu financing.



GMS School

School transitioned into one of Uganda's top schools, with succession successfully managed across generations.



Partnerships at the Heart of Impact

dfcu has established a full-fledged department focusing on driving strategic partnerships, which serves as a strategic growth engine positioned to establish the Bank as a leading ecosystem driver. The department drives impact through embedded finance by integrating financial services into key sectors including telecommunications, SMEs, agriculture, education, payments, and emerging green enterprises.

This model enables **dfcu** to extend access to finance, reduce distribution costs, and position itself as a platform bank capable of delivering innovative, inclusive financial solutions.

STRATEGIC PARTNERSHIPS

⇒ Telecommunications

⇒ SMEs

⇒ Education

⇒ Agriculture

⇒ Payments

⇒ Emerging green enterprises

KEY INITIATIVES AND PARTNERSHIPS IN 2025

The unit implemented several high-impact initiatives supported by strong ecosystem partnerships:

1. Championing Access to Working Capital via dfcu MoStock Loan

In Uganda's dynamic market environment, small and medium enterprises (SMEs) face persistent challenges in managing cash flow, meeting consumer demand, and staying competitive, particularly during peak seasons. At **dfcu** Bank, we recognise that tailored financial solutions are critical to helping businesses thrive.

The **dfcu** MoStock Loan was introduced to empower stockists with the working capital they need to keep business moving. In 2025 alone, more than 90 stockists accessed over UGX 1.2 billion in financing, enabling them to expand inventory, meet seasonal demand, and sustain growth.



Key benefits

▶ **Cash Flow Resilience:**
Flexible financing helps stockists manage liquidity and avoid disruptions.

▶ **Sales Maximisation:**
Credit tailored to business cycles allows enterprises to seize high demand opportunities.

▶ **Sustainable Growth:**
Financing is complemented by **dfcu's** advisory support, ensuring businesses grow responsibly.

▶ **Entrepreneurial Partnership:**
Beyond capital, **dfcu** provides guidance and market insights to strengthen long-term resilience.

As Uganda's business landscape evolves, the need for accessible, flexible, and client focused financial solutions grows. The MoStock Loan stands as a testament to **dfcu** Bank's commitment to sustainable finance, helping businesses unlock opportunities, navigate market challenges confidently, and achieve lasting success.



MTN Weekend Agent Float Loan

“This is a short-term, digital loan facility provided in partnership with dfcu to support mobile money agents with working capital (float) during weekends, which is a high-demand period.

How it Works

Simple. Fast. Digital



A flagship initiative during the year was the MTN Weekend Agent Float Loan, designed to address liquidity constraints faced by mobile money agents, particularly during peak transaction periods. This is a short-term, digital loan facility provided in partnership with **dfcu** to support mobile money agents with working capital (float) during weekends, which is a high-demand period. Agents can borrow through the MTN MoMo USSD *165*5*3# and receive funds instantly into their float wallet.

Through the short-term, digitally delivered credit solution, the initiative improved agents' ability to meet customer demand and maintain service continuity. In 2025, over 500 loans were disbursed to MTN agents as part of this solution.

The solution continues to record strong uptake and demonstrate efficient repayment behaviour, reflecting both product relevance and market demand. It also enhanced transaction volumes and operational capacity at the agent level, providing a clear proof point for the scalability and effectiveness of ecosystem-



500+

loans were disbursed to MTN agents as part of this solution in 2025.

The Impact

- Improved customer demand
- Digitally delivered credit solution
- Maintain service continuity



Catalysing Agricultural Growth Across Uganda

Agriculture as Uganda's Growth Driver

Agriculture remains the backbone of Uganda's economy, employing over 70% of the population and contributing approximately 25% of GDP. Beyond its role in ensuring food security, the sector is the country's largest source of export income, with commodities such as coffee, cocoa, tea, and fish commanding strong demand in international markets. Recognising this importance, the Government of Uganda has identified agriculture and its sub-sectors as key pillars in its plan to grow the economy ten-fold by 2040.

At the heart of this transformation is **dfcu** Bank, historically recognised as Uganda's agricultural bank. With deep roots in financing farmers and agribusinesses, **dfcu** continues to provide tailored financial solutions, training, and recognition programmes that empower farmers, strengthen cooperatives, and build resilient value chains.

Institutional Commitment to Agriculture

dfcu's ownership structure reflects its agricultural identity. Shareholders such as Norfund, FMO, and Rabobank are globally established funds with strong agricultural portfolios. Their involvement underscores **dfcu's** mandate to facilitate Uganda's agricultural transformation and ensure farmers benefit as the sector grows.

In 2025, **dfcu** restructured its agriculture department into a Food and Agriculture Division, broadening its scope beyond crop and livestock production to include value addition, post-harvest handling, and agribusiness development. This shift reflects the Bank's recognition that sustainable growth requires investment across the entire agricultural value chain, from farm to market.

Financial Solutions for Farmers

dfcu provides tailored financing aligned to agricultural cash flow cycles, ensuring farmers can access credit when they need it most:

- ⇒ **Agriculture Credit Facility (ACF):** In partnership with the Bank of Uganda, **dfcu** offers loans at 12% concessionary rates, compared to the market average of 20%.
 - By March 2025, UGx 58 billion had been advanced to 136 borrowers, including cooperatives and corporate entities.
- ⇒ **Asset Financing:** Supporting investment in farm machinery, vehicles, and equipment to reduce costs and improve efficiency.
- ⇒ **Insurance:** Covering crop production and animal husbandry, helping farmers manage risks associated with climate change and disease outbreaks.
- ⇒ **Forex Services:** Facilitating exporters to access international markets and hedge against currency fluctuations.



12%

Percentage of concessionary rate **dfcu** loans to farmers.



UGx 58 billion

advanced by March 2025 to 136 farmers

CASE STUDY:

Through its Vehicle Asset Finance proposition, **dfcu** financed the acquisition of vehicles for Rubanga Coffee Cooperative (25,000 farmers), reducing their transportation costs, strengthening their competitiveness and enabling them to deliver higher-quality produce to the market.

25,000

Number of Rubanga Coffee Cooperative farmers supported by **dfcu**.



Recognition and Empowerment

dfcu believes that recognition and mentorship are powerful tools for transformation.

01 Best Farmer Award:

Conducted annually with the Dutch Embassy, New Vision, KLM, and Koudjis Nutrition BV.



The top farmer won a benchmarking trip to the Netherlands to learn from world-class practices.



13 contestants were recognised, with cash prizes totaling over **UGx 100 million**.



Two cooperatives, **Chivanga Coffee (16,000 members)** and **Chibinge (2,000 members)**, were honored, underscoring the programme's impact on collective farming.

02 Rising Woman Initiative:

Provided mentorship and training for women-led agribusinesses, empowering them to scale sustainably and participate in competitive markets.

03 dfcu Foundation Training:

Nationwide farmer training programmes helped smallholders transition into formal businesses, boosting productivity, resilience, and access to finance.

These initiatives not only reward excellence but also build capacity, ensuring farmers are equipped with the knowledge and networks to thrive.



Sustainability and Innovation

dfcu actively promotes sustainable agricultural practices, recognising that long-term growth must balance productivity with environmental stewardship.



Crop Life Symposium: Advocated safe use of fertilisers and herbicides, ensuring farmers adopt practices that protect both the environment and consumers.



Best Harvest Expo: Sponsored access to modern farming technologies, enabling farmers to boost yields and reduce post-harvest losses.



EU-Uganda Business Summit: Engaged in conversations on sustainable sourcing, certification, and market access, affirming good farming practices and opening doors to European markets.

These initiatives reinforce dfcu's commitment to environmentally friendly production that rewards farmers, protects consumers, and positions Uganda as a competitive player in global agricultural trade.

Policy and Advisory Role

dfcu's participation in Uganda's agricultural sector goes beyond financing. The Bank plays an active role in policy formulation and advisory services, working with government, development partners, and international stakeholders to shape strategies that drive inclusive growth.

By engaging in national dialogues and sectoral summits, dfcu ensures that farmers' voices are heard and that policies reflect the realities of agricultural production cycles, market dynamics, and sustainability imperatives.

In summary, dfcu's holistic approach and role in Uganda's agriculture positions the Bank not only as a source of capital but also as a trusted advisor, policy partner, and catalyst for transformation. As Uganda pursues its ambitious goal of growing the economy ten-fold by 2040, dfcu's commitment ensures that agriculture remains a driver of inclusive growth, food security, and prosperity for present and future generations.



Driving Financial Inclusion Through SACCOs and Investment Clubs

In Uganda, Investment Clubs and Savings and Credit Cooperative Organisations (SACCOs) have become powerful vehicles for wealth creation, capital mobilisation, and access to financial services. They are particularly vital among youth and urban and rural populations, offering platforms for collective savings, lending, and social empowerment. Recognising this transformative potential, dfcu Bank has strategically aligned itself with cooperatives to drive financial inclusion, strengthen communities, and support national development.

Since 2017, dfcu has partnered with over 65,000 groups, including Investment Clubs, SACCOs, and community-based organisations (CBOs). Through tailored banking solutions, payment innovations, and capacity-building programmes, these groups have transitioned from informal associations into structured institutions, enabling members to achieve economic resilience and improved livelihoods.

Impact on SACCOs

During the year under review, dfcu reinforced its position as the preferred banking partner for SACCOs and investment groups.

- ⇒ **Deposits and Profit Contribution:** SACCOs entrusted dfcu with deposits worth UGX 106 billion, contributing UGX 8.5 billion in profit. This reflects the confidence cooperatives place in dfcu's tailored financial solutions.
- ⇒ **New Membership:** We onboarded 3,209 new SACCO savers, mobilizing savings worth UGX 8.3 billion, further expanding the reach of formal financial services.
- ⇒ **Credit Access:** Loans extended to SACCOs enabled members to meet diverse needs, including agriculture, education, housing, and healthcare, directly improving household welfare and community development.
- ⇒ **Insurance Innovation:** dfcu introduced group medical insurance for SACCOs, ensuring members access quality healthcare services and reduce vulnerability to medical emergencies.
- ⇒ **Digital Access:** The launch of the Verve Card, equipped with chip-and-PIN technology, enhanced security and expanded usage across retail outlets and international platforms.

Beyond financial products, dfcu invested heavily in financial literacy training. With five trainings per branch monthly and regional sessions across Uganda, dfcu conducted **over 3,000 trainings** a month, plus 144 regional trainings annually. These initiatives ensure members not only access financial services but also use them wisely to achieve sustainable impact.

To deepen outreach, dfcu established a SACCO Hub in Mbarara, Western Uganda, serving as a regional anchor for cooperative growth. SACCOs were also enrolled as dfcu agents under the agency banking model, earning commissions while extending banking services to underserved communities.





Empowering Investment Clubs and ROSCAs

In Uganda's spirit of solidarity, communities often form Investment Clubs, Rotating Savings and Credit Associations (ROSCAs), and Village Savings and Loan Associations (VSLAs). These informal groups provide social support and act as safety nets during emergencies. However, their informal nature limits their ability to meet broader financial needs.

dfcu has played a pivotal role in graduating informal clubs into structured CBOs and eventually SACCOs. With a minimum membership of 30, SACCOs gain the legal capacity to mobilise savings and extend credit. Hundreds of clubs have successfully transitioned under **dfcu's** guidance.

A notable case study is Mushana Finance, an investment club that evolved into a SACCO and now constructs homes for its members. This example underscores **dfcu's** impact in transforming informal savings groups into institutions that deliver tangible socio-economic benefits.



Beyond Financial Services

dfcu's financial inclusion programme extends beyond banking. Cooperatives provide platforms for **dfcu** to deliver training in food security, health, and sustainability, equipping communities with skills to thrive in multiple dimensions of life.

By embedding financial literacy, promoting healthcare access, and supporting housing initiatives, **dfcu** ensures that financial inclusion translates into holistic empowerment—socially, economically, and structurally.



Conclusion

The journey of SACCOs and Investment Clubs reflects Uganda's collective drive toward prosperity. By partnering with these groups, **dfcu** Bank has positioned itself not only as a financial institution but also as a catalyst for transformation.

Through deposits, credit, insurance, digital solutions, and capacity building, **dfcu** empowers communities to move from informal savings to structured financial ecosystems. The result is inclusive growth, stronger households, and resilient communities.

Financial inclusion, for dfcu, is not just about access to banking, but about empowerment, sustainability, and impact. By working hand in hand with SACCOs, Investment Clubs, and cooperatives, **dfcu** continues to transform lives and businesses across Uganda, ensuring that no one is left behind.



Driving Impact for SACCOs Through Verve Card Integration

dfcu Bank partners with institutional networks such as Interswitch Uganda to power co-branded digital debit options, including Verve Card implementations for partner SACCOs. This integration enables SACCO members to seamlessly access nationwide ATM networks and merchant payment systems.

Key Features of Verve Cards for SACCOs



Wide Acceptance:

Use cards at Verve enabled ATMs and point of sale (POS) merchant locations.



Network Reach:

Access funds via partner bank infrastructure and agent networks.



Account Security:

Protected with chip and PIN technology and real time transaction alerts.



Impact for SACCOs and Communities



Financial Inclusion:

By digitising access, SACCO members move beyond cash-only transactions, gaining entry into Uganda's broader financial system.



Operational Efficiency:

SACCOs reduce administrative burdens by leveraging dfcu's infrastructure, enabling faster, safer, and more transparent transactions.



Economic Empowerment:

Members can transact with merchants, pay bills, and access funds conveniently, strengthening household and business resilience.



Trust and Security:

Chip and PIN protection builds confidence among members, encouraging savings and reducing reliance on informal cash storage.



Nationwide Reach:

Integration with ATM and POS networks ensures SACCO members in rural and urban areas enjoy equal access to modern financial services.



Through the Verve card partnership, dfcu Bank is not only modernising SACCO operations but also driving systemic impact, empowering members with secure, accessible, and inclusive financial tools. This initiative demonstrates how digital innovation strengthens Uganda's cooperative movement, mobilises savings, and accelerates socio-economic transformation.





Transforming Communities, Businesses, and Livelihoods through dfcu Foundation

The year 2025 marked a defining moment for dfcu Foundation, the social arm of dfcu Bank.

Guided by the belief that success is inseparable from the wellbeing of surrounding communities, dfcu Foundation designs programmes, forges partnerships, and implements initiatives that transform lives, strengthen businesses, and build resilient communities across Uganda.

“As the dfcu Group’s social impact and sustainability arm, the Foundation works to develop value chains and enterprises linked to sustainable markets and finance. Its focus is on transforming SMEs and agribusinesses into commercially viable businesses, while promoting climate-smart practices throughout the value chain.

For dfcu Foundation, financial inclusion means empowering underserved populations to participate fully in the economy by de-risking them and equipping them with the tools to thrive. Women and youth remain the primary focus, given the cultural and structural barriers they face. Refugees and persons with disabilities are also reached through targeted partnerships.

The overarching goal is to build sustainable enterprises with strong financial discipline, sound governance, and effective leadership, making them bankable, investable, and resilient.

2025 HIGHLIGHTS

62,000

trees planted → advancing climate resilience and carbon sequestration.

832

new bank accounts opened, expanding financial inclusion.



Out of **617** enterprises sampled, **186** showed strong uptake of financial literacy and governance practices

UGx 38.08 billion

loans facilitated, unlocking growth for MSMEs and farmers.

51%

of groups adopted savings practices

57%

used VSLA systems.



Refugee women supported under Grow are now building compliant, bankable enterprises despite initial exclusion.



75% of agribusinesses accessed inputs, while **76%** accessed local markets, signaling improved sustainability.

Five-Year Roadmap (2025–2029)

In 2025, we launched our ambitious five-year strategy, anchored on three transformative pillars: Enterprise Development, Expanding Financial Access, and Institutional Development. By 2029, our long-term goal is to catalyse growth for 100,000 beneficiaries and facilitate UGx 100 billion in financial linkages.

The inaugural year was dedicated to stabilisation and scalability, building the rails upon which the next four years of impact will run. We focused on strengthening systems, piloting innovative programmes, and laying the groundwork for sustainable transformation.

OUR LONG-TERM GOAL

Catalyse growth for **100,000** beneficiaries

Facilitate **UGx 100** billion in financial linkages



Pillar 1 ENTERPRISE DEVELOPMENT



Enterprise development is at the core of our strategy. Our approach is two-pronged: strengthening the capabilities of micro and small businesses, and de-risking MSMEs and smallholder farmers to make them more competitive and bankable.

FEAT Programme

Through the Financial Expansion for Agribusiness Transformation (FEAT) Programme, funded by **dfcu** Foundation and Rabo Foundation, we train MSMEs and smallholder farmers (particularly women, youth, and vulnerable communities) in four priority value chains: coffee, dairy and livestock, cereals, and oil seeds. Using a training-of-trainers model, community-based trainers work alongside our regional business advisors to assess financial maturity and deliver tailored bootcamps.

The programme helps farmers organise into cooperatives and Village Savings and Loan Associations (VSLAs), unlocking economies of scale and access to credit. Market linkages with off-takers are facilitated, ensuring farmers can sell their produce competitively. Importantly, many beneficiaries are able to open accounts with **dfcu** Bank, integrating them into formal financial systems and accessing financing from both **dfcu** Bank and Rabo Foundation.

The programme targets to support 2,280 agribusinesses and impact over 100,000 individuals across the target value chains, with plans to train 80,000 learners, including 50% women and 40% youth, reaching over 400,000 Ugandans based on average household size.

To drive financial sustainability, FEAT will facilitate UGX100 billion in financial linkages while introducing a Catalytic (Revolving) Fund Facility to support early-stage enterprises that are not yet ready for commercial credit. Complementing finance, participants access capacity building in leadership, governance, financial literacy, marketing, price risk management, and climate-smart agriculture through Management Business Advisors, AgriTech experts, and digital platforms such as **dfcu** Foundation's SOMA e-learning platform and the Bean Book tool for coffee exporters.



2,280

Number of agribusinesses targeted to be supported by the FEAT programme



100,000+

Number of individuals to be impacted across the targeted value chains



80,000

Number of learners to be trained by the programme



UGX 100 billion

Amount FEAT will facilitate in financial linkages

Outbox Uganda Initiative

In partnership with Outbox Uganda Limited and Mastercard Foundation, we support women-led, tech-savvy enterprises to commercialise innovative products. This initiative empowers women to harness technology for business growth, positioning them as leaders in Uganda's digital economy.

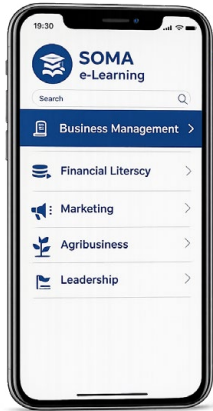
High Innovator Programme

Through the High Innovator Programme, also backed by Mastercard Foundation, we prepare SMEs for private equity financing. Businesses are coached on packaging themselves for investors, developing pitches, and accessing growth capital. This initiative bridges the gap between promising enterprises and private equity investors, unlocking new pathways for expansion.

Rising Women

The Rising Women programme, under **dfcu** Bank's Women in Business initiative, continues to empower women entrepreneurs. Participants received training on foundational business practices, while the GROW programme, in partnership with the World Bank, provides concessional credit to women-led enterprises. These initiatives not only strengthen women's businesses but also advance gender equity in Uganda's entrepreneurial landscape.





Digital Learning

Through our Soma e-learning platform and Bean Book trading insights tool, we democratise access to business knowledge. Thousands of entrepreneurs access digital training, enabling them to adopt better financial practices and improve competitiveness.

Climate-Smart Practices

In alignment with dfcu Group's ESG commitments, we pivoted toward climate resilience. In 2025, we oversaw the planting of 62,000 trees, the first step toward our 2029 target of 500,000 trees. This initiative will offset an estimated 12,000 metric tons of carbon dioxide, positioning dfcu Group as a leader in Uganda's green transition.

Impact: Farmers became more resilient, women entrepreneurs gained access to finance, SMEs prepared for investment, and communities embraced climate-smart practices.



62,000

Trees planted in 2025



12,000

metric tons of carbon dioxide



Pillar 2 EXPANDING FINANCIAL ACCESS



Financial inclusion is central to our mission. In 2025, **dfcu** Foundation facilitated UGx 38.08 billion in loan disbursements to enterprises and individuals. Beneficiaries included coffee farmers, cocoa traders, dairy cooperatives, and women-led enterprises under the GROW programme. Credit demand was driven by working capital, trade finance, and asset financing needs.

We also supported 832 beneficiaries to open bank accounts, integrating them into formal financial systems.

Catalytic Revolving Fund

Recognising the persistent financing gap facing micro and small enterprises – the “missing middle” – we designed the Catalytic Revolving Fund. Many viable businesses are too large for microfinance yet too informal for commercial banking. The Fund provides transitional capital to bridge this gap.

It covers upfront compliance costs such as business registration, UNBS certification, and URA tax registration, while also providing short-term working capital for inventory and inputs. By easing compliance burdens and stabilising operations, the Fund de-risks SMEs and prepares them to graduate into commercial finance and investment opportunities.

Impact: SMEs previously excluded from formal finance gained access to transitional capital, enabling them to formalise, stabilise, and grow sustainably.



UGx 38.08 billion

in loan disbursements to enterprises and individuals



832

Beneficiaries supported to open bank accounts



Pillar 3 INSTITUTIONAL DEVELOPMENT



Institutional development remained a key priority in 2025. We successfully completed the transition to **dfcu** Foundation, reinforcing our identity and mandate.

Governance frameworks were strengthened through policy reviews and enhanced oversight mechanisms. Monitoring & Evaluation systems were upgraded to improve analytical capabilities and align with **dfcu** Group's risk frameworks. Staff skilling and capacity-building initiatives ensured our team was equipped to deliver on strategic objectives.

Impact: A stronger institution, with robust governance and systems, capable of delivering sustainable transformation at scale.

IMPACT NUMBERS

dfcu Foundation's initiatives are backed by measurable outcomes:

100,000

beneficiaries
(2025–2029)
targeted.

3,500

new jobs projected over five years, with
numbers expected to rise under Mastercard
Foundation's Young Africa Works.



youth
inclusion
targets

30%

year-on-year growth as the benchmark for
supported enterprises.



544

jobs created (2022–2023) under
earlier programmes.

89%

of SMEs
registered

98%

applying financial skills
after training.



80%

of enterprises linked to
government programmes.



Conclusion

dfcu Foundation is positioning itself as a change agent in Uganda's financial ecosystem. By combining community-based training, strategic partnerships, and impact-driven metrics, it is not only derisking vulnerable groups but also building sustainable enterprises that fuel job creation, revenue growth, and social empowerment.

Financial inclusion, for **dfcu**, is more than numbers, it is about transforming lives and reshaping Uganda's economic future.





Driving impact through our partnership with Rabo Foundation

The Agribusiness Development Centre (ADC) Era

The **dfcu** Foundation, formerly the Agribusiness Development Centre (ADC), was founded in 2017 as a 50/50 joint venture between **dfcu** Limited and Rabo Foundation. Its overarching goal was to make farming a sustainable business for farmers and to build financial resilience.

Rabo Foundation co-funded two strategic periods (2016–2021 and 2022–2024), during which ADC delivered Business Development Services (BDS) and training programmes to SMEs, farmer-based organisations (FBOs), and farmers in Uganda. Training covered governance, marketing, financial literacy, and price risk management.

ADC also leveraged innovative channels such as:



SOMA e-learning platform



Bean Book price risk management tool



Interactive Voice Response (IVR) technology delivering training via phone messages

Beyond training, ADC facilitated access to finance by linking cooperatives and SMEs to Rabo Foundation and **dfcu** Bank.

By 2024, ADC had reached:

1,000+
enterprises

30,000+
Farmers

15,000+
Learners

USD 22 million

In credit linkages to **Rabo Foundation** and **dfcu** Bank.

Evolution to **dfcu** Foundation

At the end of 2024, Rabo Foundation exited as a joint venture shareholder, and ADC was rebranded as **dfcu** Foundation. However, Rabo Foundation retained a seat on the Foundation's Strategic Steering Committee, ensuring continued collaboration.

In 2025, this partnership was strengthened through the launch of the Financial Expansion for Agribusiness Transformation (FEAT) programme, **dfcu** Foundation's flagship initiative focused on financial literacy, entrepreneurship development, and financial linkages.



*The Financial Expansion for Agribusiness Transformation (FEAT) programme strengthened the partnership between Rabo Foundation and **dfcu** Foundation in 2025*



Impact Milestones in 2025

11,139

Unique learners reached across FEAT interventions and value chains

64%

Female

36%

Male

42%

Youth Participation

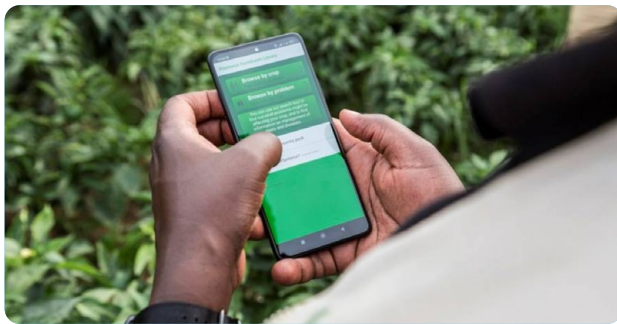
FINANCIAL LINKAGES FACILITATED:

UGx 29.67 billion

Rabo Foundation

UGx 7.75 billion

dfcu Bank



Other Linkages Between Rabobank and dfcu Bank

2014–2023: dfcu collaborated with Rabo Partnerships and the Dutch Government in a Public Private Partnership to strengthen agricultural financing sustainably, with a focus on digitisation and data analytics.

Shareholding: Rabo Partnerships, through ARISE, holds 58.7% of dfcu's shares. ARISE, established in 2017 by Norfund, NorFinance, FMO, and Rabo Partnerships, invests in sustainable banks, fintechs, and non-banking financial institutions across Sub-Saharan Africa.

Looking Ahead: 2026 FEAT Programme Goals

By the end of 2026, FEAT will have achieved cumulative impact across 2025–2026

- ⇒ **Enhanced business management and innovation capacities** among 930 agribusinesses and 30,326 smallholder farmers.
- ⇒ **Improved financial access** for basic/advancing agribusinesses through UGx 715M (USD 194k) loans from a revolving fund to be launched by dfcu Foundation.
- ⇒ **Expanded financial linkages** for advanced/top agribusinesses: UGx 40 billion (USD 10.8M) facilitated to dfcu Foundation and Rabo Foundation, plus 1,030 new accounts opened at dfcu Bank.
- ⇒ **Broader use of innovative platforms** engaging 15,000 users across FBOs, SMEs, and universities for training and capacity building.
- ⇒ **Greater inclusion of women and youth**, with programme participation reaching 60% women and 40% youth.

UGx 715 Million

loans from a revolving fund to be launched by dfcu Foundation.

15,000

users across FBOs, SMEs, and universities for training and capacity building.

Conclusion

The partnership between dfcu and Rabo Foundation has evolved from the ADC era into a strategic collaboration under dfcu Foundation, driving measurable impact in Uganda's agribusiness sector. Through FEAT and other joint initiatives, the focus remains on empowering farmers, strengthening SMEs, expanding financial access, and promoting inclusion of women and youth.

This collaboration demonstrates how strategic partnerships can transform agribusiness into a sustainable, resilient sector, delivering long term value for communities, businesses, and Uganda's economy.





Environmental Stewardship

Embedding Sustainability in Everyday Operations

At dfcu, we recognise that sustainable development begins within our own operations.

Our commitment is to align internal processes, infrastructure, and digital platforms with the long term preservation of Uganda's natural capital. Sub-Saharan Africa, and East Africa in particular, is highly vulnerable to climate change, facing multi-year droughts and extreme floods that damage infrastructure and livelihoods. Against this backdrop, we have transitioned from setting baseline metrics to achieving verifiable reductions across our energy, paper, waste, and carbon footprints.



Energy Efficiency

Following a comprehensive environmental audit in 2024, which revealed a baseline monthly electricity expenditure of **UGx 80 million**, dfcu launched a coordinated efficiency drive.



11.5% Reduction Milestone: Through upgrades such as automated dual inverter air conditioners using R32 gas and motion sensing LED lighting, we achieved a verified 11.5% reduction in grid energy consumption. R32 gas has zero ozone depleting properties and cools rooms faster, while dual inverter technology delivers up to 70% energy savings.



Economic and Environmental Gains: This initiative saved UGx 9 million monthly while lowering Scope 2 greenhouse gas emissions, proving that environmental stewardship strengthens cost containment.



Staff Engagement: Our "Sustainable Moments" initiative ensures sustainability strategies are discussed in meetings, with conservation tips shared via screen savers. Staff have become more conscious of switching off unused lights and adopting energy saving practices transferable to their homes.

11.5%

reduction in
grid energy
consumption

70%

Energy savings
by the dual
inverter

UGx 9 Million

Amount of money saved monthly in power bills

Green Branches

Our expansion strategy has been re-engineered to reflect ecological realities. The upcoming Pader Branch serves as a blueprint for sustainable construction, integrating passive architectural design, natural lighting, and cross ventilation.



Solarisation: Pader Branch is targeted to be 80% solarised, with renewable energy as the primary source and grid connectivity as backup. This eliminates reliance on diesel generators, reducing emissions of carbon dioxide, particulate matter, and nitrogen oxides.



Technology Upgrades: Generators have been fitted with silencers, stabilisers upgraded for quieter performance, and lead-acid batteries replaced with longer lasting lithium-ion alternatives.



Head Office Transition: Solar energy is being introduced in phases across our seven floor headquarters to ensure continuity and resilience.



Digital Transformation

Automation of core banking processes has been a critical enabler of sustainability.



TIMS Deployment: The Trade Information Management System reduced transaction turnaround times from 48 hours to 3 hours while eliminating paper documentation and courier services across international trade lines.



Smart Lend Portal: Credit origination, verification, and risk profiling have been digitised, preventing thousands of pages of printed documentation annually.



***240# service:** dfcu Bank's mobile banking USSD platform, designed to give customers quick, secure, and convenient access to their accounts without needing internet connectivity.

Waste Management

We are using 2026 as the baseline year for measuring waste levels across branches and the head office.



Segregation: Waste is now categorised into paper, plastics, and hazardous e waste, supporting the circular economy and enabling targeted reduction strategies.



Plastic Reduction: Through the "Sip Sustainably" directive, single use plastic bottles have been eliminated, replaced with filtered water stations, jumbos, and recyclable glass bottles.



Centralised Collection: The "Walk to Bin" framework replaced individual under desk bins with color coded hubs, improving sorting and reducing monthly consumption of plastic liners by over 35%.

Water Management

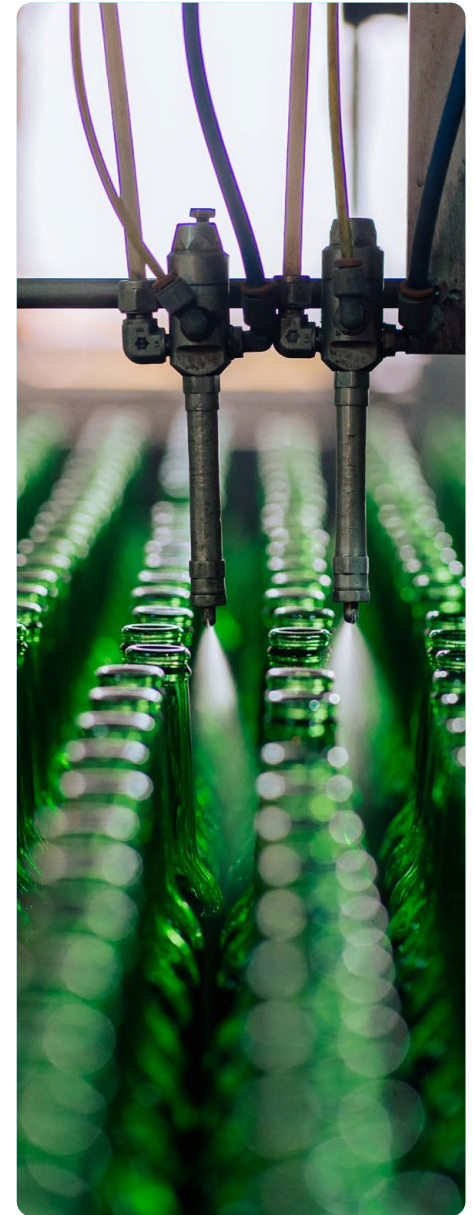
An audit revealed inflated bills due to theft and leakages. Immediate measures secured supply, while long-term solutions are underway



Tororo Branch Pilot: A shallow well system generating 5,000 litres per pumping period reduces reliance on regional water authorities, eliminates leakages, and prevents theft.



Efficiency Measures: Toilet cisterns have been converted from 10 litre to 5 litre capacity, aligning with international standards and reducing waste.



Environmental Stewardship

Fleet Sustainability



To reduce transport emissions, **dfcu** has purchased two hybrid cars and is acquiring an electric vehicle to support ATM operations nationwide. Hybrid cars combine electric batteries with combustion engines, lowering emissions compared to conventional vehicles. 2026 will serve as the baseline year for measuring impact.



Conclusion

Through initiatives in energy, green infrastructure, digital transformation, waste, water, fleet, climate resilience, and client engagement, **dfcu** is embedding sustainability into its operations. These measures reduce our environmental footprint, enhance customer experience, and strengthen resilience. By piloting innovative models such as solarised branches, shallow wells, and digital platforms, we are building replicable frameworks for broader adoption.

Our journey reflects a deliberate balance between operational efficiency, environmental stewardship, and social empowerment, ensuring **dfcu** contributes meaningfully to Uganda's climate goals and socio-economic transformation.

Climate Resilience

As an institution connected to Ugandan agriculture, we recognise that deforestation accelerates soil degradation and heightens vulnerability to climate shocks.

500,000

Number of trees **dfcu** commits to plant by year 2029

62,000

Number of trees **dfcu** has planted and monitored through community partnerships.



Strategic Deployment: Trees are planted in zones vulnerable to mudslides, erosion, and watershed depletion, stabilising ecosystems and protecting farming livelihoods.





Community Initiatives

dfcu and Watoto Ministries: Partnership transforming lives

Earlier in the year, during the inaugural dfcu Faith Night themed “Bold, Strong, Courageous”, dfcu donated UGX 30,000,000 to Watoto Child Care Ministries in support of Watoto Suubi Home. In line with our purpose of Transforming Lives and Businesses in Uganda, the donation funded equipment for Watoto’s Hope Vocational and Technical Institute and supported the upkeep of the children and mothers in Suubi House 152.

Our team also spent a day at Suubi, witnessing firsthand the transformative work of Watoto Child Care Ministries. The experience offered five uplifting lessons that continue to inspire our mission:



Vision Guides Action: Watoto’s clear mission, Rescue, Raise, Rebuild, anchors every initiative, reminding us that clarity of purpose drives meaningful impact.



Mentorship Builds Legacy: Just as Watoto raises leaders, dfcu nurtures future talent through structured mentorship, ensuring resilience and continuity.



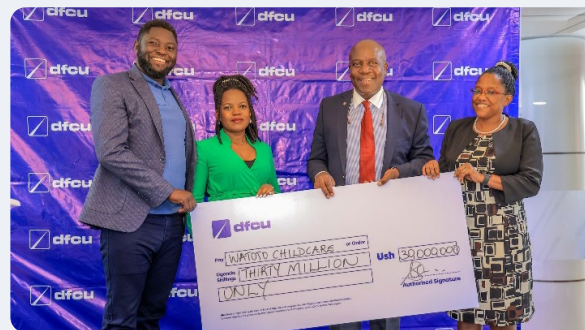
Systems Enable Excellence: Watoto’s operational systems guarantee no child is left behind. At dfcu, strong systems ensure every client and colleague is supported.



Consistency Wins Trust: Watoto’s global reputation is built on consistency. Likewise, dfcu’s consistent excellence strengthens trust with clients and partners.



Community is Strength: Watoto thrives as a family. At dfcu, fostering internal community fuels collaboration and enhances service delivery.



UGX 30,000,000

Amount donated to Watoto Child Care Ministries in support of Watoto Suubi Home.

▶ **Watoto’s Hope Vocational and Technical Institute**

▶ **Upkeep of the children and mothers in Suubi House 152.**



Healing Lives and Transforming Communities through the dfcu-Rotary Health Camps Partnership

Under a three-year Corporate Social Investment (CSI) Memorandum of Understanding (MOU) signed on 1 October 2025, dfcu Bank and Rotary Uganda launched the inaugural phase of their strategic collaboration in November 2025. This partnership has already demonstrated a scalable model for corporate-community health intervention.

Over three months, 11 medical camps were deployed across Uganda, including West Nile, Central, Eastern, Western, Busoga, and greater Kampala, directly reaching more than 25,000 individuals. With an investment of approximately UGX 150 million, the initiative delivered comprehensive care ranging from routine consultations to life-altering surgical interventions.

The partnership aims to institutionalise large-scale, biannual community health outreach events, leveraging dfcu Bank's national branch network. This reflects a shared commitment to health equity, social responsibility, and sustainable community development through structured, time-bound, and collaboratively managed health initiatives.

KEY ACHIEVEMENTS AND OUTCOMES



Unprecedented Scale:

Combined mass outreach with complex surgical care, serving nearly **20,000** people and performing over **2,250** surgeries.



Lives Transformed:

Delivered **22** life-saving heart surgeries, restored sight through hundreds of cataract operations, and managed thousands of chronic conditions.



Grassroots Mobilisation:

Camps in Ibanda, Busesa, and Kapir showcased the effectiveness of hyper-local engagement via VHTs, churches, and radio.



Holistic Service Integration:

Expanded the camp model to include sickle cell screening, mental health, cardiac care, cancer screening, and even legal aid.



Replicable Corporate-Community Model:

Activated dfcu's branch network nationwide, creating a decentralised and scalable framework for future outreach.

IMPACT IN NUMBERS


11

Total Camps Executed


21,290

Total Individuals Served


2,236

Total Surgeries Performed
(West Nile Surgical Camp)


1,433

Total Cancer Screenings


18,790

Total Clinical Consultations


22

Total Heart Surgeries
(Western Uganda Camp)


4,264

Total Sickle Cell Screenings


244 Units

Blood Donated



The tangible outcomes, including lives saved, sight restored, suffering alleviated, and health systems bolstered stand as a powerful testament to what is possible when corporate resources align with community passion and service expertise.



We often search for impact in policy statements and macroeconomic dashboards. Sometimes we should look instead at a child whose heart now beats without strain, a farmer who can see his crops again, a mother who delivers safely in a ward that did not exist a year before. That is where development becomes human.

Diana Nanono -
Sustainability Manager,
dfcu Bank



Advancing Community Impact Through Faith-aligned Partnerships

At dfcu Bank, sustainability is not an abstract commitment, it is a deliberate choice to act where it matters most. As a bank deeply embedded in Uganda's social and economic fabric, dfcu recognises that financial intermediation alone is not enough. True impact is achieved when institutions align purpose, partnerships, and people to address real community needs.

This conviction was demonstrated during the 2025 Holy Month of Ramadan through dfcu's partnership with Ayitah Charity Foundation under the Foundation's Feed a Family initiative. The collaboration illustrates how banks can play a catalytic role in strengthening social resilience, particularly during periods of heightened vulnerability.

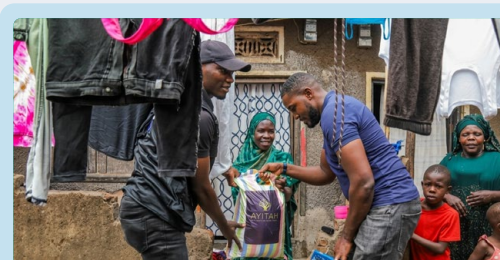
In February 2025, dfcu Bank convened its inaugural and staff-centred Faith Night under the theme **"Bold, Strong, Courageous."** The gathering marked a shift from reflection to action, reinforcing the bank's commitment to purposeful engagement beyond core banking activities.

As part of this commitment, dfcu Bank made a cash contribution of **UGx 30 million to Ayitah Charity Foundation** to support vulnerable communities during the Ramadan period.

The contribution enabled the distribution of **720 food and sanitary packs, directly benefiting over 400 underserved families in communities**, including Kasokoso and Katanga, with additional distributions carried out in other parts of the country. Each pack contained essential household items such as rice, posho, beans, sugar, cooking oil, and laundry soap, providing both nutritional support and dignity to families observing the holy month.

Beyond financial support, dfcu Bank staff actively participated in the distribution of the food packs, engaging directly with beneficiary communities. This hands-on involvement reinforced the bank's belief that sustainable finance must be grounded in human connection and shared responsibility.

By stepping beyond traditional banking environments, staff helped bridge the gap between institutional support and lived community experience, strengthening trust and reinforcing the Bank's social relevance.



"As a member of the Uganda Bankers Association, dfcu believes that the future of banking lies in shared value creation, where financial strength is matched by measurable social impact. When banks act with purpose, courage, and collaboration, the benefits extend beyond balance sheets to strengthen communities and the sector as a whole."

Diana Nanono
Sustainability Manager

The success of the Feed a Family initiative highlights the value of partnerships between financial institutions and community-based organisations with deep grassroots reach. Ayitah Charity Foundation's on-the-ground expertise, combined with dfcu Bank's financial contribution and staff involvement, delivered impact efficiently and at scale.

To date, Ayitah Charity Foundation's programmes have positively impacted more than 20,000 individuals across Uganda, underscoring the importance of sustained collaboration in addressing long-term social challenges.

As Uganda's banking sector continues to evolve, initiatives such as this demonstrate how banks can contribute meaningfully to inclusive development, particularly during times of social and economic pressure. For dfcu Bank, the Feed a Family initiative was not a one-off charitable intervention, but part of a broader commitment to responsible banking and community upliftment.

21,000

Number of individuals impacted positively by Ayitah Charity Foundation





dfcu Foundation at the Heart of Impact: Repositioning Kwezi Coffee for a Promising Future

Kwezi Coffee Ltd, a women and youth-led enterprise based in Bugolobi, Kampala, has undergone a remarkable transformation between 2022 and 2024, thanks to the support of the dfcu Foundation. Through capacity-building interventions, price risk management, the utilisation of the Bean Book Platform, and linkages to the Rabo Foundation for financing, the SME has significantly enhanced its operations and growth trajectory.

Before the intervention, Kwezi Coffee primarily focused on producing roasted and green coffee. With the support received, the company has diversified its product line and is now planning to introduce cocoa powder, thereby expanding its market reach and positioning itself as a versatile player in the agribusiness sector.

The economic impact of Kwezi Coffee is evident through financing support from the Rabo Foundation:

01 Production capacity has more than doubled, increasing from **240 MTs to 500 MTs** annually.

02 Annual sales turnover has risen from **UGx 500mn to UGx 1.2bn.**

03 Net profit (EBITDA) has surged from **UGx 50mn to UGx 300mn**, reflecting improved financial health and profitability.

04 Market access has also significantly improved. Previously, Kwezi Coffee accessed only **20%** of its potential markets but has now expanded to **50%**, enabling entry into new local, regional, and global markets.

05 The company has increased its workforce from 1 permanent and 2 temporary staff to **7 permanent and 52 temporary staff**, contributing to local economic development and operational efficiency.

06 The price per unit has **increased from USD 2**, reflecting higher quality and demand. Suppliers now receive better returns, strengthening the supply chain.

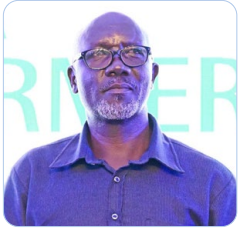
07 Kwezi Coffee is also committed to **environmental sustainability**, with plans to establish a solar-powered production facility in Kasese.



The company's growth in production, sales, market access, and employment highlights the profound impact of the support received from the dfcu Foundation. With a continued focus on product diversification and sustainability, Kwezi Coffee is well-positioned for future success and a stronger contribution to the local and regional economy.



Impact of the Best Farmers Awards: How a Visit to the Netherlands Changed Patrick Olobo's Vision for Commercial Agriculture



The Best Farmers Awards continue to celebrate Uganda's most outstanding agricultural entrepreneurs, recognising innovation, resilience, and excellence while inspiring a new generation of commercial farmers. Through the initiative, dfcu Bank, in partnership with

Vision Group, KLM Royal Dutch Airlines, the Embassy of the Kingdom of the Netherlands, De Heus Koudijs Nutrition BV, and New Vision Foundation has not only rewarded exceptional farmers but also invested in their growth through financing, mentorship, and transformative international exposure visits to the Netherlands.

QN: Tell us about your journey into farming, what enterprise do you run, and what inspired you to venture into agriculture?

Patrick: In 2015, I made one of the biggest decisions of my life. I left formal employment and committed myself to farming full-time. As I gained more experience, I gradually transitioned from rice farming into banana farming, where I found greater opportunity to grow both my livelihood and my future.

QN: The Best Farmers Awards recognise excellence, innovation, and impact. What key practices, innovations, or business strategies set your farm apart, and contributed to your recognition?

Patrick: What sets my farm apart is how I think about value addition and managing risk. For me, value addition goes beyond machines, but anything that improves the quality of my products and increases its value. Investing in a well means I can irrigate throughout the dry season, keep healthy suckers ready

for market, and sell banana bunches for UGx10,000 to 20,000 instead of UGx2,500. Currently, I am taking the next step targeting to produce premium banana wine under my own brand.

“ Access to capital from dfcu Bank served as a direct catalyst for expanding my farm's resilience. The Netherlands exposure trip transformed my strategic vision, equipping me to scale from local production to export-ready value addition.

— Patrick Olobo

QN: What does being named a Best Farmers Awards 2025 winner mean to you, personally, professionally, and for your enterprise? How has dfcu Bank supported your growth along this journey?

Patrick: This recognition gave me real proof to show skeptical members of my community that modern commercial farming is a highly lucrative venture. Additionally, the exposure trip to Netherlands changed my thinking, improved my planning, and opened my eyes to export opportunities and international markets. I now have a testimony, I did it, it worked, I won, received a cash prize of UGx7 million, and traveled abroad, thanks to dfcu Bank and partners in making this possible.

QN: Access to appropriate financing is critical in agriculture. How has access to finance, particularly through dfcu Bank, enabled you to grow, invest, or improve your farming operations?

Patrick: Access to capital from dfcu served as a direct catalyst for expanding Patrick's farm's resilience especially with the ever changing and unstable climate.

Instead of diverting the financial injection from the award into personal expenses, I immediately reinvested the funds into upgrading the farm's irrigation system and a water well to stabilise production during erratic weather patterns.

QN: Did the Netherlands visit create any opportunities for collaboration, such as business partnerships, market linkages, technology adoption, or knowledge exchange? Please share any emerging opportunities.

Patrick: The Netherlands exposure visit transformed my strategic vision as an agribusiness manager by exposing me to global standards that changed how I plan to position my banana wine enterprise for premium international markets. Although Europe's climate does not support open-field banana cultivation, I gained knowledge for advanced processing, packaging, and quality management systems. These experiences equipped me with the knowledge to strengthen my value chain, pursue future export certifications, meet international market expectations, and confidently prepare my farm-to-bottle business for expansion beyond Uganda.



I won, received a cash prize of UGx 7 million, and traveled abroad, thanks to dfcu Bank and partners in making this possible.

UGx 10,000 to 20,000

Price of banana bunches sold in the market instead of UGx 2,500 due to creative investing.



Socio-economic impact through innovative supply chain model: Accelerating Agribusiness Transformation for Kikazi Agri-Products



Kikazi Agri-Products Limited is a promising agribusiness in Uganda, making a notable socio-economic impact through its innovative supply chain model since its inception in 2023. As one of seven businesses supported by the **dfcu** Foundation Hub, Kikazi

has benefited from business development services under the Women Accelerator Window 3 (WAW3) cohort of the NSSF Hi-Innovator Programme. With this support, the company successfully pitched its business plan to an investment committee and secured USD 20,000 in equity seed financing to implement its strategic objectives. At the grassroots level, Kikazi operates an inclusive business model by sourcing, aggregating, and processing millet from over 65 smallholder farmers in Rukungiri District, Western Uganda.

These farmers have formed a registered group, Kikazi Farmer's Group, to enhance coordination, improve sourcing quality, boost productivity, and ensure fair pricing.

Farmers now receive an average of UGX 2,100 per kg, which is a significant increase from the UGX 1,800 typically offered by middlemen. This 12% price increase has greatly improved their livelihoods, enhanced financial stability, and facilitated access to credit through predictable incomes.

Kikazi also provides capacity-building training focused on group dynamics, post-harvest quality management, and handling. With the

seed funding received, the company distributed tarpaulins to over 30 farmers, significantly reducing post-harvest losses. This initiative has led to improved grain quality, enabling Kikazi to obtain a Quality Certification Mark from the Uganda National Bureau of Standards (UNBS).

The achievements of Kikazi Agri-Products Limited highlight the potential of agribusinesses to drive economic transformation by empowering smallholder farmers. With ongoing support from the Hi-Innovator Programme and the **dfcu** Foundation, Kikazi is well-positioned to further expand its impact by reaching more farming communities, strengthening market linkages, and promoting sustainable agricultural practices.

On a business level, several notable improvements have emerged due to the support from dfcu Foundation:



Enhanced documentation of business transactions has simplified the annual audit process. The company now prefers cheque and bank transfers over cash payments, enabling more accurate assessments of financial health.



Improved procurement processes have led the business to source at least three quotations per procurement, enabling a procurement committee to analyse these options. This approach has resulted in better supplier negotiations, cost optimisation, and timely, quality deliveries.



Upgraded financial management and reporting have been achieved through the adoption of QuickBooks software, facilitating digital transaction recording and monthly performance reporting. This advancement has improved decision-making, although the online version incurs annual subscription costs.



Cost-effective logistics have been enhanced by procuring a tricycle (Tuk Tuk) instead of a truck, reducing transportation costs while doubling as a mobile advertising platform due to its branded design.

UGX 2,100

Average amount farmers receive per kg.



12%

Price increase has greatly impacted the communities livelihood.



30+

Number of **farmers Kikazi** distributed tarpaulins to.

USD 20,000

Equity Fund Secured

65+

Smallholder Farmers sourced, aggregated & supported in Rukungiri District, Western Uganda.



Beyond Financial Access: An Interview with Magezi Development Initiative



Q: Please tell us about yourself and the Magezi Development Initiative.

A: My name is Dr. Alex Epatait, a partner member at the Magezi Development Initiative (MDI), which established the Kigogola Cooperative Union. This union brings together 1,368 farmers

who act as our outgrowers in the cocoa value chain. We realized that scaling up required collective effort, so we encouraged farmers to join cocoa farming, often intercropped with other crops under proper agronomic practices.

Through MDI, farmers benefit from access to quality seedlings, agronomic training, financial literacy, and organised markets. We purchase their produce and facilitate exports, ensuring value across the chain.

Q: When did your partnership with dfcu begin?

A: Our partnership with **dfcu** started about a year ago. At the time, we were at scratch level and needed support in setting up a savings and credit cooperative (Sacco), building financial literacy, and positioning ourselves for future capital mobilisation. **dfcu** guided us through administration, legal registration, and continuous saving practices. Their investment unit provided free financial literacy, which we cascaded to our farmers.

Q: How has dfcu's support influenced savings, credit, and membership growth?

A: The impact has been significant. Farmers now understand why saving matters and how pooled resources strengthen the cooperative. Financial literacy has instilled discipline, enabling members to mobilise savings and extend credit within the union. This has

boosted confidence, strengthened membership, and created a culture of collective financial responsibility.

Q: How has dfcu helped improve governance, financial management, and record keeping?

A: The impact is immeasurable. It is one thing to grow crops, but another to invest earnings wisely. **dfcu** has equipped us with investment knowledge, improved our governance structures, and enhanced record keeping. Their brand association has also exposed us to new partners and communities, widening our engagement and credibility.

Q: Can you share specific examples of how dfcu support has improved livelihoods?

A: One major innovation is the development of a warehouse receipt system. This product allows farmers to access loans against stored produce, easing financial pressures while ensuring repayment through cooperative-managed sales.

Previously, farmers saved money informally at home or in small groups, often losing it. Now, savings are centralised in the cooperative, safeguarded by proper administration. This has reduced losses and improved financial security.

Q: From a broader perspective, how has the cooperative's growth contributed to community development?

A: The growth of the Sacco has translated into tangible community benefits. Members have invested in better housing and small businesses beyond cocoa farming. Infrastructure development has improved, and unity among 1,368 farmers has fostered harmony and social cohesion. The cooperative has become a pillar of local enterprise support and community resilience.

Q: What distinguishes dfcu's approach from other financial institutions?

A: **dfcu** is pro-people and farmer-centered. Unlike other institutions that require communities to travel to banking halls, **dfcu** meets us at the farm and designs tailored products for rural realities. Their hands-on engagement and farmer-focused solutions, such as the warehouse receipt system, set them apart. They are directly involved, grounded in community needs, and responsive to local challenges.

Q: What advice would you give to other Saccos considering a partnership with dfcu?

A: Engage **dfcu** early. Invite them into your communities to understand your challenges firsthand. Their tailored, community-based solutions can help organise cooperatives properly and set them on a sustainable growth path. Continuous engagement is key to maximising the benefits of such a partnership.

Q: What future opportunities do you see through this collaboration?

A: We see continued collaboration and growth. As **dfcu** expands, we aim to tap into their future projects, co-develop more farmer-centered products, and strengthen our cooperative's resilience. The partnership promises shared growth for both the bank and our farmers.

Q: If you were to sum up your partnership with dfcu in one statement, how would you describe it?

A: Our partnership with **dfcu** has lifted us from grassroots to measurable growth in a short time. It is lively, impactful, and promising. The sky is the limit as we continue to grow together, with **dfcu** providing community-driven solutions that empower farmers and strengthen the cooperative.



Financial Inclusion in Motion: Walking the Growth Journey With Mushana Multipurpose Cooperative Society



Mushana Multipurpose Cooperative Society (MCS), established in 2015, was founded with a vision of creating generational wealth for its members. Since inception, the Society has partnered closely with **dfcu** Bank, a relationship that has provided training, access to friendly loan facilities, and distribution channels such as ATMs.

According to Managing Director Janson Mugabe, the journey began as an Investment Club. “When we joined **dfcu**, we were an Investment Club. **dfcu** provided us with training sessions every Friday on how to structure ourselves in order to graduate to a cooperative,” he explained. He noted that as an investment Club, their opportunities were limited both in membership and in the facilities they could access from the bank.

“An Investment Club had a loan limit of UGx 50 million, but as a Cooperative, we can get UGx 2.5 billion without providing security. In time, we formalised to a Cooperative with the help of dfcu.”

Today, MCS has about 2,500 members, clustered according to shareholding. Membership requires a subscription of UGx 100,000 and the purchase of at least one share worth UGx 1 million. Higher-tier clusters, such as the Elite Club, require 100 shares valued at UGx 100 million.

Mugabe acknowledges that one of the Society’s main challenges is the capital-intensive nature of its projects, which often creates liquidity mismatches. “For example, when helping our members acquire land, vendors usually demand 70 percent payment upfront, with the balance due in three months. Yet we give our members six months to a year to pay. This mismatch can create tensions between sellers and the cooperative,” he explains.

In such cases, **dfcu** has stepped in with unsecured loans of up to UGx 2.5 billion, enabling MCS to settle vendors promptly while serving the loan over time. Beyond land acquisition, **dfcu** has also supported infrastructure development, including roads and electrification, which MCS undertakes before selling projects to members.

The partnership has enriched MCS’s product offering. Mugabe also highlights **dfcu**’s digital innovations: “They have different applications that enable us to make bulk payments to members, who can then withdraw through ATMs or pay for goods using POS systems.”

dfcu’s impact has further extended to governance and financial management. Mugabe emphasizes that the bank’s appraisal process strengthens accountability: “**dfcu** interrogates the financial position of the cooperative and the integrity of its governance structure before extending credit. This ensures the loan will be repaid but also improves our internal systems.”

The cooperative’s growth has created employment opportunities, with over 200 employees working across its farms and estates. Mugabe concludes with appreciation: “We really do value the journey we are having with **dfcu**. Their support has enabled us to grow, to employ, and to deliver value to our members.”



2,500

Number of members in Mushana Multipurpose Cooperative Society (MCS)



UGx 2.5 billion

Value of unsecured loan support from **dfcu** Bank



A Partnership Forged in Growth: dfcu's role in Transforming Fortunes of Fortress Hardware Solutions



Rehmah Nankya's journey with Fortress Hardware Solutions began with keen observation and a relentless drive. Spotting a gap in the market for smaller quantities of nails while working for a major steel manufacturer,

Rehmah took the brave step of addressing this need. She opened a small shop in the Bwaise suburb of Kampala and took the crucial step of opening her first business account with **dfcu** Bank to help manage her finances. This initial decision marked the start of a partnership that would significantly influence her entrepreneurial journey.

Over the years, Rehmah nurtured her business diligently, saving until she could achieve her major dream: owning her own business premises. This milestone, accomplished around 2015, enabled her to quit her full-time job and fully dedicate herself to Fortress Hardware. However, while constructing her own space was a tremendous achievement, it also depleted her funds, putting her in a tough spot when it came to purchasing necessary stock. The thought of taking out a loan was intimidating, a typical concern for many growing entrepreneurs.

At this critical moment, **dfcu** Bank became a true partner. Rehmah recalls expressing her fears to the **dfcu** Naalya Branch Manager, who not only alleviated her anxieties but also connected her with the **dfcu** Women in Business (WIB) team at the Head Office. This interaction went beyond mere

transactions; as Rehmah affectionately describes, her relationship with the (WIB) team grew into one resembling "sisters." They offered invaluable support and guidance, helping her navigate the complexities of registering her company, which was vital for securing her first business loan.

The special interest rates available for female entrepreneurs proved essential in helping her compete in Uganda's challenging business environment.

Moreover, **dfcu's** support also empowered Rehmah with vital business knowledge. She fondly recalls attending a **dfcu**-sponsored training for women entrepreneurs, where she learned about credit terms that changed her approach to customer payments and safeguarded her business from potential losses. This ongoing dedication to financial literacy through training sessions has benefited countless women throughout the country and showcases **dfcu's** comprehensive approach to client development.



I have found that between the dfcu Women in Business team and the Relationship Managers, there is always someone to offer support and guidance whenever I need it. I have found a solid support system; it has transformed me from an account holder to a business owner.

Rehmah's journey is ever-evolving, now fueled by the GROW Loan from **dfcu**. With this support, Rehmah is in the process of establishing a second

location and has even begun manufacturing, driven by her commitment to provide more employment opportunities for Ugandans and enhance her business income.

"I have found that between the **dfcu** Women in Business team and the Relationship Managers, there is always someone to offer support and guidance whenever I need it," Nankya expresses with deep gratitude. "I have found a solid support system; it has transformed me from an account holder to a business owner."

Rehmah Nankya's story stands as a powerful testament to **dfcu** Bank's commitment to nurturing the entrepreneurial spirit, offering not just financial solutions but a holistic ecosystem of guidance, training, and strategic partnerships aimed at empowering businesses to flourish and grow.

dfcu's COMMITMENT

Rehmah Nankya's story is a testament to **dfcu** Bank's commitment to nurturing the entrepreneurial spirit via:



Financial
Solutions



Guidance &
Mentorship



Training &
Financial
Literacy



Strategic
Partnership



From Waste to Wealth: dfcu Bank's Turning Point for Asante Waste Management



On most days in Luzira, the first thing you notice is not what is being made, but what is being thrown away.

Sacks of used plastic bottles arrive in bursts from markets, households, and industries across Kampala. Broken containers, food packaging,

and discarded industrial plastics follow. For many who pass by, it is rubbish, it is the end of usefulness. For those inside this yard, it is business.

Inside the compound of Asante Waste Management Ltd, waste does not sit still for long. It moves through hands, machines, and systems that sort, clean, shred, and reshape it into something new. Here, what is rejected elsewhere is carefully reintroduced into the economy. Plastic becomes pellets. Waste becomes raw material. And what was once a burden becomes a livelihood.

For founder and CEO Rodney Akongel Mukula, that idea was never guaranteed to work in practice. For years, it was a difficult pitch in a financial system that rarely understood waste management as a viable investment. Banks saw risk. Investors saw uncertainty. But Mukula saw something else, a system waiting to be built.

The turning point came when dfcu Bank stepped in through its green financing support under the Uganda Green Enterprise Finance Accelerator (UGEFA), a mechanism designed to de-risk environmentally focused businesses and unlock capital for enterprises driving sustainability.

"dfcu was the only bank that gave us a chance. dfcu gave us hope," Mukula says.

Standing beside a humming plastic washing and granulation line that now defines the factory floor, Mukula points out that the machine, capable of processing up to 300 kilograms per hour, represents more than efficiency. It signals scale.

300

Number of kilograms of plastics processed per hour

200

Number of metric tonnes of plastic recycled annually by Asante Waste Management

384,000

Number of kilograms of paper recycled yearly.

24,000

Number of kilograms of e-waste managed yearly.

Before **dfcu's** arrival, most of the work was manual, slow, and limited in output. With it, Asante's capacity shifted significantly, enabling the company to move from small-scale recovery to industrial-level recycling. "dfcu helped us close the loop," Mukula adds, watching as shredded plastic moves steadily through the system that now turns waste into usable raw material for manufacturing.

Joseph Kasaijja, the Business Development Manager at **dfcu**, says the partnership did not begin with the grant. It began much earlier, through early conversations that signaled potential before the numbers could fully prove it.

Those early signals have since turned into measurable impact.

Today, Asante Waste Management Ltd processes significant volumes of waste across multiple streams, including plastic, paper, e-waste, and hazardous materials. Annually, the company recycles over 200 metric tonnes of plastic, safely handles more than 1.2 million kilograms of hazardous waste, treats nearly 1.92 million litres of faecal sludge, recycles over 384,000 kilograms of paper, and manages more than 24,000 kilograms of e-waste.

The impact of dfcu's financing, blended with UGEFA's risk sharing model, has gone beyond capital. It has validated an entire sector that was previously on the margins of formal finance.

For **dfcu** Bank, this is part of a larger commitment to sustainable finance, supporting enterprises that not only generate returns but also solve structural problems. Through initiatives like UGEFA, the bank is helping to bridge the gap between innovation and capital, particularly in sectors where traditional lending models have historically fallen short.

What was once discarded is now demanded. What was once a cost is now income. And what was once seen as waste is now part of a growing industry that is reshaping livelihoods, environments, and expectations.



Preventing Infections and Fatalities For a Healthier Uganda: The Story of Benjamin Kiiza and Piston Medical Limited



Benjamin Kiiza, CEO of Piston Medical Limited, lives by the mantra, “All life is problem-solving.” For Benjamin, this isn’t just a philosophical musing; it’s the driving force behind his impactful journey to address one of Uganda’s most urgent needs: maternal healthcare. His purpose was forged in a deeply personal moment 16 years ago, a pivotal experience right after law school. Witnessing a neighbour give birth in his mother’s backyard revealed the stark, often tragic, shortage of basic healthcare materials for mothers in rural Uganda. “Knowing that wasn’t the case for many other mothers set me on this trajectory,” he recounts, dedicating his life to ensuring no mother loses her life due to preventable causes.

The urgency of this mission was dramatically amplified in late 2019 with the advent of COVID-19. The pandemic exposed Uganda’s acute reliance on imported pharmaceutical products.

“Overnight, the common routes of shipping and air transportation turned incredibly steep, cost-wise,” Benjamin explains. “Many businesses were blindsided.” This global crisis cemented his conviction to establish local manufacturing and make essential pharmaceutical items readily accessible and affordable.

Armed with these critical lessons, Piston Medical Limited was born, designed as a direct solution to pressing human needs.

Yet, transforming a vital vision into reality, especially in the relatively unexplored sector of

local pharmaceutical manufacturing, presented immense challenges. “We were young people with big dreams,” Kiiza shares, “but the business of manufacturing pharmaceuticals was never going to be an easy sell to financial lenders.” Many financial institutions shied away from the perceived risk of an unproven sector.



It was here that dfcu Bank emerged as a stable pillar and reliable partner. Kiiza and his team approached dfcu, banking on its Ugandan origins, believing the bank would inherently appreciate the unique challenges faced by new entrepreneurs in their home country.

“16 years later, we have not regretted that decision,” he affirms. **dfcu**, with its roots firmly planted in providing development finance, saw beyond the immediate challenges;

it recognised the profound vision and potential for impact.

This steadfast belief has been instrumental in Piston Medical’s astounding growth. From humble beginnings, Piston Medical, through its originating entity VVSAOL Investments Limited, now manufactures an incredible 150,000 Mama Kits per month, a monumental leap from the initial 10,000. Annually, over one million kits are distributed through an elaborate supply chain, strategically positioned to serve and protect the lives of up to

70% of Ugandan mothers and their newborns.

These kits are not just products; they are lifelines, preventing infections and fatalities that once tragically defined many births.



150,000

Number of Mama Kits manufactured per month.



+1mn

Kits distributed annually through elaborate supply chain.



100

Number of individuals employed directly within five years.



Addressing Affordable Hygiene Products Challenge in Uganda: Racheal Naijuka's Journey with the GROW Initiative



In Uganda, where access to affordable hygiene products remains a challenge for many families, Racheal Naijuka, an entrepreneur, saw an opportunity to make a difference. As the founder of the fast-growing enterprise that manufactures reusable

baby diapers, Racheal is not only addressing a critical market gap, she's empowering women and building a more sustainable future. Before accessing support through the GROW initiative, Racheal's business faced significant hurdles. High taxation on imported fabric, the core raw material, was stifling her production capacity. Navigating the complex process of securing an investment license and tax exemption felt daunting.

"I was struggling with taxation, even though I'm a manufacturer. The process was stretchy, and it slowed everything down."

But with determination and guidance, Racheal successfully secured her tax exemption. This milestone laid the foundation for her next leap forward: applying for the GROW loan through the dfcu Bank's Women in Business (WIB) programme.

The GROW loan transformed Racheal's operations. Her team expanded from four women to eight, plus two male support staff who handle the more labour-intensive tasks like cutting foam. With this strengthened workforce, daily production doubled from 500 to 1,000 pieces.

"I could finally meet demand. Before, everything was booked in advance, and I had no ready stock. Now, I can serve walk-in clients," she says.

This growth not only improved her business capacity but also created dignified employment for women in her community.

Beyond production, the GROW initiative helped Racheal build stronger financial systems. With support from WIB advisors, she adopted proper bookkeeping practices and streamlined her documentation.

"They made the process seamless. They connected me to auditors, guided me step-by-step, and helped me get organised. Now, my business runs professionally," she offers.

Unlike traditional money lenders, who often prioritise collateral over business viability, dfcu's GROW loan offered fair interest rates and personalised support. The WIB team became more than advisors; they became trusted partners.

"These ladies are like sisters. They know my business inside out. Next time I walk in, my face is enough."

Racheal encourages other women to embrace opportunities like GROW, even when the process seems intimidating.

"Don't be discouraged by the idea of giving security. If your business makes sense, take the opportunity. You're safer working with a bank that wants to see you succeed," she explains.

Her story is a testament to what happens when financial inclusion meets mentorship and purpose-driven entrepreneurship.



IMPACT OF GROW LOAN



Team expanded from **4** to **8** women plus **2** male support staff.



Daily production doubled from **500** to **1,000** pieces.



Created dignified employment for women in her community

Advice to other women entrepreneurs



Don't be discouraged by the idea of giving security. If your business makes sense, take the opportunity. You're safer working with a bank that wants to see you succeed



dfcu Bank and Rotary Uganda: Changing Health Outcomes for Thousands



dfcu Bank was in June recognised by Rotary Uganda as a key corporate partner in advancing community development, in acknowledgement of the Bank's growing role in delivering structured, impact-led programmes across the country.

The recognition was announced during a Rotary Uganda-hosted appreciation breakfast in Kampala, which brought together Rotary District leadership, corporate partners and development stakeholders to reflect on a year of collaboration and shared impact.

The engagement brought together Rotary District leadership, corporate partners and development stakeholders to reflect on a year of collaboration. For dfcu Bank, the event provided a platform to demonstrate how structured partnerships are enabling the Bank to move beyond traditional Corporate Social Responsibility (CSR) towards sustained, measurable impact.

Speaking at the event, Jimmy D. Mugerwa, Chairman, Board of Directors, dfcu Limited, emphasised the Bank's deliberate shift towards outcome-driven partnerships. He noted that while organisations continue to allocate resources to CSR and Environmental, Social and Governance (ESG) initiatives, there is increasing focus on accountability, impact measurement and long-term programme design.

He highlighted Rotary as a key partner in delivering these outcomes, citing its governance structure volunteer-driven implementation model and strong accountability framework as critical to ensuring that corporate contributions translate into tangible community benefits.

A key highlight of dfcu Bank's engagement with Rotary is its flagship healthcare partnership, implemented across the country. The initiative has developed into a structured, multi-year programme focused on expanding access to essential and specialised medical services.

Speaking on behalf of dfcu Bank, Helena Mayanja, Head of Corporate Affairs and Sustainability, outlined how the programme has evolved from a one-off initiative into a core pillar of the Bank's community investment strategy. She noted that the partnership originated from dfcu Bank's 60th anniversary activities in 2024, where a staff-led campaign identified healthcare access as a priority area requiring sustained intervention.

This insight informed the development of a more structured programme, with medical outreach camps now positioned as a flagship initiative under the Bank's broader purpose of transforming lives and businesses.

Initial implementation in late 2025 reached more than 22,000 people across underserved communities, providing essential healthcare services. The programme has since expanded to include specialised interventions, including life-saving cardiac surgeries for children, demonstrating a clear shift towards deeper, high-impact healthcare support.

The partnership is currently being delivered under a defined three-year framework, bringing together multiple partners within a coordinated model that emphasises programme governance, performance tracking and shared accountability.



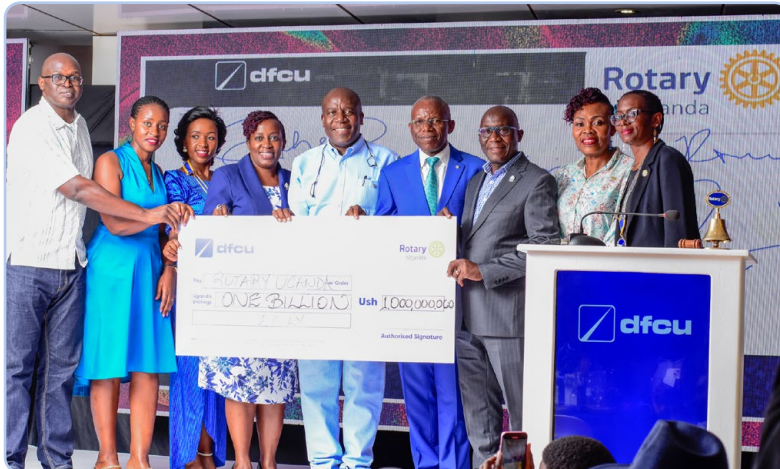
**Rotary District 9213 Governor
Geoffrey Martin Kitakule**
acknowledged the role of corporate partners, including dfcu Bank, in strengthening service delivery across communities, noting that collaboration remains central to expanding the reach and effectiveness of development interventions.

Beyond healthcare, dfcu continues to support broader initiatives implemented through its partners, including programmes in water, sanitation and hygiene, as well as education and environmental conservation.

The recognition highlights the Bank's evolving role as a partner of choice in driving sustainable development, with continued focus on scaling programmes that deliver measurable, long-term impact across Uganda.



Moving beyond traditional CSR: Driving Impact-Led Corporate Partnerships



Launched in 2025, the Rotary Club of Kampala Blue Hearts made history as Uganda's first corporate Rotary Club, bringing together **dfcu** Bank employees under Rotary International's global platform for volunteerism, leadership, and community service.

In just one year, the partnership between **dfcu** Bank and Rotary Uganda has emerged as a leading example of purpose-driven corporate citizenship. Through **dfcu** Bank's UGX 1 billion, three-year commitment to Rotary Uganda's healthcare initiatives, quarterly medical camps and outreach programmes have already reached more than 22,000 people nationwide.

Addressing Uganda's Healthcare Gaps

Uganda's healthcare system faces persistent challenges:



Limited access to specialised care – particularly in rural areas where hospitals are under-resourced.



High burden of non-communicable diseases (NCDs) such as diabetes, hypertension, and cancer, which often go undiagnosed until advanced stages.



Maternal and child health risks, with preventable conditions contributing to high morbidity and mortality.



Financial barriers that prevent families from accessing life-saving surgeries and treatments.

Against this backdrop, the **dfcu**-Rotary partnership has provided critical interventions that bridge gaps in access, affordability, and awareness.

Impact Achieved

- ➔ **Life-saving surgeries:** 22 children in Western Uganda received heart surgeries, giving them a chance at healthier futures.
- ➔ **Comprehensive screenings:** Thousands benefited from free checks for diabetes, hypertension, cancer, sickle cell disease, maternal health conditions, HIV, eye care, and dental services.
- ➔ **Community outreach:** Medical camps brought services directly to underserved communities, reducing travel and cost barriers.
- ➔ **Capacity building:** **dfcu** employees contributed skills and expertise, strengthening the delivery of healthcare services while embodying Rotary's principle of Service Above Self.

Shared Purpose

The Club was founded on a shared belief between Rotary and **dfcu**: that service and purpose must translate into practical action. For Rotary, this is expressed through the enduring principle of Service Above Self. For **dfcu**, it aligns with the Bank's purpose of Transforming Lives and Businesses in Uganda, and its wider commitment to responsible banking, sustainability, and community wellbeing.

The partnership has created a practical platform through which **dfcu** employees contribute their time, skills, and resources to causes that improve lives and strengthen communities.

Looking Ahead

As the Club enters its second year, the focus shifts from building a strong foundation to scaling impact. The goal is to reach more communities, embed permanent health systems, and create lasting change across Uganda.

"Our next challenge is creating permanent health and wellness systems that continue serving communities long after outreach events have ended," Charles Mudiwa, CEO of **dfcu** Bank said during a recent event to celebrate the one-year partnership.

This initiative demonstrates how private sector institutions can leverage their people, resources, and influence to advance sustainable community development, while strengthening Rotary's mission of service across Uganda.



22,000

people have benefitted through the Rotary Uganda health initiative.





ESG RISK MANAGEMENT & GOVERNANCE

At dfcu, Environmental, Social, and Governance (ESG) risk management is not a compliance exercise but a strategic lever for value creation and impact. By embedding ESG into governance, risk appetite, and capital allocation, the Bank ensures resilience, transparency, and long-term stakeholder trust.



Statement from the Chief Risk Officer



At dfcu, sustainability has become embedded as part of our strategy and as a critical component of our enterprise risk management framework. In 2025, Environmental and Social (E&S) screening was integrated into 100% of core portfolio assessments, underscoring our commitment to responsible banking and long-term value creation.



Hope Lorna Nakhayenze

Chief Risk Officer, **dfcu** Bank

We introduced a dedicated ESG Risk Management Policy, guiding consistent identification, evaluation, and mitigation of ESG exposures across the Group.

Climate change is reshaping Uganda's economic and social landscape. Rising temperatures, erratic rainfall, flooding, and prolonged droughts are already disrupting agriculture, energy supply, and community livelihoods.

For a country where agriculture underpins food security and contributes significantly to GDP, these climate shocks translate directly into financial risks, affecting asset quality, customer resilience, and long term economic stability. Financial institutions therefore carry a critical and dual responsibility to safeguard their portfolios against climate related exposures and to enable the transition toward a more sustainable, resilient economy.

At **dfcu**, sustainability has become embedded as part of our strategy and as a critical component of our enterprise risk management framework. In 2025, Environmental and Social

(E&S) screening was integrated into 100% of core portfolio assessments, underscoring our commitment to responsible banking and long term value creation.

ESG risk, defined as the potential financial, operational, regulatory, or reputational harm arising from environmental, social, and governance factors, was formally recognised as a principal risk, assessed alongside traditional financial and operational risks. This recognition reflects our belief that climate and ESG risks are not peripheral, but central to the resilience and sustainability of our institution.



To operationalise this, we introduced a dedicated ESG Risk Management Policy, guiding consistent identification, evaluation, and mitigation of ESG exposures across the Group. Capacity building initiatives, including targeted ESG training programmes, strengthened awareness and competence among our employees. Furthermore, ESG risk assessments and mapping exercises were conducted across business units, with findings integrated into risk registers to enhance accountability. Governance was reinforced through the appointment of a Sustainability Governance Manager within the risk domain, ensuring closer collaboration with the Sustainability department and Credit Monitoring unit. These measures align with global best practices and position **dfcu** to navigate evolving ESG challenges with transparency and foresight.

Looking ahead, our 2026 priorities are anchored in materiality assessment outcomes and strategic priorities.

Key initiatives



Climate Risk Guideline Implementation

Developing and applying climate risk methodologies to strengthen resilience and ensure compliance with regulatory expectations.



ESMS Enhancement

Continuous improvement of the Environmental & Social Management System to align with evolving standards and stakeholder expectations.



IFRS S1 & S2 Readiness

Preparing for disclosure requirements under IFRS sustainability standards, ensuring transparency and comparability in ESG and climate related reporting.



Risk Appetite & KRIs

Establishing a clear risk appetite statement and defining key risk indicators specific to ESG and climate risk matters.



Climate Risk Hindsighting

Conducting retrospective reviews to evaluate past ESG and climate risk events, strengthening lessons learned and enhancing forward-looking practices.

At the same time, we are also building tools to anticipate disruptive events such as geopolitical shocks or liquidity constraints before they impact financial performance and our ability to continue driving value for all our stakeholders. By integrating AI driven predictive modelling with the judgment of experienced professionals, **dfcu** is positioning itself to be resilient by design. This proactive stance ensures that we are not merely reactive to change but prepared to thrive in uncertainty.

From a governance perspective, the Board discharges its risk oversight responsibilities through a structure of dedicated sub committees, supported by clearly defined reporting and escalation mechanisms. The Board Risk Committee (BRC) acts as the principal oversight body for the Enterprise Risk Management Framework (ERMF), ensuring that climate and ESG risks are identified, measured, monitored, and controlled with rigour. Regular updates on material risks, assessed against approved risk appetite thresholds and tolerance limits, ensure informed oversight of strategic and operational risks.

In conclusion, **dfcu's** transformation of the risk function from a protective shield into a strategic enabler, has embedded resilience, sustainability, and foresight into every decision. With sector led discipline, transparent performance tracking, operational innovation, and scenario planning at the core, **dfcu** is building a future ready institution. We are prepared not only for the challenges of today but also to seize the opportunities of tomorrow, enabling growth that is bold, disciplined, and sustainable.



ESG Risk Management & Governance



Building a More Resilient Bank Through Responsible Risk Management

Sustainable finance begins with responsible decision-making. At dfcu, environmental, social and governance (ESG) considerations are increasingly embedded into the way credit decisions are made, risks are managed and capital is allocated. Rather than treating sustainability as a standalone compliance exercise, the Bank continues to integrate ESG considerations alongside traditional financial analysis to strengthen portfolio resilience, improve decision-making and support long-term value creation for customers, shareholders and society.

This approach reflects the Bank's broader commitment to responsible banking, recognising that businesses which effectively manage environmental and social risks are generally better positioned to remain profitable, resilient and bankable over the long term. By embedding ESG into lending processes, governance structures and portfolio management, dfcu is not only managing emerging risks but also encouraging businesses across Uganda to adopt more sustainable and responsible operating practices.

A. GOVERNANCE AND RISK MANAGEMENT

Embedding ESG into Everyday Credit Decisions

The Board's commitment to sustainability is increasingly translated into day-to-day lending decisions through an integrated governance and risk management framework. While strategic oversight remains at Board level through the Bank's governance structures, implementation takes place within the credit function, where ESG considerations are incorporated into project appraisal, risk assessment and ongoing portfolio monitoring.

Within the credit department, every financing proposal undergoes a structured ESG screening process before capital is deployed. Projects are categorised according to their environmental and social risk profile, with identified risks documented, assessed and tracked throughout the lending lifecycle. Appropriate mitigation measures are incorporated into financing decisions and monitored over time to ensure clients continue managing material ESG risks.

This process elevates ESG risk to the same level of rigour as traditional financial risk. Credit decisions increasingly consider governance quality, environmental performance, labour practices, community impacts and regulatory compliance alongside conventional measures such as cash flows, collateral and repayment capacity. By integrating these considerations at the earliest stages of project appraisal, the Bank strengthens both portfolio quality and long-term client resilience.



ESG INTEGRATION IN THE CREDIT PROCESS

FROM SCREENING TO MONITORING



Transforming Credit Governance Through Digital Workflows

During the year, **dfcu** continued to strengthen its credit governance through the implementation of an automated Loan Origination System. Historically, credit applications progressed through multiple manual stages as physical files moved between departments. The new digital platform is transforming this process by embedding mandatory ESG assessments directly into the loan approval workflow.

Relationship Managers, Business Bankers and Credit Officers are each assigned defined user rights within the system, ensuring every participant in the credit process performs their designated responsibilities before an application progresses. ESG screening has therefore become an integrated and mandatory component of loan origination rather than a standalone activity.

The system enhances transparency by providing a complete audit trail for every application while enabling management to monitor turnaround times and improve operational efficiency. As implementation continues, the platform is expected to support comprehensive ESG screening across the Bank's lending portfolio, strengthening consistency while reducing process silos and improving governance oversight.

Maintaining Momentum Through Interim ESG Governance

As the Bank progresses towards implementation of its new Sustainability Strategy, it has established interim governance mechanisms to ensure sustainability integration continues without interruption. A cross-functional ESG governance structure brings together key business functions to support coordinated decision-making, maintain accountability and facilitate timely responses to emerging sustainability risks and opportunities.

This collaborative approach enables sustainability considerations to remain embedded across lending, policy development and operational decision-making while formal governance arrangements continue to evolve. It also supports alignment with regulatory expectations, development finance partners and international sustainability standards, ensuring that ESG integration remains an active business priority rather than waiting for the formal strategy to take effect.

KEY OUTCOMES



Outcome 1

Continued ESG integration across the business



Outcome 2

Stronger alignment with regulatory expectations



Outcome 3

Readiness for international standards



Outcome 4

Timely response to sustainability risks & opportunities

B. MANAGING FINANCIAL RISKS



Integrating ESG into Credit Risk Assessment

dfcu continues to strengthen its ability to identify, measure and manage sustainability-related financial risks by integrating ESG considerations directly into credit risk assessment. Rather than viewing ESG solely as a compliance requirement, the Bank increasingly recognises environmental, social and governance performance as indicators of long-term financial resilience.

The Bank's evolving ESG Risk-Adjusted Pricing Framework combines traditional financial assessment with structured ESG evaluation. Alongside conventional lending criteria, including projected cash flows, collateral quality and repayment capacity, borrowers are assessed against ESG indicators covering governance practices, environmental performance and social safeguards.



ESG Risk Management & Governance

Where clients demonstrate verifiable sustainability practices, including energy efficiency improvements, responsible environmental management or recognised ESG certifications, they may qualify for structured pricing incentives through lower risk premiums. This approach rewards businesses that proactively manage sustainability risks while supporting improved portfolio quality through stronger borrower resilience.

Prioritising High-Impact Sectors

Recognising that sustainability risks differ significantly across industries, **dfcu** applies sector-specific ESG screening methodologies that reflect the characteristics of individual sectors. Initial implementation has focused on areas where sustainability risks are both material and supported by stronger data availability, including agribusiness, renewable energy and SMEs in manufacturing.

Within these sectors, credit assessments incorporate tailored ESG risk screens covering environmental impacts, governance practices, labour standards, supply chain management and climate-related exposures. As data quality and sector-specific methodologies continue to mature, the Bank intends to extend this approach across additional sectors within its lending portfolio.

This phased implementation allows **dfcu** to build robust ESG assessment capabilities while maintaining consistency and reliability across its risk management processes.

KEY FOCUS AREAS



AGRIBUSINESS



RENEWABLE ENERGY



SME IN
MANUFACTURING

Strengthening Climate Intelligence Through Better Data

Like many financial institutions operating in emerging markets, **dfcu** Bank continues to face challenges associated with limited availability of granular local climate data, crop yield information, and weather intelligence. These data gaps complicate long-term climate risk modelling and hinder accurate assessment of sector-specific vulnerabilities.

To address this, the Bank is exploring partnerships that expand access to locally relevant environmental information, including satellite and remote sensing technologies, climate data providers, and sector-specific intelligence sources. These investments will enhance the accuracy of climate modelling and strengthen the Bank's ability to monitor environmental risks across its portfolio.

At the same time, **dfcu** is evolving its sustainability reporting framework in line with global best practice. Having aligned climate-related disclosures with the Task Force on Climate-related Financial Disclosures (TCFD), the Bank is now preparing for transition towards the IFRS Sustainability Disclosure Standards (IFRS S1 and IFRS S2). This positions **dfcu** to deliver more comprehensive, decision-useful sustainability reporting in future cycles.

Reliable decision-making depends on reliable data. To strengthen portfolio-wide ESG reporting and risk management, **dfcu** is developing an integrated ESG data governance framework that establishes clear ownership, accountability, and consistency across sustainability information. A unified ESG data dictionary, supported by defined data owners and stewards, will ensure that sustainability information collected across business units remains accurate, consistent, and transparent.

Internal data is increasingly being mapped against internationally recognised frameworks, including the

Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), and climate-related disclosure requirements under the TCFD, while simultaneously preparing for IFRS S1 and S2.

This integrated data architecture will enable portfolio-wide ESG dashboards, providing management and the Board with improved visibility into climate exposure, sustainable finance performance, sectoral risk concentrations, and broader sustainability outcomes. In turn, this will support more informed strategic decision-making and reinforce **dfcu's** commitment to resilience, sustainability, and long-term value creation.

Building a stronger ESG data foundation depends on the following:



Governance & ownership



Unified ESG data dictionary



Alignment with Global frameworks



Portfolio-wide ESG Dashboards



Informed decisions, greater impact



C. THE DYNAMIC RISK LANDSCAPE

Managing Climate Risks Through a Dual-Risk Approach

Climate change presents increasingly complex financial risks for banks and their customers. To strengthen portfolio resilience, **dfcu** incorporates climate considerations into credit assessments through a dual-pillar approach that evaluates both physical and transition risks.

Physical risks consider the direct effects of climate-related events such as prolonged droughts, floods and extreme weather patterns that can disrupt business operations and reduce borrowers' ability to generate income. These risks are particularly significant within agriculture, where climate variability directly affects production, cash flows and loan repayment capacity. Climate stress testing is therefore incorporated into lending assessments for climate-sensitive sectors to evaluate borrower resilience under different environmental scenarios.

Transition risks, on the other hand, reflect the economic consequences arising from changing public policies, technological innovation and evolving market preferences as economies move towards lower-carbon development pathways. These factors may influence the long-term viability of certain industries, affecting business performance and investment decisions. By incorporating both categories of climate risk into lending decisions, **dfcu** strengthens its ability to identify emerging vulnerabilities before they materialise into financial losses.

DUAL CLIMATE RISK ASSESSMENT FRAMEWORK

PHYSICAL RISKS	TRANSITION RISKS
Droughts	Technology
Floods	Public Policies
Extreme Weather	Market Shifts
Affects production, cash flows and loan repayment capacity	Affects business performance and investment decisions



Aligning Lending with National Climate Priorities

The Bank also incorporates climate-related regulatory considerations into project appraisal, particularly for infrastructure and other environmentally sensitive investments. Credit assessments evaluate compliance with Uganda's National Climate Change Policy alongside applicable environmental safeguards and resilience requirements.

Where appropriate, projects are assessed against environmental management expectations, climate resilience measures and broader sustainability considerations before financing decisions are made. This helps ensure that financed projects contribute to sustainable development while reducing long-term environmental and regulatory risks for both clients and the Bank.

A recent biomass project illustrates the practical application of this enhanced ESG due diligence. During the assessment process, weaknesses relating to watershed management and labour practices were identified. Rather than declining the financing outright, **dfcu** worked with the client to strengthen environmental controls, improve governance arrangements and implement a structured remediation plan before progressing the investment. This demonstrates how ESG due diligence is increasingly supporting better project outcomes while maintaining prudent risk management.



DUE DILIGENCE ILLUSTRATED

Biomass Project

Rather than declining financing after identifying ESG gaps, **dfcu** collaborated with the client to improve project quality before investment.



Issues Identified

- Watershed management
- Labour practices



Actions Taken

- Environmental controls strengthened
- Governance improved
- Remediation plan implemented



Result

- Responsible financing approved
- Reduced environmental risk
- Stronger long-term sustainability



Combining Digital Efficiency with Ground-Level Due Diligence

While technology continues to improve the speed and transparency of credit processing, **dfcu** recognises that effective ESG risk management cannot rely solely on digital systems. Environmental and social risks must also be verified through direct engagement with clients and on-site assessments.

Credit officers continue to undertake physical due diligence visits across Uganda to assess business operations, environmental conditions and local realities that cannot be fully captured through documentation alone. Whether evaluating agricultural enterprises, manufacturing facilities or infrastructure projects, these site visits provide critical insights into operational practices, environmental risks and community impacts.

The combination of automated credit workflows and rigorous field verification enables **dfcu** to balance operational efficiency with responsible lending. Digital systems improve consistency, accountability and turnaround times, while on-the-ground assessments ensure that financing decisions remain informed by the realities facing businesses and communities across the country. Together, these complementary approaches strengthen the Bank's ability to manage emerging risks while supporting sustainable economic growth across Uganda.



These complementary approaches strengthen the Bank's ability to manage emerging risks while supporting sustainable economic growth across Uganda.

DIGITAL CREDIT SYSTEMS



Faster credit processing



Consistent workflows



Automated documentation



Improved transparency



Better accountability

GROUND LEVEL DUE DILIGENCE



Site inspections



Environmental verification



Operational assessment



Community engagement



Local context validation



THE ROAD AHEAD

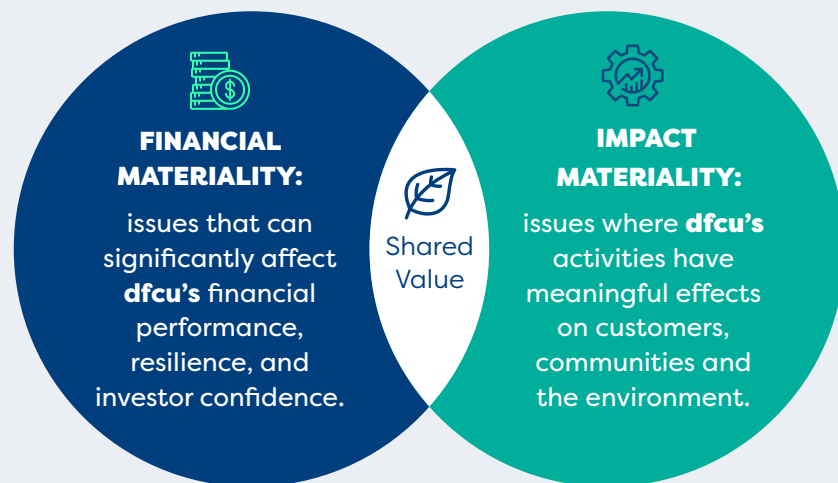
Over the next three years, we will focus on ambitious, measurable priorities that advance our commitment to people, planet, and profit, aligning with Uganda's transformation agenda and the UN Sustainable Development Goals (SDGs).



Defining our sustainability and strategic focus areas

dfcu Bank has successfully concluded its materiality assessment exercise, a milestone that has led to the identification of seven material topics that will inform sustainability disclosures and strategic priorities going forward. This achievement provides a clear roadmap for embedding sustainability into the Bank's operations, governance, and stakeholder engagement.

Material topics are the sustainability issues that matter most to the Bank and its stakeholders, those with the greatest potential to influence long term value creation, risk management, and societal impact. They represent the intersection of:



By focusing on material topics, **dfcu** ensures that sustainability reporting is relevant, decision useful, and accountable, aligning with global standards such as IFRS S1/S2 and Uganda's evolving regulatory landscape.

Strategic Integration

The seven material topics will be fully integrated into **dfcu's** corporate strategy, ensuring sustainability is not treated as a standalone agenda but as a core component of value delivery and growth. This integration will shape governance, product innovation, risk management, and customer engagement.

Focus Areas Guided by Material Topics

- ⇒ **Sustainable & Green Finance:** Expanding financing for renewable energy, climate smart agriculture, and inclusive enterprises.
- ⇒ **Environmental Stewardship:** Managing climate risks, reducing emissions, and embedding efficiency in operations.
- ⇒ **Enterprise Growth & Productivity:** Driving financial inclusion and SMEs development to boost national productivity.
- ⇒ **Corporate Citizenship & Impact:** Strengthening community programmes in literacy, resilience, and social empowerment.
- ⇒ **People, Leadership & Institutional Capability:** Building leadership capacity, enhancing employee experience, and fostering a culture of sustainability empowerment.
- ⇒ **Customer Experience:** Ensuring customers benefit from inclusive, accessible services by harnessing digital innovation and personalised solutions.
- ⇒ **Business Conduct & Trust:** Delivering a secure, ethical, and transparent environment that reinforces stakeholder confidence.

Outlook

With material topics now clearly defined, **dfcu** Bank is positioned to deliver transparent, credible sustainability disclosures and to embed ESG risk management into every decision. This will enable the Bank to balance profitability with purpose, strengthen stakeholder trust, and contribute meaningfully to Uganda's sustainable development aspirations.



The Road to IFRS S1 and S2 Adoption

In preparation for the early adoption of IFRS S1 and S2 sustainability disclosure standards, ahead of the 2028 mandatory reporting requirements set by the Bank of Uganda, **dfcu** is strengthening its reporting framework to ensure consistency, transparency, and forward looking alignment in how we measure and manage sustainability in alignment with the identified material topics.

A comprehensive gap assessment conducted in 2025 reviewed our performance across the four core pillars of Governance, Strategy, Risk Management, and Metrics & Targets. The assessment confirmed strong foundations in governance and risk management, while identifying opportunities to further embed sustainability into strategic planning and performance measurement.

Over the next 24 months, we will deepen our understanding of climate related risks and their potential financial implications. This will enable us to:

- | | | |
|--|---|--|
| 01 Enhance resilience by integrating climate and social risks into enterprise risk management. | 02 Embed sustainability into corporate strategy , ensuring it drives long term competitiveness. | 03 Deliver meaningful disclosures that provide regulators, investors, and stakeholders with clear insights into how dfcu creates value. |
|--|---|--|

Our commitment to early adoption reflects more than regulatory compliance, it is about impact creation. By aligning with IFRS S1 (General Sustainability related Disclosures) and IFRS S2 (Climate related Disclosures), **dfcu** will:

- ➡ Provide credible, investor ready sustainability reporting that strengthens confidence in Uganda's financial sector.
- ➡ Demonstrate how our lending, operations, and governance decisions actively shape Uganda's social and environmental landscape.
- ➡ Position **dfcu** as a leader in sustainable finance, ensuring our growth translates into stronger communities, empowered customers, and a protected environment.

This proactive approach ensures that **dfcu's** sustainability journey is not only about meeting deadlines but about creating lasting impact, balancing people, planet, and profit to deliver long term value for Uganda.



dfcu's sustainability journey is not only about meeting deadlines but about creating lasting impact, balancing people, planet, and profit to deliver long term value for Uganda.









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