

Responsible Growth (7)
Lasting Impact





Sustainability Report 2024



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Abbreviations

AFRC	Anti-Fraud Round-table Committee
AML	
ATE	Anti-Money Laundering
	Association of Tanzania Employees
ATM	Automated Teller Machine
BARCC	Board Audit, Risk & Compliance Committee
3CC	Board Credit Committee
BEC	Board Executive Committee
BHRRC	Board Human Resource and Remuneration Committee
BOT	Bank of Tanzania
3n	Billion
CAGR	Compounded Annual Growth Ratio
CASA	Current and Savings Account
CDP	Carbon Disclosure Project
CEO	Chief Executive Officer
CFT	Counter-Terrorism Financing
CNG	Compressed Natural Gas
CSAT	Customer Satisfaction Score
CSI	Corporate Social Investment
CSR	Corporate Social Responsibility
DSE	Dar es Salaam Stock Exchange
OSS	Data Security Standards
ENCORE	Exploring Natural Capital Opportunities, Risks and Exposure
ESG	Environmental, Social, and Governance
ESRM	Environmental and Social Risk
	Management
xCo	Executive Committee
TIBUCA	Financial, Industrial, Banking, Utilities, Commercial and Agro - Processing Industries Trade Union
IU	Financial Intelligence Unit
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
HR .	Human Resource
CMA	International Capital Market Association
СТ	Information and Communication Technology

IFC	International Finance Corporation
IFRS S1	International Financial Reporting Standard Sustainability Disclosure Standard 1
IFRS S2	International Financial Reporting Standard Sustainability Disclosure Standard 2
ISO 27001	International Organization for Standardization – Information Security Standard
KPI	Key Performance Indicators
KYC	Know Your Customer
Mn	Million
MSME	Micro, Small, and Medium Enterprises
NDC	Nationally Determined Contributions
NEMC	National Environment Management Council
NMB	NMB Bank Plc
NPS	Net Promoter Score
PCAF	Partnership for Carbon Accounting Financials
PCI-DSS	Payment Card Industry Data Security Standard
PIN	Personal Identification Number
POS	Point of Sale
QR	Quick Response
SAR	Sustainable Asset Register
SASB	Sustainability Accounting Standards Board
SDGs	Sustainable Development Goals
SME	Small Medium Enterprises
TCFD	Task Force on Climate-related Financial Disclosures
TFRS	Tanzania Financial Reporting Standards
TUICO	Tanzania Union of Industrial and Commercial Worker
Tn	Trillion
UJVC	Upanga Joint Venture Company Limited
UN	United Nations
tCO ₂ e	Tonnes of Carbon Dioxide Equivalent



About this Report

Report Objective

This Sustainability Report serves as a complement to the 2024 Integrated Annual Report of NMB Bank Plc ("NMB" or the "Entity") and its subsidiary, Upanga Joint Venture Company Limited ("UJVC")—collectively referred to herein as the "Bank or NMB or NMB Bank"—as well as the Report of Those Charged with Governance for the year 2024. The Report provides a deeper dive into the Bank's sustainability agenda; strategy, state of affairs and progress. Through this additional communication channel, we aim to enhance transparency regarding how NMB addresses sustainability risks and capitalises on sustainability opportunities.

Report Scope

This report encompasses data and activities from the 2024 financial year, (January 1 to December 31). It highlights NMB Bank's sustainability performance during this period.

Reporting Standards

This Sustainability Report is prepared in alignment with both national and international sustainability disclosure frameworks. It complies with the Tanzania Financial Reporting Standard 1 (TFRS 1) and adheres to the Dar es Salaam Stock Exchange (DSE) Listing Rules on Sustainability Reporting. The Report is also informed by the Bank of Tanzania's Guidelines on Climate-Related Financial Risks and Opportunities (2025), as well as international best practices including the IFRS Sustainability Disclosure Standards (IFRS S1 and S2), the Task Force on Climate-related Financial Disclosures (TCFD), the Global Reporting Initiative (GRI), and the Sustainability Accounting Standards Board (SASB) Standards.

These frameworks are structured to equip investors with pertinent non-financial insights, aiding in strategic decision-making regarding sustainability metrics that influence long-term value creation.

Assurance

To maintain the integrity and precision of the data presented, we have implemented a rigorous internal review and approval process.

Principle Activities

NMB is a fully-fledged commercial bank incorporated in the United Republic of Tanzania. It is licensed under the Banking and Financial Institutions Act, 2006 to conduct banking business and is regulated by the Bank of Tanzania (BOT), adhering to the provisions of the same Act and its regulations.

NMB Bank provides a comprehensive range of banking services, including deposit-taking, credit facilities, and various financial solutions tailored for individuals, small businesses, corporations, and government entities. With a focus on customer-centric operations, the Bank offers innovative services including mobile and internet banking, alongside traditional banking through extensive branch, ATM network and NMB Wakala Service points. NMB's subsidiary, Upanga Joint Venture Company Limited, specialises in property development and leasing to potential tenants.

Value Chain Estimations

In assessing sustainability risks and opportunities, the Bank reviewed the entire value chain, utilising all reasonable and supportable information without undue costs or efforts. This approach ensures a comprehensive understanding of the sustainability landscape. Data from across the value chain was collected to disclose metrics and financial impacts. When direct measurement was not feasible, the Bank employed estimates based on both internal and external data, including industry benchmarks.

For instance, Scope-3 greenhouse gas emissions (GHG) were estimated using spend-based emissions factors. The accuracy of these calculations depends on the quality and representativeness of the data used. Similarly, the estimation of financial impacts is influenced by the assumptions and scenarios underlying risk models. The Bank is dedicated to enhancing the accuracy of these metrics by investing in data quality improvements, engaging with clients for more precise data, and participating in industry initiatives to refine emission calculation methodologies. Additionally, the bank is advancing its financial risk models to better assess the potential impacts of sustainability on operations, aiming for more precise estimations in future sustainability reports.

Jamii Bond Data

The Jamii Bond Impact Data presented herein reflects information as of 31 December 2024. This data remains subject to external independent verification in accordance with the Sustainable Bond Guidelines (2021). Any updates or amendments resulting from the verification process will be transparently disclosed in the Bond's official Impact Report, in line with principles of accountability, transparency, and sound governance.





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Overview

Governance

Finance

Operations

clusion

Climate

Annexure

NMB at Glance

Corporate Information



Incorporation

The Bank is incorporated in Tanzania under the Companies Act, 2002 and is domiciled in Tanzania as a public limited company. Its shares are listed and publicly traded on the Dar es Salaam Stock Exchange (DSE). The registered office address and contact information is as follows:

NMB Bank Plc

Head Office

Ohio/Ali Hassan Mwinyi Road

P.O. Box 9213

Dar es Salaam, Tanzania

Tel1: +255 22 232 4694 Tel2: +255 22 232 2000

Email1: sustainability@nmbbank.co.tz
Email2: investorrelations@nmbbank.co.tz

→ Vision

To be the preferred financial services partner.

Mission

To be the Bank of choice, delivering an innovative and transformative customer experience that promotes financial inclusion and wellbeing.



Scale and Stability

A Vast Network

Total Branches

(231 in 2023)

(715 in 2023)

ATMs

⊕240





Wakala Outlets (28,295 in 2023)



⊕714



<u>47</u>

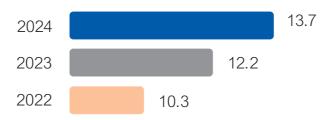




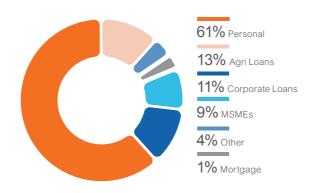
Employees (3,642 in 2023)

222

Total Assets (TZS Trillion)



Bank Lending Profile by Sector



A Leading Market Position in Tanzania

30%

Market Share in Profitability



23%

Market Share in Net Loans



22%

Market Share in Customer Deposits



2.67 TZS Trillion

Market capitalisation (as at 31 Dec 2024)

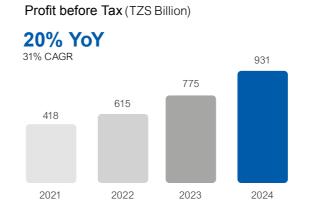
№8.6+Million

Customer Accounts (7.1 Million in 2023)

◆27.23%

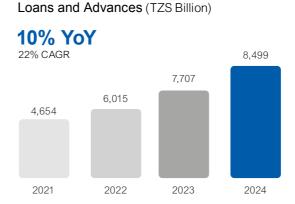
Capital Adequacy Ratio
Up 397 bps from 23.26% in 2023

Profitability

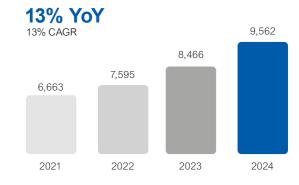


Profit After Tax (TZS Billion) 19% YoY 30% CAGR 545 432 292 2021 2022 2023 2024

Balance Sheet



Deposit (TZS Billion)







2024 Sustainability Partnership and Engagements

Local



Government of United Republic of Tanzania



Government of Zanzibar



Uongozi

International



IFC



FMO



Rabobank



Proparco



Sustainalytics



European Investment Bank





Adelphi



FSD Africa



Frankfurt School of Management



Finance in Motion



Africa Natural Capital Alliance (ANCA)



Africa Guarantee Fund (AGF)



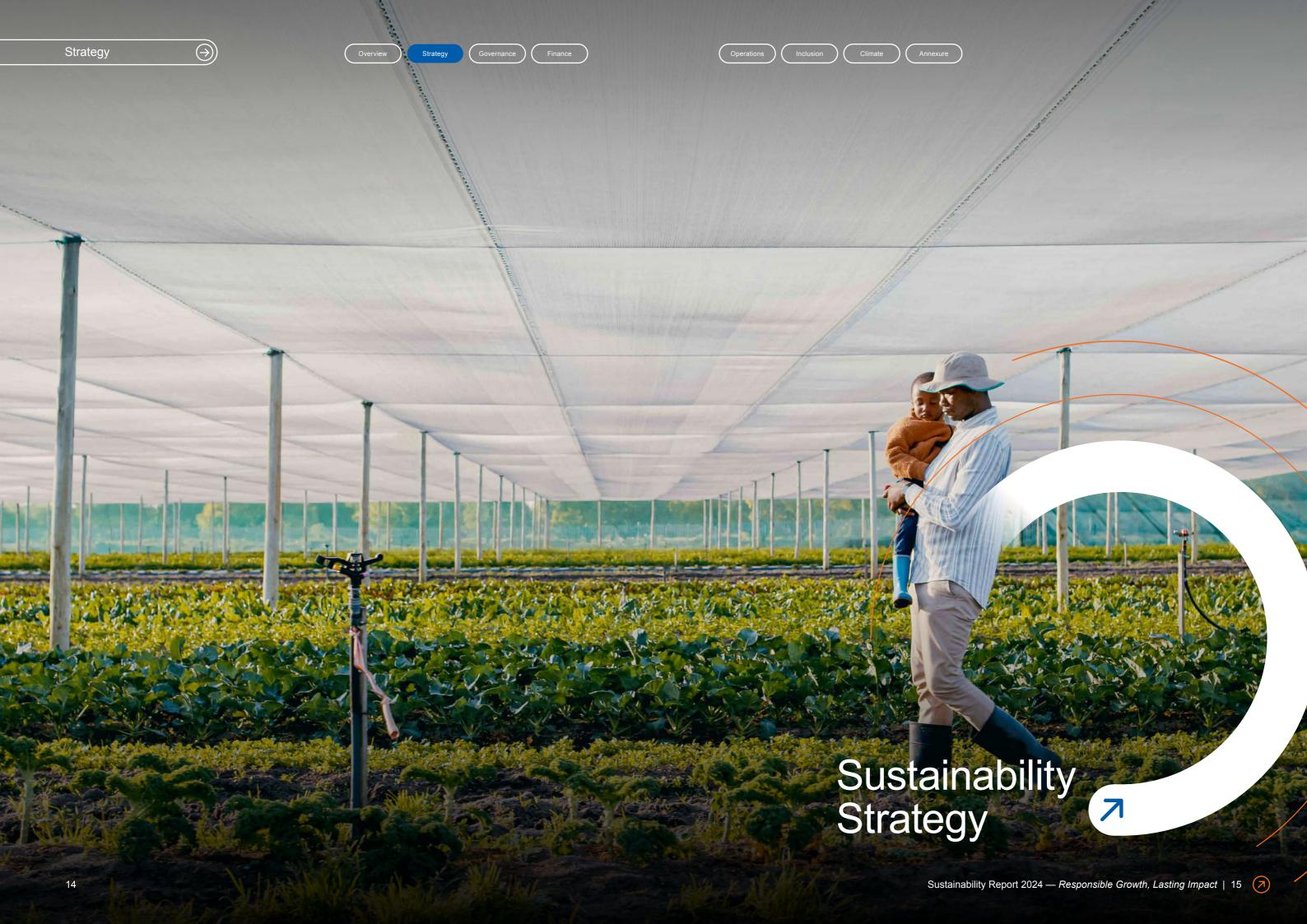
United Nations



Central Park



Africa Carbon Agency



Message from the Chairman



I believe that NMB is on course to become the leading sustainable bank that creates value beyond financial returns, including long-term impact on the community, economy, and the environment. While we are pleased with our progress thus far, I fully appreciate that more can always be done.

David C. Nchimbi

On behalf of the Board of Directors, I am pleased to present the NMB Bank Sustainability Report 2024. For years, NMB has stood as more than just a bank—we have been a reliable partner in the development of the communities we serve. Together with our customers, shareholders, and stakeholders, we are proud to have built a legacy of trust, resilience, and shared success. The year 2024 has further demonstrated our ability to deliver sustainable value while upholding our commitment to responsible growth and long-term value creation.

As we reflect on the 2024 responsible growth achievements in the financial aspect, we also celebrate the lasting impact we've created on the communities we serve, a legacy we're building brick by brick, guided by our core purpose. Our ambition remains not only to maintain our position as Tanzania's leading bank but also to redefine what it means to be a financial institution in the 21st century. Our vision is clear: to be the preferred financial partner. We continue to leverage innovation as a strategic enabler to drive progress and embed sustainability

into every aspect of our operations. Sustainability isn't a separate initiative; it's the lens through which we view every decision, every investment, and every partnership.

In our efforts to drive transparency, foster accountability, encourage collaboration, and maximise our lasting positive impact on the communities, the Board of Directors remains actively engaged in overseeing the integration of sustainability principles and practices across the Bank. We ensure that sustainability is not just a buzzword but a core principle embedded in our governance, strategic decision-making, and risk management processes. In 2024, we took significant steps to integrate sustainability into our governance framework by further approving the Bank's Sustainability Framework. The Board Executive Committee now oversees all environmental and social matters. At the same time, the Board Audit, Risk, and Compliance Committee focus on risk and compliance aspects, with a particular emphasis on climate risks, given the growing importance of addressing climate

change and integrating it into our overall governance structure.

With the incorporation of climate risk as a critical component within the Enterprise Risk Management Framework and recognising the importance of climate-related risks and opportunities, the bank is strategically positioned to formulate a comprehensive climate strategy throughout all its operations in the forthcoming years. This strategy delineates our path toward achieving a net-zero economy, emphasising the enhancement of climate resilience for both our clients and operational activities, as well as detailing how the bank plans to leverage the opportunities presented by the net-zero transition plan.

Our commitment extends beyond our own operations. We are aligned with the Tanzania National Determinant contributors, the United Nations Global Compact, and the United Nations Sustainable Development Goals. Our Bank-wide sustainability framework, built on the pillars of Sustainable Finance, Sustainable Operations, Financial Inclusion, and Climate, guides our efforts to address key sustainability challenges and deliver lasting impact.

As we look to the future, we remain unwavering in our belief that true prosperity must be both inclusive and enduring. Our strategy balances innovation with prudence, growth with responsibility, and short-term performance with long-term resilience. We recognise that our role extends beyond financial returns. We are custodians of trust, enablers of progress, and architects of a future where communities thrive. We are confident that our efforts toward sustainability will not only maintain our robust ratings but also solidify our position as a regional sustainability leader.

I extend my deepest gratitude to our customers for their loyalty, to our people for their dedication, and to our shareholders, regulators, partners, and other stakeholders for their continued support. Together, we are writing the next chapter of NMB's story one defined by purpose, progress, and lasting impact.



Message from the Chief Executive Officer



The year's achievements underscore our continuing role as an engine for sustainable development and economic prosperity, enabling new opportunities for our clients and stakeholders.

We are humbled and honored by our clients, shareholders' trust, and the dedication of our employees, who have propelled us to achieve these historic milestones".

Ruth Zaipuna

As we execute our strategy and deliver on our vision to be the preferred financial services partner, we continue to work diligently to align our sustainability strategy with our broader vision of what truly sets us apart: resilient, enduring relationships and strong risk management. It became evident that, despite increasing regulatory and stakeholder expectations, we have successfully integrated sustainability into our overarching business strategy, driving continued success.

Sustainability is no longer a choice; it is imperative. In 2024, we embraced this truth with renewed energy, aligning our operations with best practices while remaining firmly rooted in Tanzania's developmental aspirations. Our journey was guided by a clear vision: to be the preferred financial partner, not only for the returns we deliver but for the positive impact we create.

At the core of our strategy lies a commitment to sustainable finance. Through our Sustainable Financing Framework, we channelled capital toward projects that drive both environmental resilience and social equity. The success of our Jamii Bond,

which allocated TZS 333 Billion for green and social projects, stands as a testament to what is possible when finance serves a higher purpose. From renewable energy to employment creation, these investments are not just entries on a balance sheet but they are lifelines for communities, catalysts for innovation, and building blocks for more inclusive economic growth.

Beyond our lending portfolio, we took bold steps to reduce our own footprint. Efficiency became our core area of focus whether through LED lighting in our branches, auto-turnoff air conditions, motion sensor lights, water-saving filtration and purification at our head office, a no-plastic policy, or the gradual transition of our fleet to cleaner energy. These measures, though incremental, reflect a more profound cultural shift within the bank, a recognition that every kilowatt-hour saved and every tree planted contributes to a larger collective effort to safeguard our planet.

333 TZS Billion

Jamii Bond Allocated Our dedication to financial inclusion remains unwavering. Banking the unbanked is not just a business objective it is a moral obligation. In 2024, we brought 1.54 Million new customers into the formal financial system, many through our low-cost NMB Pesa Account. In rural areas, where access to banking services was once a challenge, our NMB Wakala agents' outlets became beacons of opportunity, enabling smallholder farmers, women entrepreneurs, and micro-businesses to thrive. When we speak of sustainability, we must remember that its most accurate measure lies in the lives we uplift.

1.54 Million

New Customers

Climate action took centre stage in our agenda. The data is unequivocal: the risks of inaction far outweigh the costs of transition. We began measuring our emissions, upskilling our people, engaging with customers, and exploring nature-based solutions, including our MitiMillioni tree-planting campaign and Smart Beekeeping Initiative. These efforts are not mere gestures but they are essential steps toward future-proofing our business through financing opportunities and the communities we serve.

I sincerely extend my heartfelt gratitude to our Board of Directors, whose vision and guidance continue to shape our sustainability journey. My sincere commendation goes to our executive leadership for their exemplary stewardship and to all NMB colleagues for their tireless dedication, which remains the foundation of our success. We extend our heartfelt gratitude to regulators and the Government, and we sincerely thank our valued customers for choosing NMB as their trusted financial partner.



Message from the Chief Financial Officer



For the first time in our history, we quantified our financed emissions, analysing 61% of our wholesale portfolio worth TZS 1.2 trillion.

These insights now inform our risk assessment models and client engagement strategies as we strive for more sustainable lending practices and support Tanzania's goal of transitioning to a circular economy.

Juma Kimori

In 2024, we didn't just meet financial targets - we redefined what's possible in Tanzanian banking. Our 1.54 Million new customers represent more than numbers, rather they symbolise families gaining access to financial security, entrepreneurs finding growth opportunities, and communities taking their first steps toward economic empowerment. What excites me most is how we've transformed banking into a force for good, bringing services to over two thousand previously unbanked villages and creating thousands of livelihoods through our Wakala network.

The growth of our sustainable finance portfolio to TZS 333 Billion represents a significant milestone, accounting for 3.5% of our total loan book as we work towards our 2030 target. This includes TZS 304.8 Billion in social loans through our Jamii Bond initiative, with TZS 290.3 Billion specifically allocated to enhance food security nationwide, in line with Sustainable Development Goal 2. Our green financing commitments have reached TZS 28.3 Billion, supporting critical sectors such as renewable energy and sustainable water management, which will drive long-term environmental and economic benefits impacting SDG 1, 8 and 13.

Our focus on operational efficiencies yielded both financial and environmental gains. We reduced water consumption by 10% through the use of automated purification systems, saving approximately 2.5 Million litres annually. The transition to LED lighting across 203 branches and the recycling of 3.2 tonnes of paper waste demonstrate how small, measurable changes aggregate into a substantial impact. Our upcoming solar project at the head office is expected to reduce grid dependence by an estimated 15% in the coming year.

For the first time in our history, we quantified our financed emissions, analysing 61% of our wholesale portfolio worth TZS 1.2 trillion. The results revealed Scope 3 Category 15 emissions of 1.12 Million tons of CO2e, with the oil and gas and Agriculture sectors representing 49% and 24%, respectively, of this total. These insights now inform our risk assessment models and client engagement strategies as we strive for more sustainable lending practices and support Tanzania's goal of transitioning to a circular economy.

1.2 TZS Trillion

Wholesale Portfolio

Our financial inclusion metrics underscore the business case for serving underserved communities. With 8.36 Million customers, including 4.12 Million in rural areas, and a network of 50,698 Wakala agents processing an increasing number of annual transactions, we've demonstrated that social impact and commercial success can go hand in hand. MSME lending reached TZS 754 Billion, with TZS 511 Billion supporting the agribusiness sector, a vital component for both economic development and food security. By onboarding 1.54 Million new customers, we have deepened financial inclusion, particularly among underserved and unbanked populations. Our Rural Banking Initiative proved transformative, extending our reach to over 2,000 previously unbanked villages and attracting more than 300,000 new customers in these communities alone. This expansion not only provided essential financial services but also created 2,057 employment opportunities through our NMB Wakala network. Furthermore, driving both economic empowerment and local job creation.

754 TZS Trillion

MSME Lending

As we strive to enhance operational efficiency and reduce the footprints associated with traditional branch-based banking, we continue to invest in digital and technical transformation. In 2024, the shift toward digital banking continued to accelerate, with 96% of retail transactions now conducted through alternative channels. Our agency banking network achieved a significant milestone in 2024, with 22,403 new NMB Wakala agents onboarded, bringing the total to 50,698, surpassing our Medium-Term Plan 2025 target of 50,000 ahead of schedule. Now, our customers can access banking services conveniently, reducing the distance between them and financial services and reinforcing our commitment to convenience and reliability.

These initiatives reflect our conviction that sustainability is not about sacrificing returns but about more innovative ways to achieve them. I welcome continued dialogue with our investors as we refine these approaches and work together to build a bank and an economy that thrives over the long term.



Sustainability Strategy

To achieve our sustainability purpose, we have defined four strategic pillars encompassing key material topics and workstreams that require management, along with a set of commitments to establish common standards across the Bank. The four pillars of our sustainability framework are Sustainable finance, Sustainable operations, Financial inclusion, and Climate & environment. These pillars support NMB Bank's objectives by reducing risk, generating new business opportunities, and strengthening the brand. Each pillar contains commitments critical for establishing common global standards.

Strategy Pillars





Value Added Statement

Value added is the wealth the Bank has been able to create by providing clients with a quality and value

added service.	2024 TZS' Million	2023 TZS' Million	2022 TZS' Million
Value Added	123 WIIIIOII	123 WIIIIOII	123 WIIIIOII
Income earned by providing banking services*	2,080,171	1,750,815	1,450,073
Interest expense paid to third party funding	(116,594)	(73,697)	(38,363)
Other depositors	(195,048)	(172,380)	(128,944)
Fee and commission expense	(135,396)	(102,819)	(94,260)
Impairment	(85,068)	(84,485)	(81,180)
Total cost of banking service	(532,106)	(433,381)	(342,747)
Value added by banking services	1,548,065	1,317,434	1,107,326
Other operating income and expenditures	(104,308)	(93,114)	(85,053)
Value added from banking services	1,443,757	1,224,320	1,022,273
Value allocated			
To Employees:			
Salaries and other benefits	255,167	227,450	202,428
To Shareholders:			
Dividend to other shareholders	146,280	123,198	97,639
Government	68,145	57,392	45,486
To Government:			
Corporate Tax	290,432	238,571	186,720
PAYE	70,076	61,356	55,083
Skills development levy	10,413	9,117	8,785
Excise Duty	58,170	47,770	42,838
VAT on services	111,386	93,813	84,373
Other taxes	13,239	11,887	5,484
To Expansion & Growth:			
Depreciation, deferred tax and retained earnings	420,449	353,765	293,437
	1,443,757	1,224,320	1,022,273

^{*}Income earned by providing banking services = Interest Income + Fees and Commission Income + Realised Gain on Investment Securities + Foreign Exchange Income + Other Income



Sustainability 2024 Highlights



14%

Reduction in paper usage

Cut in water consumption.

10%

0

Data breaches; ISO 27001 & PCI-DSS certified cybersecurity.

- ✓ In 2024, we significantly advanced resource efficiency by deploying LED lighting in our branches, converting eight vehicles to CNG, and launching a solar power pilot at our head office. We also reduced paper usage by 14% and introduced a water purification system that cut water consumption by 10%, underscoring our commitment to responsible resource management.
- Simultaneously, we strengthened data privacy and cybersecurity governance, maintaining zero data breaches and implementing redteam simulations and ISO-certified controls. Furthermore, as of 2024, women made up 48% of our total employees and held 31% of executive leadership positions. Through our flagship "NMB Balance" initiative, we continue to advance gender equity by empowering women across all levels, including board and senior management.



400 TZS Billion

1200111

Amount Raised

83%

of the total funds allocated.

Throughout, we have raised two sustainability bonds, including Jasiri and Jamii Bond. We have successfully mobilized both the Jasiri and Jamii Bond proceeds. As of 2024, the Jamii Bond disbursed TZS 333 Billion toward renewable energy, food security, water management, and economic empowerment. This strategic focus allows us to support our customers' transitions while growing the share of sustainable assets in our portfolio, with a target of greening at least 5% of our loan book by 2030.



5,638

Scope 1 GHG emissions,

7,580

Scope 2 GHG emissions

1.4 Million

Trees planted

- NMB established its first GHG emissions baseline, covering Scope 1, 2, and selected Scope 3 categories. This milestone enables us to track decarbonization progress, set reduction targets, and align with IFRS S2 and national climate reporting requirements.
- We continue to refine our financed emissions assessments and climate-related financial risk models, especially for high-exposure sectors. Our risk appetite includes ESG thresholds, and we are investing in data systems and partnerships to improve climate metrics and resilience.



1.5 Million

89%

New customers

CSAT

56

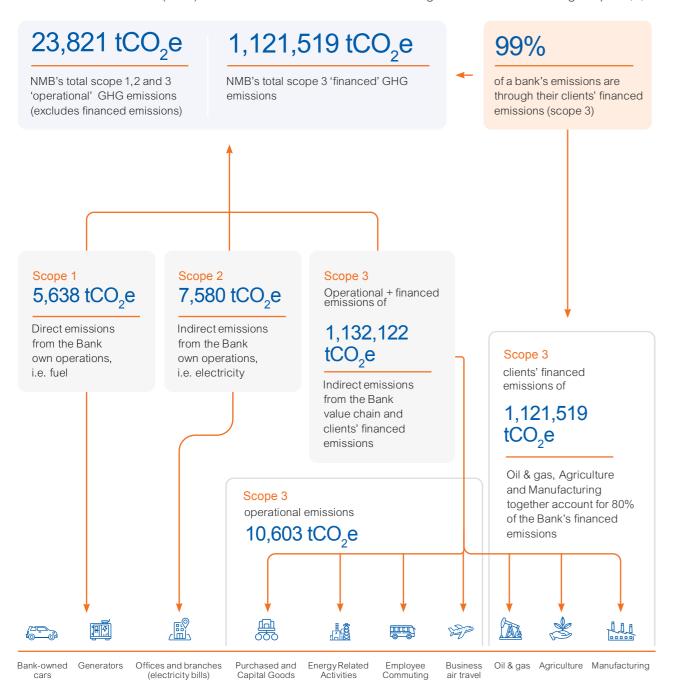
NPS

- NMB has onboarding of over 1.54 Million new customers accounts in 2024 and expansion to 1,369 rural villages. We now operate 50,698 NMB Wakala agents and 240 branches,
- Notably, we introduced the NMB Pesa Account with an entry deposit of just TZS 1,000, specifically tailored to low-income households, and opened 300,000 such accounts.
- Deliver service excellence to meet customers' evolving needs in an increasingly competitive market. In 2024, NMB scored CSAT 89% (87%, 2023) and NPS 56 (59, 2023).



NMB's climate impact is primarily derived from the emissions of the clients it finances, as measured under global standards

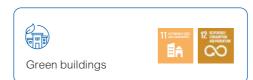
The Greenhouse Protocol (GHG) is the international standard for measuring GHG emissions covering Scopes 1,2,3



Eligible Jamii Bond Loan Portfolio (EJLP) allocation & impact summary

Jamii Bond Use of proceeds categories















Allocation by ICMA category (by value, TZS Bn)

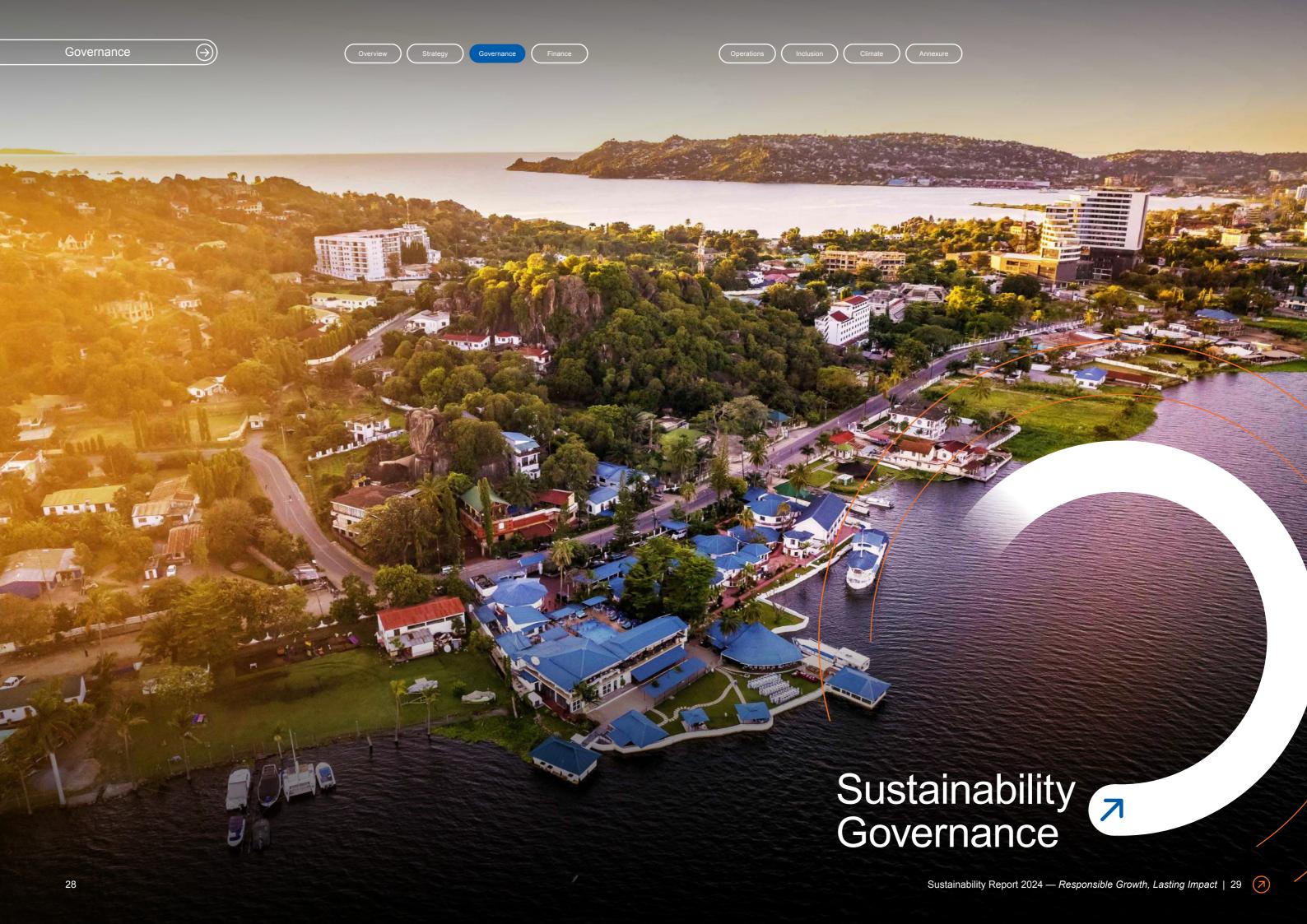
On Balance Sheet	Dec 31, 2024	% of Total Allocation
Renewable Energy	0.8	0.2%
Environmentally Sustainable Management	24.5	7.4%
Sustainable water and wastewater treatment	3.0	0.9%
Food Security	290.3	87.2%
Social Economic Advancement & Empowerment	14.5	4.3%
Total Eligible Green Loan Portfolio	333	83%)

Impact Highlights

- Emissions avoided 45.2 tCO₂e
- · Annual renewable power generated 22,760 MWh
- 7,569ha area of Sustainable Agriculture
- 52,800m³ annual clean water treated
- Direct and Indirect job creation 600+







Finance

Board of Directors

Setting Our Strategic Direction

Comprised of members selected based on their experience, qualifications, diversity, and independence, the Board of Directors guides the Bank's strategic direction by approving and monitoring management's effective strategy execution. Our Board composition embodies a wide range of diversity, including age, race, ethnicity, country of origin, culture, educational background, skills, experience, and knowledge. This diversity fosters meaningful discussions, valuable input, constructive challenges, and thoughtful outcomes.

2025 Focus Areas



- Reviewing progress on Medium-Term Plan (2021-2025) and relevant strategic initiatives
- Reviewing and approving Governance policies
- Overseeing performance and risk
- Overseeing the execution of the Bank's Transformation journey
- Overseeing the comprehensive execution of ESG-related matters.



Aziz Dachi - 49 Non-Executive** ICT, Auditor, CDIoDT

Appointed on 3rd June 2022 **Cessation on 5th December 2024



Clement Mwinuka - 61 Independent-Non-Executive CPA (T), CDIoDT

Appointed on 3rd June 2022



Ramadhani Mwikalo - 70 Independent-Non-Executive IT Expert, CDIoDT

Appointed on 3rd June 2022



David Carol Nchimbi - 51 Chairman* **ACPA**

Appointed on 6th December 2024, *Appointed as Board Chairman on 29th January 2025



Dr. Edwin P. Mhede - 46 Chairman** Economist, CDIoDT

Appointed on 5th June 2020 **Cessation on 29th January 2025



Juma Kisaame - 61 Non-Executive Banker, CDIoDT

Appointed on 5th June 2020 Re-appointed on 2nd June 2023



Giriraj Jadeja - 65 Non-Executive* Investment Banking

*Appointed on 7th June 2024



Prof Sylvia Temu - 67 Non-Executive* PhD, CPA(T)

*Appointed on 6th December 2024



Dr. Sophia Kongela - 49 Non-Executive* MBAFin, PhD

*Appointed on 24th February 2025



George Mandepo - 49 Non-Executive** Lawyer, CDIoDT

Appointed on 15th June 2019 **Cessation on 5th December 2024



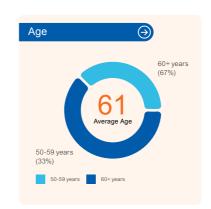
Hendrik Reisinger - 60 Non-Executive Economist/Banker

Appointed on 15th June 2019 Re-appointed on 3rd June 2022

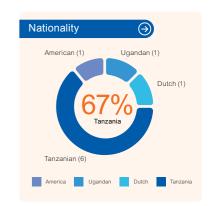


Benson Mahenya - 56 Independent-Non-Executive CPA (T), CDIoDT

Appointed on 15th June 2021 Re-appointed on 7th June 2024







Finance

Board

(BEC)

Executive

Committee

Juma Kisaame Non - Executive Committee Chair



The Bank's

Governance Framework



The Board is satisfied that the delegation of authority framework contributes to role clarity and the effective exercise of authority and responsibilities.

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The Board is satisfied that it has fulfilled its responsibilities in accordance with its charter for the period.



The Board believes arrangements for accessing professional services are effective.



Board Executive Committee (BEC)

Board Credit Committee (BCC)

Board Audit, Risk and Compliance Committee (BARCC) Board Human Resources and Remuneration Committee (BHRRC)

All Board committees are satisfied that they have fulfilled their responsibilities in accordance with their respective charters for the reporting period.

Executive Committee



2024



Focus area and material decision

- Worked on integrating the ESG agenda by approving the Sustainability Framework, making tangible progress on sustainability commitments.
- · Reviewed and approved policies.
- The Board continued to oversee the Bank's governance, smooth operation, and oversight.
- Received updates on the Bank's performance, including business-level performance updates.
- Reviewed the progress made on the execution of MTP.
- Regulatory relations (top-of-mind matters, fines and penalties, and regulatory commitments and relationships).
- Evaluation regarding the effectiveness of the Board and its committees (outcomes were presented, with actions introduced, where relevant).
- Oversight over significant digital transformation initiatives.
- Oversight over the inorganic strategic initiatives of the Bank

2025



Focus area and material decision

- New MTP 2030 plan
- Expanding and Integrating the ESG agenda with MTP 2030. Deepen ESG strategy execution within the Bank structures.
- · Board effectiveness actions evaluations.
- Board composition (to achieve optimal composition in terms of the number of members, respective skillsets, and gender) and succession planning.
- Undertake a mid-cycle evaluation of the MTP, adjusting for macroeconomic shifts and emerging industry best practices.
- Board governance objectives (approve objectives and monitor the work performed).
- Guiding the Bank inorganic growth and internationalization of NMB Bank.







Board Human Resources and Remuneration Committee (BHRRC)

Board Credit Committee (BCC)



2024



Focus area and material decisions

- · Executive management succession planning
- · Approval of staff benefits, emoluments and incentives.
- Extending participation in our long-term incentive arrangements to increase coverage for scarce and critical skills and align with peers' market practices.
- Taking additional steps in fair and responsible pay, predominantly regarding fixed remuneration increases and short-term incentive allocation for frontliners, as well as addressing pay differentials.
- The Board approved exponential training budget growth to further accelerate the upskilling agenda for the Bank.
- Overseeing cost-benefit analysis and related implications of changes in the emolument's adjustments.
- The Committee received regular updates on the progress of the Culture Transformation project and key labor cases.

2025



Focus area and material decisions

- · Attracting and retaining top talent, scarce and critical skills, and mitigating the impact of increased sectoral competition for local
- Fair and responsible remuneration in the context of fair pay practices and evolving market dynamics.
- Ongoing evaluation of the impact of our evolving remuneration frameworks and their outcomes ensure that they remain locally relevant and competitive and effectively balance stakeholder interests.
- Deepen efforts to embed a highperformance, customer-centric culture, including robust metrics to track cultural progress.
- Strengthen internal leadership development programs and refine high-potential talent pathways to enhance leadership pipeline.
- Skill set assessment for future proof

2024



Focus area and material decisions

- · Discussed and approved Risk Appetite and Sectoral Limits.
- Reviewed and approved credit portfolio strategies.
- The Committee continues to monitor the corporate loan book's credit risk exposure, sector, and single-name concentration.
- Material limit increases in 2024 for several significant single-name exposures were reviewed and approved.
- The overall portfolio health of the lending book, the related loan loss ratios, vintages, and related matters were considered.
- Deep dives on high-risk sectors and portfolios considering the global macroeconomic environment, resultant heightened risks, and the impact of climate

2025



Focus area and material decisions

- · The Bank's loans and advances growth in the context of concentration risks and exposures, in particular to the higher risk sectors of the economies.
- Explore new credit products tailored for emerging industries (green financing, circular economy, digital economy), balancing profitability and responsible lendina.
- · Continued overall loan portfolio quality management.





Board Audit, Risk and Compliance Committee (BARCC)



2024



Focus area and material decisions

- Evaluated risk appetite and principal risk profiles.
- Deep dives into market and liquidity risks including FX liquidity and overall impact to clients and the business.
- Reviewed the updated Internal capital adequacy (ICAAP) and Internal liquidity adequacy (ILAAP).
- Update on Policy changes, including Compliance Risk Management Policy, Financial Consumer Protection Policy, and Strategic Risk Management Policy.
- Received, reviewed, and approved financial forecast results.
- Received regular risk reports focused on the Bank's risk and control environment.
- Approved the risk appetite validation of the 2025 Budget.
- Considered legislative and governance developments, including Basel III finalization.
- Considered external legislative and governance developments and received regulatory updates.
- Received and discussed reports from the assurance providers including Internal and External auditors.
- Reviewed and recommended for the Board approval the financial statements and audit plans.

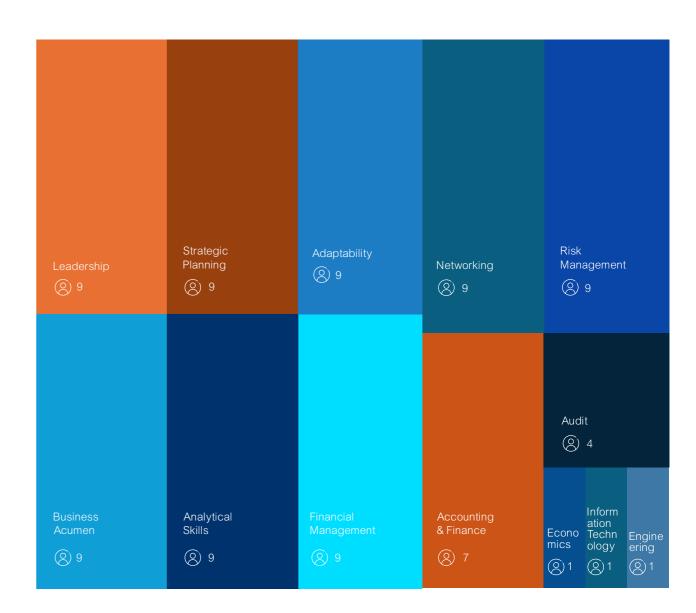
2025



Focus area and material decisions

- Continued monitoring of the macroeconomic environment, including economic recovery, headwinds, and volatility, and stress testing possible impacts on the Bank's balance sheet
- Internal capital and liquidity adequacy assessment processes.
- Invest in appropriate risk processes to respond to climate change's direct and indirect impacts. This includes processes for screening sensitive and ESG financing transactions
- Continue to enhance the Bank's risk culture and risk appetite to effectively support our financial resources allocation.
- Continue building robust frameworks to address direct and indirect climate impacts, including updated risk modeling and compliance protocols.

Categories of Directors and Balance of Skills





 (\rightarrow)

The Board Committees are

evaluated on effectiveness

responsibilities, diligence, and

responsiveness to the Board.

Additionally, the Committees

self-evaluate on annual basis their abilities to carry out the

responsibilities set out in their respective Terms of Reference.

In 2024, the Board engaged

evaluator, to conduct the Board

overseeing the process and the

performance and evaluation

with the Company secretary

BHRRC providing guidance.

The evaluation process took

the form of a series of questions

that allowed the Board to review

its effectiveness in 2024, with

the opportunity to provide free

text comments or observations

throughout the questionnaire.

The evaluation also focused

on the Board's effectiveness in

overseeing new and emerging

We are a dynamic learning

level to every member of our

themes and the Bank's strategic

KPMG East Africa, an

independent external

in discharging their

Key areas in the 2024

review included

- **Board Composition and Structure**
- **Board Operations and Meetings**
- Governance and ethics
- Cooperation with management
- Strategic Leadership
- Cooperation amongst members
- Strategic alignment and the Board
- Diligence and commitment

Key Findings

The Board demonstrated excellent performance in the 2024 annual evaluation, attaining an average of 3.53 out of 4 as reflected in the feedback received through the Board effectiveness assessment. The results underscored the Board's effectiveness in implementing its operations and mandate with rigor and foresight.

The Board's sub-committees continued to play a pivotal role in reinforcing the Bank's governance and oversight framework. Their effective functioning has been instrumental in ensuring accountability, transparency, and strategic alignment across all governance layers. Notably, the Board has been proactive in addressing improvement areas identified in the previous review, reflecting its commitment to continuous enhancement of governance practices.

The Executive Management team remains empowered to execute the Bank's strategy, with the Board exercising appropriate oversight to ensure alignment with strategic goals and risk appetite.

Board Operations Score

89%

2024



92%

2023



88%



Evaluation and Performance of the Board

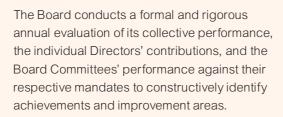
The Board ensures that the evaluation of its performance, and that of its committees, its chair and its members supports continued improvement in its performance and effectiveness

The Board assesses its performance and that of its committees in several ways:

Mandate self-reviews









The Board, its Committees and individual Board members in accordance with the section 21 (i) of the Bank of Tanzania Corporate Governance Regulations 2021, undergo a comprehensive evaluation periodically to assess the effectiveness of the Board, its committees and its members.



Evaluation of individual director performance is carried out by an Independent External evaluator in one-one-one discussions with each Board member.



priorities.

workforce.

Overview

Strategy

Governance

Finance

Operations

Our Executive Team

Driving the Strategy of the Bank

The Board also delegates authority for the operational management of the Bank's business to the Chief Executive Officer for further delegation in respect of matters that are necessary for the effective day-to-day running and management of the business. These delegations aim at creating a desired balance between effective oversight on one hand with appropriate empowerment and accountability of senior executives of the Bank on the other hand.





- Execution of key strategic initiatives in line with bank's MTP
- Making sound investment choices in critical strategic areas
- Enhancing our risk management and governance framework
- · Advancing the Bank's sustainability agenda
- Investing and empowering our people to create a fit for purpose and fit for growth organization.



















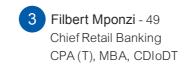


1 Ruth Zaipuna - 51 Chief Executive Officer ACPA (T), MBA, CDIoDT

Appointed on 18th August 2020

2 Juma Kimori - 46 Chief Financial Officer ACPA (T), MBA, CDIoDT

Appointed on 12th March 2021



Appointed on 1st June 2019

4 Alfred Shao - 49
Chief Wholesale Banking
ACCA, MBA, CDIoDT

Appointed on 17th February 2020

5 Aziz Chacha - 43 Treasurer MBA, ACI

Appointed on 27th August 2011

Emmanuel Akonaay - 43
Chief Human Resources Officer
MBA, Certified Reward and HR
Practitioner, CDIoDT

Appointed on 6th August 2020

7 Kwame Makundi - 43
Chief Technology and Digital
Transformation
MBA, CDIoDT

Appointed on 1st November 2021

8 Nenyuata Mejooli - 51 Chief Shared Services MBA, CDIoDT

Appointed on 1st June 2019

9 Doreen Joseph - 42 Chief Risk Officer MBA,CRM, CDIoDT

Appointed on 12th September 2022



10 Ezekiel Herman - 44 Chief Compliance Officer CPA (T), CDIoDT

Appointed on 3rd October 2022

Benedicto Baragomwa - 41
Chief Internal Auditor
ACPA, MSc, CISA, CDIoDT

Appointed on 15th November 2021

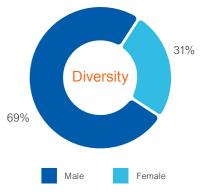


12 Nishad Jinah - 47 Chief Credit Officer CPA (T)

Appointed on 12th March 2025

13 Mwantumu Salum - 55
Company Secretary
LLB (Hons), LLM
Certified Compliance Officer

Appointed on 11th October 2023







Sustainability Governance

Board Oversight of Sustainability and Climate-Related Risks and Opportunities

The Board's role in overseeing sustainability and climate-related risks and opportunities is integral to our bank's strategy and long-term success. At the heart of our mission is the seamless integration of sustainability across all facets of our business, a strategic priority that the Board fully embraces. Through the dedicated work of supporting committees, the Board exercises comprehensive oversight, ensuring that ESG considerations are integral to our strategic decision-making process. These sub-committees diligently monitor our progress in fulfilling the Bank's sustainability commitments, aspirations, and priorities, including sustainable finance, operations, financial inclusion, and climate

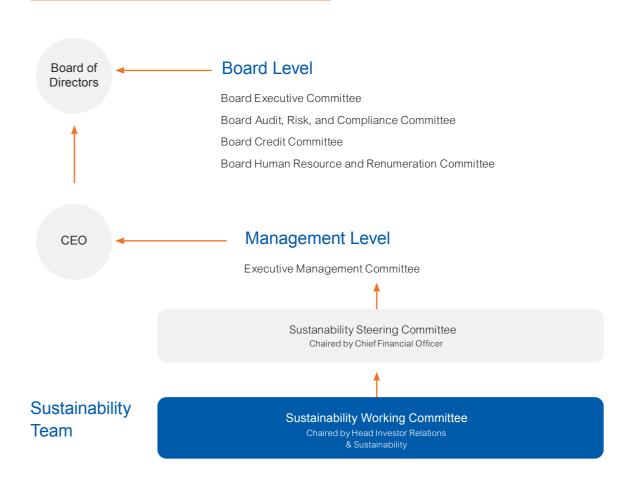
Throughout 2024, the Board has been actively shaping and guiding our approach to achieving our sustainability goals. This year, we have seen the approval of a robust Sustainability Framework and a thorough review of our Climate Risk Management Policy and Environmental and Social Risk Management (ESRM) Policy. These efforts underscore our commitment to effectively measure, monitor and managing financial and non-financial risks associated with sustainability and climate change, reflecting our unwavering dedication to a sustainable future.

Management Level Governance of Sustainability and Climate-Related Risks and Opportunities

The Executive Committee (ExCo), supported by its committees, assist the Board in its strategic decision-making. Each ExCo member is responsible for driving sustainability considerations in their areas of responsibility. The ExCo hold the ultimate authority in steering material sustainability initiatives, ensuring that actions are taken to address areas requiring enhancement for successful execution. A key focus includes the overseeing management of Climate Risk and the progress of the Bank's sustainability and climate targets, which align with the Bank's overarching bank's strategy. Additionally, the Committees supervise the metrics related to Risk Appetite, ensuring they are rigorously adhered to and effectively managed.

The Chief Risk Officer (CRO) is responsible for the Bank's Climate and Sustainability risk management framework and serves as the linchpin in the second line of defence concerning Sustainability and Climate Risk. In this endeavour, the CRO is ably assisted by the Head of Operational Risk, who maintains day-today oversight and ensures that these critical aspects are diligently managed and aligned with our strategic objectives.

Sustainability Governance





Supporting Governance

The oversight and management of sustainability- and climate-related risks and opportunities are integral to our business management, involving several committees. Each committee operates under specific guidelines, clearly defining its responsibilities, decision-making processes, authority, and procedures for escalating significant issues. Additionally, several teams across our business, risk and functional areas are either dedicated to or spend a proportion of their time working on sustainabilityand climate-related activities. Furthermore, we are enhancing our governance and risk management frameworks to identify and address climate-related risks and opportunities effectively. This approach ensures that we remain vigilant and proactive in our sustainability efforts.

Bank Sustainability Steering Committee

The Sustainability Steering Committee is our management-level committee that has the highest authority over all Sustainability-related decision-making. Chaired by the CFO the Sustainability Steering Committee promotes and oversee our ESG governance, operationalization of the strategy, reporting, and awareness across the organization. The Sustainability Steering Committee is responsible to:

- Endorse the development and implementation of Sustainability risk parameters and goals
- Relay the relevant matters to the BEC and advise and inform them on the Bank's

Sustainability framework and indicators.

- Support the BEC in promoting and overseeing the Sustainability culture and awareness across the organisation.
- Execute the sustainability direction set out by the Board and communicate the sustainability policies and strategies to the entire organisation.
- Review NMB's Sustainability programs and initiatives and develop sustainability strategies for approval.
- Oversee the implementation of our sustainability strategy including our sustainability policy (which is currently being finalised), climate risks, and our Sustainable Finance Framework.

Governance Committees and Steering Committee

Designated committees and steering committees support the Board and Executive Management, each playing an essential role in overseeing and monitoring our approach to sustainability and climate-related risks. These committees are instrumental in evaluating the potential risks and opportunities that arise from sustainability and climate risks, as well as their implications for both our business operations and our key stakeholders. Through their diligent efforts, we ensure that our strategies are not only robust and responsive but also aligned with our commitment to sustainable development and stakeholder engagement.



Suppliers

Stakeholder **Engagement** and Value Creation

Our value creation is underpinned by a strong foundation of robust corporate governance, strategic risk management, and a commitment to our customers and communities.

Working with our stakeholders, we can identify, engage with, and respond to material sustainability and ESG topics and meet their expectations.

Delivering Stakeholder Value

Customers



Safeguarding and expanding the financial assets of individuals and private and public institutions.

Employees



Rewarding careers, competitive perks, and rewards with professional development.

Investors



Providing robust return and long-term value to investors.

Regulators / the Government



Engaging with relevant authorities to support a conscientious regulatory framework.

Community



Contributing to the nation's socioeconomic progress, the Bank is dedicated to supporting endeavors that foster a robust and enduring economy, guided by Tanzania's leadership vision.

Suppliers



Collaborating with multiple vendors, offering them fresh avenues for business growth, and ensuring prompt payments.

How we engage with	stakeholders	
Stakeholders group	Their most important ESG topics	How we engaged
Customers	High quality and seamless service, Customer privacy and data protection, Strong cyber risk management, Reasonable service fees, Innovative financial solutions and services, and responsible ethical practices.	Face-to-face interactions, Interactions at our branch network, Social media and website channels, Call center interactions, and Customer satisfaction surveys.
Employees	Continuous training and career development, Job satisfaction and recognition, Competitive benefits, Trust, respect, fair employment practices, Embracing equity, diversity, and inclusiveness, and a Safe and healthy work environment.	Periodic engagement initiatives such as the SIKIKA platform, BM meetings, Townhall, HR Support services, HR policies and procedures, Periodic performance reviews, Team building, games and recreation activities, Training, seminars, and workshops, Employee annual feedbackand satisfaction survey, as well as HR business partnering support.
Investment Community	Strong corporate governance and ethical practices, Timely disclosure and compliance with laws and regulations, Sustainable growth and operations, Responsible banking practices, and adherence to ESG principles.	Quarterly financial results publications, Annual reports, Annual general meetings, Quarterly investor breakfasts, Presentations, conferences seminars, roadshows, and Periodic meetings with Credit rating agencies.
Government and Regulators	Strong corporate governance and ethical practices, Compliance, including policy formulation and enforcement, Prevention of financial fraud, terrorism financing, and money laundering, Compliance with tax laws, and Adhering to the laws of the land.	Regular meetings, Mandatory filings and reporting with regulators, Policy updates and directives, Consultative meetings with regulators, Audited annual reports, and Reports of those charged with governance.
Community	Good corporate citizen, Inclusive and equal employment opportunities, Responsible financing, contributing to job creation, Partnership to address social and environmental issues, Support for communities and access to funding for societal needs.	Participate in the Government's employment creation initiatives, Support financial inclusion initiatives, CSI programmes, and finance sustainable projects.

Fair and transparent bidding and selection

conduct, Timely communication, and dispute

process, Strong Governance and ethical

settlement.



Regular vendor meetings, Purchase contracts,

Requests for proposals, and quotations.

Finance

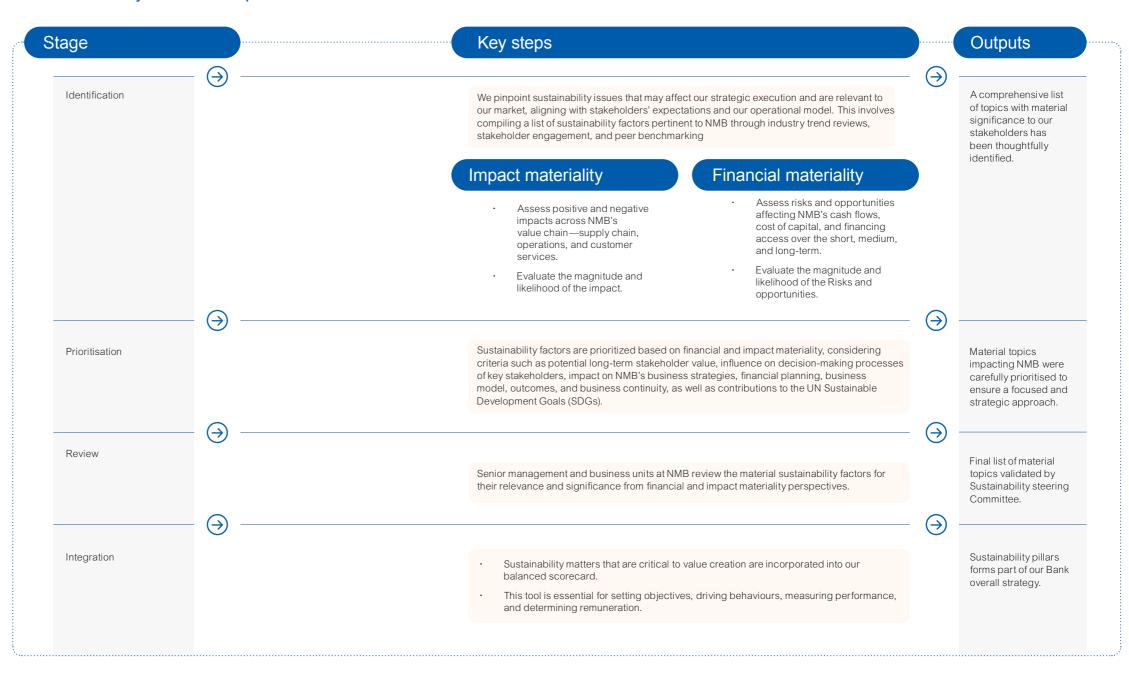
Materiality Assessment

In today's rapidly evolving sustainability landscape, pinpointing key sustainability factors is crucial, as they hold substantial influence over banking performance and the ability to generate long-term value for stakeholders. we are committed to a long-term perspective, grounding our materiality assessments in a comprehensive multi-stakeholder approach. This includes an inside-out perspective on the environmental and societal impacts of our activities, alongside an outside-in view of how sustainability challenges affect our business operations.

To comprehensively evaluate the impact of sustainability factors on our stakeholders and operations, NMB employs a double materiality approach that encompasses both financial and impact materiality. This approach provides a comprehensive understanding of the financial risks and opportunities associated with each material factor, also aiding in identifying priority areas for integrating sustainability risks and opportunities into our strategic planning and risk management processes.

Through this structured approach, NMB ensures that sustainability considerations are embedded within our strategic and operational frameworks, fostering resilience and long-term success.

Double materiality assessment process



List of NMB Material Topics

Sustainability topic Description Aligning operations, lending, and investments with climate priorities to reduce Climate Change operational and financed emissions, driving progress toward a sustainable, lowcarbon future. Using innovation to build products and services that benefit both people and the Sustainable finance Environmental and Social Assessing, managing, and minimising environmental and social risks associated with our lending portfolio. Risk Management (ESRM) Integrating nature (including waste and water management) and biodiversity Nature and Biodiversity considerations into financing and other business decisions. Customer Experience Building trust by exceeding expectations with transparent finance solutions. Driving MSME growth, expanding financial access to unbanked and underserved Financial inclusion communities, and enhancing financial literacy for our customers. Creating lasting impact with community-focused initiatives and strategic Community investments Social topics philanthropy. Promote labour standards and human rights by fostering fair treatment, equality, Human Rights & Labour and dignity for all employees, customers, community and stakeholders. Standards Transform our digital services to meet evolving customer needs and deliver a Digital & Innovation seamless banking experience. Building a better workplace through ongoing investment in our people—enhancing Our People their skills, empowering their growth, wellbeing, and welfare to drive greater productivity." Fostering a diverse, inclusive, and gender-balanced workplace built on respect **Customer Experience** and equity. Governance, Compliance, Driving MSME growth, expanding financial access to unbanked and underserved Governance topics communities, and enhancing financial literacy for our customers. and Risk Management Cybersecurity & Data Enhancing cybersecurity protocols and safeguarding customer data privacy. protection Deploying controls and compliance frameworks to prevent financial crime, bribery, Financial crime, anti-bribery and frauds. and corruption Maintaining integrity in tax practices through fairness, transparency, and regulatory Tax transparency compliance. Impact materiality Financial materiality Double materiality

Impact		al Materiality	Double
Materiality	Risk	Opportunity	Materiality

OUR FOCUS AREAS

Positive Impact through Finance



Deliver innovative sustainable finance solutions and advisory services that enable our clients to create positive impacts and reduce harm.

Empowerment through Economic Inclusion and Financial Literacy



Provide accessible and affordable banking services, create opportunities for entrepreneurship and economic participation and improve financial literacy among underserved communities.

A Culture of Customer Excellence



Develop meaningful, long-term customer relationships through seamless yet personalised experiences.

Innovative and Technology-Driven



Leverage technology to improve our processes and better serve our customers.

Robust Cybersecurity and Privacy



Safeguard our customers' data and privacy to the highest standards.

A Low-Carbon Bank



Minimising our environmental impact by reducing operational GHG emissions and achieving net zero operations by 2050.

An Engaged and Thriving Workforce

Fostering a safe, supportive and enriching workplace that empowers our people and attracts top industry talent.



An Inclusive and Fair Work Culture

Building a diverse, equitable, and inclusive environment where people feel valued and work effectively together.

The topics identified as material through the double materiality exercise align with NMB's current sustainability strategy. Moving forward, we will strengthen our strategic focus on these areas to guide both our future strategy and disclosures. Additionally, we will evaluate how the materiality assessment findings can be incorporated into the bank's ESG risk management framework.

Governance

Finance

Risk

Double materiality topics: Description of material sustainability Impacts, Risks and Opportunities (IROs)

Positive impact

Negative impact

Climate Change

Value chain impact:

Time horizons:

Financing and supporting the net zero transition of our customers (Actual)

GHG emissions from our financing and investment activities (Actual)

Scaling up financing for low-carbon sectors drives the global shift toward a sustainable economy.

Continuing to finance high-carbon industries without transition roadmaps heightens climate risks, compounding both physical threats and economic instability.

Sustainable Finance

Value chain impact:



Time horizons:



Financing and supporting sustainable outcomes for our customers (Actual)

Stakeholder and society advocacy (Actual)

We can spur sustainable economic growth by funding green and social projects and businesses.

Insufficient ESG screening of eligible activities and inaccurate impact measurement may trigger accusations of greenwashing, undermining trust in the sustainable finance agenda among society and market stakeholders.

Environmental and social risk management

Value chain impact:

Time horizons:

Preserving ecosystems and societies (Actual)

Damage to society and the environment

Robust ESRM frameworks ensure responsible investing, protect biodiversity and mitigate financing of socially detrimental

Failing to integrate Environmental and Social Risk Management (ESRM) into financial decisions may lead to financing projects that contribute to environmental degradation and social harm.

Customer Experience

Value chain impact:



Time horizons



Positive economic contribution (Actual)

Reduced stakeholder trust (Potential)

Delivering fair advice and upholding responsible marketing and sales practices fosters trust in the financial system and strengthens public confidence in long-term financial strategy.

Unreliable customer support and deceptive banking tactics can result in financial exclusion customer dissatisfaction and a decline in public trust in financial institutions.

Value chain definitions:

- Upstream: Access to capital through our shareholders and investors, procurement of goods and services from our suppliers'
- Own operations: Effective operations of our offices and branches to ensure continuity of our business
- Downstream: Provision of products and services to customers

Opportunity

Climate-related transition risk

Revenue generation through products and services to support the transition of our customers.

Failure to meet public net-zero commitments could expose NMB to reputational and litigation risks. Additionally, the Bank faces climate-related transition risks from certain sectors, which may lead to credit or liquidity challenges

By financing and investing in our customers' transition to net zero, NMB can Strengthen its market leadership, lower financed emissions, and enhance the resilience of its credit portfolio-while also attracting green capital from investors.

No material risk identified

Revenue generation through products and services to support sustainable outcomes.

NA

A wider range of sustainable finance products for multiple customer segments can solidify the market position, drive revenue growth, and attract sustainability-driven investors.

Credit risk increase

No material opportunity identified.

Inadequate ESRM policies may lead to higher loan defaults by failing to properly account for climate-related risks to physical assets. Damage to such assets can elevate loan impairments, thereby increasing overall credit

NA

No material risk identified

Market growth

NA

Building customer trust results in a larger market share and increased revenue growth.

Time horizons considered:

- Less than three years (<3 years),</p>
- three to five years (3-5 years)
- Up to 10 years









Overview

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Climate

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Double materiality topics: Sustainability Impacts, Risks and Opportunities (IROs) (continued)

Positive impact

Negative impact

Our People

Value chain impact:

Time horizons:

• •

Increased productivity (Actual)

Reduced economic development (Potential)

A skilled and empowered workforce is better equipped to adapt, innovate, and contribute to the organisation's competitive edge. Also, a reputation for valuing people attracts top talent and positions the organisation as an employer of choice.

Neglecting well-being and growth creates a disengaged, stressed, and potentially toxic environment that affects team cohesion and morale.

Governance, Risk management, compliance, cybersecurity & data protection

Value chain impact:



Time horizons:



Strengthened stakeholder confidence (Actual)

Reduced trust of NMB and peer institutions (Potential)

Accountable, transparent governance ensures financial integrity, fair practices, and market stability. It also strengthens digital trust by securing data and transactions, boosting confidence in the financial system.

Weak governance fuels scandals and market abuse, harming trust and stability. Poor cybersecurity enables fraud, eroding confidence in digital finance.

Financial Inclusion

Value chain impact:



Time horizons:

Expanding access to finance (Actual)

Increased Poverty and Vulnerability (Potential)

Expanding access to financial services for unbanked and underserved communities reduces inequality, enhances household financial stability, and contributes to poverty alleviation.

Neglecting unbanked and underserved communities perpetuates financial exclusion, denying people access to credit, savings, insurance, and opportunities to improve their livelihoods.

Financial crime, antibribery, and corruption

Value chain impact:



Time horizons:

• • •

Contributing to the prevention of financial crime

Robust financial crime prevention combats money laundering, terrorist financing, and proliferation financing, protecting economic stability, reinforcing anti-corruption measures, and upholding ethical business conduct.

Reduced trust on financial institutions (Potential)

Weak financial crime controls allow corruption, illicit capital movements, and tax avoidance to thrive, damaging systemic trust and economic resilience.

Value chain definitions:

- Upstream: Access to capital through our shareholders and investors, procurement of goods and services from our suppliers'
- Own operations: Effective operations of our offices and branches to ensure continuity of our business
- Downstream: Provision of products and services to customers

Risk

Opportunity

No material risk identified

Competitive Differentiation

N/A

A strong people strategy sets the organization apart in the market, attracting top talent, increase productivity and innovation.

No material risk identified

Increased investor trust

NA

Strengthening cybersecurity and governance frameworks strengthen decision-making, risk mitigation, and regulatory compliance, ultimately boosting financial performance and fostering trust with investors and stakeholders.

No material risk identified

Market Expansion and revenue growth

NA

Tapping into unbanked and underserved MSME markets unlocks growth, revenue, and opportunities for tailored financial products—increasing deposits, lending, insurance, payments, and cross-selling.

Regulatory fines and reputational damage

No material opportunity was identified

A weak financial crime prevention framework leaves the Bank vulnerable to money laundering, terrorist financing, bribery, and corruption. This could lead to costly litigation, regulatory penalties, and a loss of investor trust in the Bank.

NA

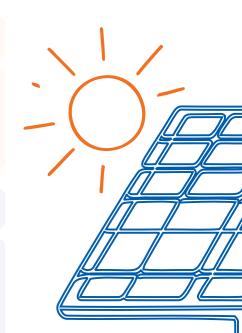
Time horizons considered:

- Less than three years (<3 years),</p>
- three to five years (3-5 years)
- Up to 10 years

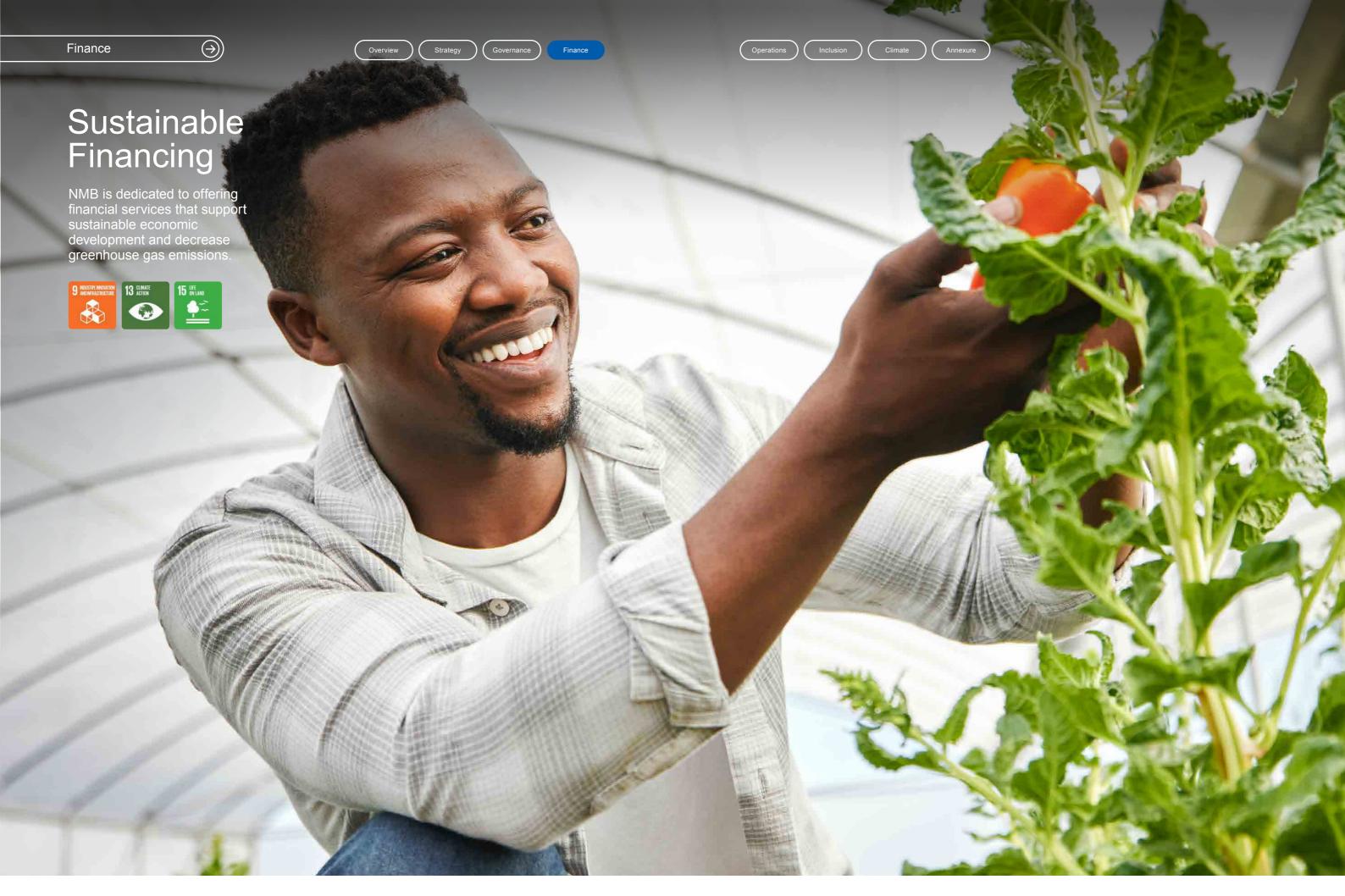












Sustainable Finance



NMB's commitment to sustainable financing involves creating innovative instruments and fostering partnerships guided by our Sustainable Financing and Social Bond Frameworks. A second-party opinion (Sustainalytics) evaluated our social and sustainable financing frameworks to ensure the credibility and desired impact would be achieved through a Social Bond Issuance and Sustainable Bond Issuance. The second-party opinion affirmed that both Frameworks are credible and impactful, aligning with the four core components of the ICMA Principles: the use of proceeds, project evaluation, management of proceeds, and reporting.

Sustainability Related Opportunities

The bank continues to refine and prioritise all sustainability-related opportunities based on their commercial viability and potential positive impact on society and the Environment. This strategic approach facilitates the transition of our customers and the broader economy to sustainable practices. The timing and impact of these opportunities will vary across sectors, influenced by government policies, technological advancements, and shifting customer preferences.

Sustainable finance is a crucial avenue for addressing climate change. We aim to empower clients to invest in sustainable assets and low-emission solutions through our comprehensive Sustainable Finance Framework, which offers diverse sustainability financing options tailored to meet the various needs of our clients.

Climate-Related Product Opportunities

NMB Bank is committed to integrating climate considerations into our strategic initiatives, underpinned by four key pillars: Sustainable Operations, Sustainable Financing, Financial Inclusion, and Climate Risk Management. The following are the potential product opportunities arising from the transition to a more sustainable economy.

- Green Loans: These fuel projects that translate environmental commitments into tangible, sustainable actions and innovations.
- Sustainability-Linked Supply Chain Finance: Providing financing to suppliers based on their sustainability performance, offering favorable terms to those meeting predefined criteria.
- Sustainability-Linked Loans: These loans incentivise borrowers to meet sustainability targets by linking them to the facility's pricing mechanism.
- Green Bonds: Debt instruments issued to fund environmentally friendly projects, with proceeds specifically earmarked for initiatives that have positive environmental impacts.
- Green Car Loans: Promote sustainable transportation by offering favorable financing for eco-friendly vehicles.
- Green Mortgages: Incentivize homebuyers to invest in energy-efficient properties with benefits such as reduced interest rates.
- Sustainable Current Account Savings Account (CASA): Designed for corporate clients, this account provides liquidity for everyday transactions and finances sustainable projects with its proceeds.
- ESG Advisory: Offers bespoke sustainable finance solutions, advising clients on structuring deals, developing Sustainable Finance Frameworks, and integrating sustainability metrics into financing decisions.

These financial products play a pivotal role in promoting sustainability, encouraging responsible borrowing and investing, and supporting projects that contribute to a greener and more environmentally conscious future.

Potential Financial Impacts of Climate-Related Opportunities to the Bank

Increased volume of climate and sustainable funding and financing, on and off-balance sheet.

- Growing balance sheet volumes through demand for new products and services that support the transition.
- Increased proportion of the balance sheet related to energy-efficient homes and buildings.
- Reduced exposure and geographical footprint related to activities identified as harmful within our E&S risk acceptance criteria.
- Net interest income from lending activities
- Additional fee income through advisory and underwriting activities.

NMB Sustainable Financing Framework

NMB Bank's Sustainable Financing Framework underscores our commitment to environmental and social sustainability, aligning with the UN Sustainable Development Goals (SDGs), Tanzania's Development Vision 2025, and Nationally Determined Contributions (NDCs). The framework integrates sustainability into the bank's operations, promoting climate mitigation, adaptation, and financial inclusion. By mobilising capital through green, social, and sustainability bonds, loans, and deposits, NMB aims to finance projects that drive inclusive economic growth, gender equality, and environmental resilience.

The framework ensures that proceeds from sustainable instruments are allocated to eligible projects across two key categories: green and social. Green financing focuses on renewable energy, energy efficiency, pollution prevention, sustainable water management, climate adaptation, and clean transportation. Social funding supports projects in affordable housing, education, healthcare, MSME financing, job creation, and food security, benefiting vulnerable and underserved communities.

We incorporate sustainability risk assessments in our lending process to mitigate environmental and social risks, ensuring compliance with the National Environment Management Council (NEMC) and the Bank of Tanzania (BOT) guidelines. A three-step

evaluation process—originating, screening, and approving—governs project selection, ensuring that financed activities align with sustainability and ESG principles and contribute to long-term value creation.

The management of proceeds follows strict governance measures, with funds allocated within 18 months and tracked through a Sustainable Asset Register (SAR). Unutilised proceeds are invested in short-term sustainable assets. The bank will provide annual impact and allocation reports detailing fund utilisation, environmental benefits (e.g., carbondioxide reductions, adoption of renewable energy), and social outcomes (e.g., increased financial inclusion and employment).

Sustainable Financing Commitments

NMB is committed to expanding access to sustainable and green finance for retail and wholesale customers. The bank aims to support climate resilience projects, focusing on mitigation and adaptation efforts while integrating sustainability into its lending portfolio. We aimed to green 5% of our loan portfolio by 2030. To achieve our ambition, we will increase the mobilisation of sustainable finance through climate funds, concessional loans, grants, and the issuance of Bonds.

Sustainable Finance and Portfolio Alignment

In alignment with our sustainability ambitions, NMB's Sustainable Financing Framework offers a robust foundation for green, social, and sustainable investments. This framework is designed to finance projects that deliver tangible environmental and social benefits, adhering to international best practices, such as the Green Bond and Social Loan Principles. Through these instruments, NMB is committed to financing projects that mitigate climate risks and drive positive change. Under the Sustainable Finance framework, NMB issued a Jamii bond to finance sustainable projects and businesses. As of the end of 2024, TZS 333 Billion was allocated to eligible projects.



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JAMII Bond Allocation and Impact Highlights

Eligible Jamii Bond Allocation and Impact Highlights

Instrument NMB JAMII BOND_TZS

Notes Fixed Rate Jamii due in 2026

Rank Senior Unsecured
Principal amount TZS 100 Bn
Net proceeds TZS 212.73 Bn

Coupon 9.5%

Issunace date November 2023

Tenor 3 Years

Number NMB-2023/26 T1A ISIN TZ1996105270

Instrument NMB JAMII BOND_USD

Notes Floating Rate Jamii due in 2026
Rank Senior Unsecured

Rank Senior Unser Principal amount USD 10 Mn Net proceeds USD 73 Mn

Coupon 6 Month USD Term SOFR + 2.5%

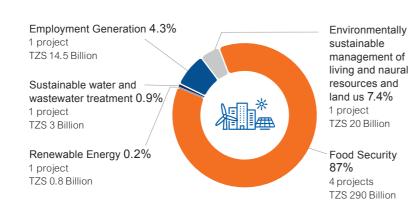
Issuance date November 2023
Tenor 3 Years

Number NMB-2023/26 T1B ISIN TZ1996105213

Breakdown of EJLP

333 TZS Billion

Total EJLP (USD 147 Million)



45.2 tco,e

(CO₂)

Annual financed emission avoided

26.4 gw



Renewable energy Energy capacity financed

22,760 MWh



Annual electricity generated through renewable energy

52,800 m³



Wastewater treated per year

27,500



Productivity gains

7,569 ha



Amount/size of sustainable agriculture

Counterparty due diligence

Risk assessment and scorecard

Business units are responsible for ensuring that they conduct environmental assessments at the loan origination level when preparing the Credit proposal.

Once the credit application is received at the Credit Department, the paper shall be subjected to credit analysis, including environmental assessment.

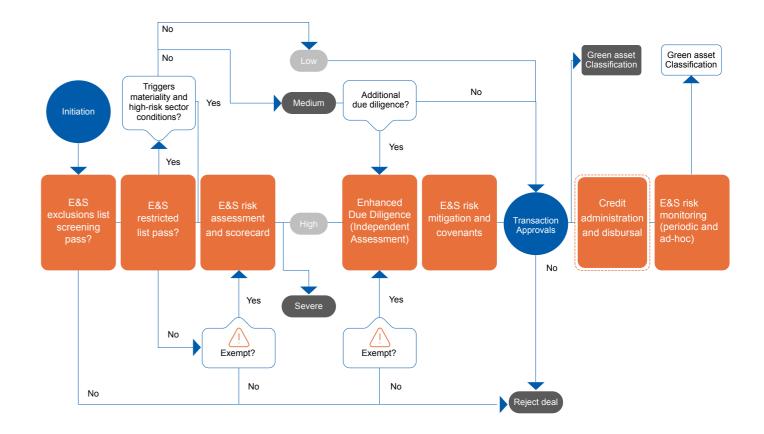
Every facility extended to a client is reviewed at least annually. The Bank monitors clients' compliance with environmental and social requirements with the same frequency as part of the annual facility review.

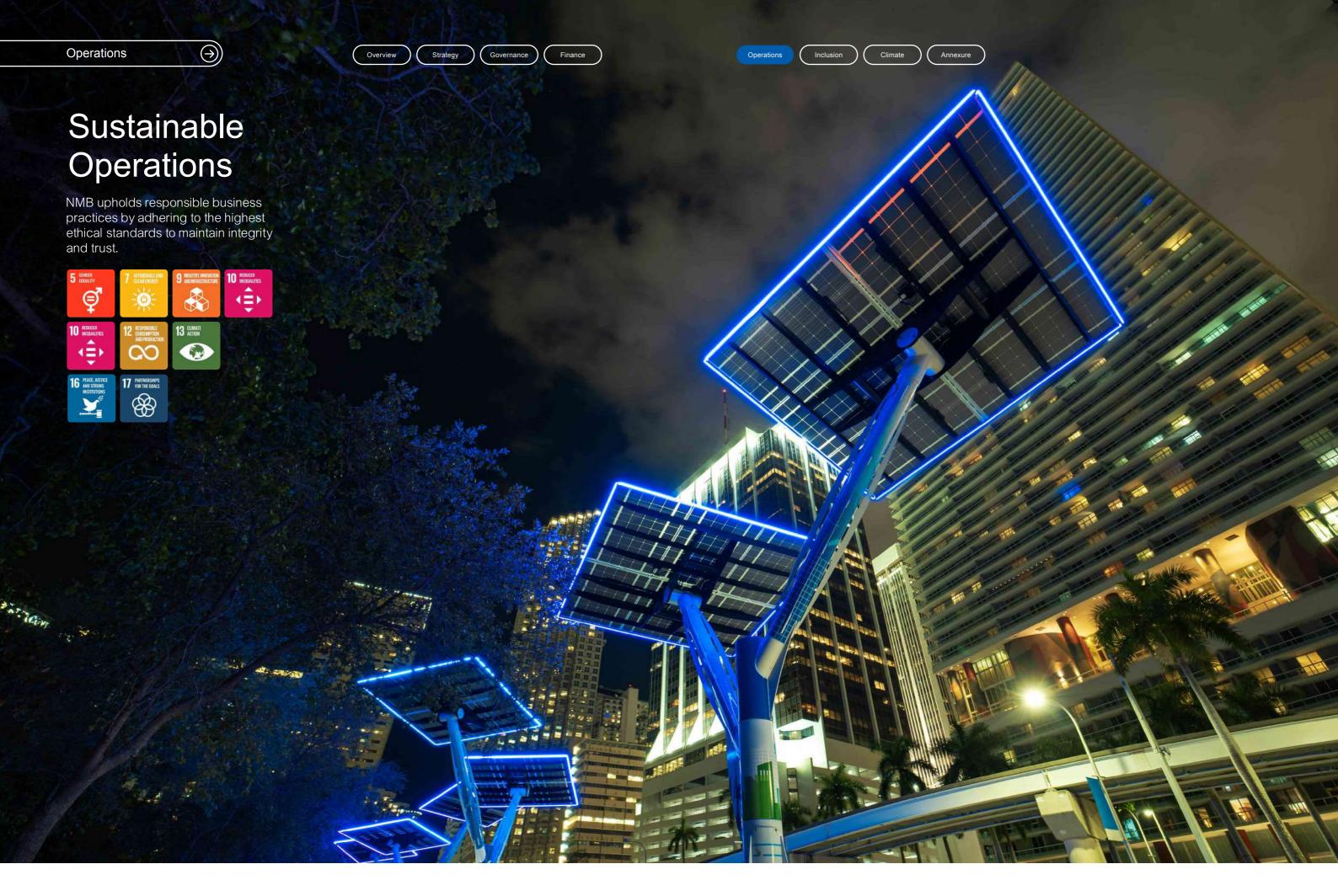
Categories of environmental and social screening criteria

Category A: Projects with potential significant adverse social or environmental impacts that is diverse, irreversible, or unprecedented.

Category B: Projects with potential limited adverse social or environmental impacts that are few in number, generally site-specific, largely reversible, and readily addressed through mitigation measures.

Category C: Projects with minimal or no significant social or environmental impacts.





Finance

35,680

New NMB Kikundi Accounts

Cyber Security Audit Capabilities

Our independent internal audit division, consisting of a specialized team, conducts regular audits of the Bank's information technology and information systems. These audits are comprehensive and riskbased, conducted annually, and include a thorough review of relevant policies and procedures. The findings are presented to the Bank's independent Board, Audit, Risk, and Compliance Committee, and also shared with Executive Management. The internal audit division diligently follows up on any recommendations provided in the reports until they are fully resolved.

Strengthening our Cybersecurity Culture

Protecting our customers and maintaining our reputation against cybercrime involves more than just implementing advanced technology. It requires a comprehensive approach that includes raising awareness and training both employees and customers to recognise and prevent cybersecurity threats. Effective communication is central to enhancing our cybersecurity culture.

We are committed to providing ongoing training and awareness programs to ensure that employees are informed about data protection, breach reporting, and emerging threats. Our information security policies are readily accessible to all employees through our intranet portal. Additionally, we actively engage with customers through regular awareness campaigns.

As part of our commitment to cybersecurity, we have rolled out a phishing email awareness campaign into our annual cybersecurity awareness program. This initiative includes regular phishing simulations that closely resemble real threats, such as scenarios involving digital document signatures. These simulations offer immediate feedback, reinforcing

Sustainable Operations



NMB Bank is committed to sustainability, integrating environmental and social governance into its core operations and supply chain. This commitment aligns with global sustainability demands and reinforces our reputation as an ethical and efficient institution.

By enhancing corporate governance, promoting workforce equality, and ensuring energy and water usage efficiency, NMB is setting new benchmarks in responsible banking. Our governance framework ensures rigorous compliance and risk management, while our adherence to human rights and labour standards guarantees a respectful and inclusive workplace. We extend these standards to our customers and suppliers, fostering a culture of mutual respect and accountability. Moreover, our focus on data protection and cybersecurity reflects our dedication to safeguarding customer privacy in the digital age. Through strategic talent development and environmental initiatives, NMB Bank is meeting today's challenges and preparing for the future, ensuring we remain an employer of choice and a leader in sustainable banking.

Cybersecurity & Data Protection

In 2024, NMB strengthened its commitment to data protection and privacy, implementing cybersecurity measures and robust protocols to safeguard customer and stakeholder information. This includes reviewing internal procedures. We adopted cutting-edge technologies to detect and prevent cyber threats, conducted regular audits to address vulnerabilities, and prioritised employee training to ensure a culture of data security. See Annexure 2: SASB Index.

Data privacy

Data privacy is a core responsibility, and NMB uphold strict ethical standards for all sensitive information collected by the Bank. The Bank's privacy policy is integrated into our risk and compliance frameworks.

Through our policies, data protection systems, and dedicated data protection unit, the Bank ensures that all information is processed ethically and responsibly, maintaining its integrity and confidentiality.

We maintain a zero-tolerance stance on any violations of our privacy policies or related data protection frameworks. Any breach may result in termination of employment and reporting to law enforcement, as required by relevant laws and regulations. Unauthorised disclosure or leakage of confidential information is considered a breach of the Bank's internal policies and code of conduct and will be addressed in accordance with applicable legal

At NMB, safeguarding data privacy and confidentiality is a top priority. Our internal systems and processes are designed to protect customer confidentiality and ensure the integrity of customer data through robust internal controls. We uphold the rights of individuals to access, rectify, delete, and port their data, as well as the right to object to automated processing. For any data use beyond service provision or legal purposes, we obtain explicit consent through an opt-in method.

We do not rent, sell, or share personal data with third parties, except as necessary to complete transactions and provide services. Should the customer provide personal information, including address, email, phone number, fax number, or other demographic and identification details, we guarantee that it will not be disclosed to third parties unless we have informed the Customer and obtained their authorization, or unless required by law. We adhere to stringent security and confidentiality standards to protect this information, as well as the Customer's business activities and transactions.

Our data protection and information security measures are rigorously applied to all customer data outsourced for processing. These measures are supported by provisions in the Bank's contracts related to onsite audits. In 2024, there have been no material breaches or data protection fines with regard to data privacy. See Annexure 2: SASB Index.

The Bank employs advanced technological mechanisms to safeguard against data breaches, including:

- Advanced Technologies: Emphasising the protection of sensitive information through data encryption and loss prevention measures.
- Access Controls and User Authentication: Ensuring that only authorized personnel can access customer data, thereby minimizing unauthorized access and data breaches.
- Audit and Compliance Checks: Ensuring strict adherence to data privacy regulations, including the Payment Card Industry Data Security Standard (PCI DSS) and PIN regulations.

Cybersecurity

NMB is committed to investing in advanced cybersecurity solutions to provide optimal protection. By using the latest technologies, we actively detect and prevent malicious activities and malware attacks. To assess the effectiveness of our security controls, we conduct Red Team exercises that simulate realworld attacks, allowing us to evaluate the resilience of our systems.

In 2024, our focus was on assessing new technologies and enhancing our security operations processes. Aligning with industry trends, the Bank is increasingly utilizing Application Programming Interfaces (APIs) to improve customer experience, support regulatory initiatives, and foster collaboration with fintech partners. We are exploring new technologies to enhance API security and performance, ensuring robust protection against evolving cyber threats.

While external threats remain a priority, we also ensure our internal security processes are robust. We have strengthened our penetration testing framework and vulnerability scanning processes to achieve this. As a regulated entity, NMB complies with the penetration testing requirements set by the Bank of Tanzania. These requirements have been reviewed and certified during our annual ISO 27001 and PCI-DSS audit and certification process.

(

Human Rights Abuse cases

Corporate Governance, Compliance, and Risk Management

Corporate Governance, Compliance, and Risk Management remain our Foundation of Trust and Resilience for sustainable growth and long-term value creation; NMB continues to uphold the highest standards of corporate governance, ensuring transparency, accountability, and ethical leadership.

The Bank has a proper governance and checking mechanism in place, with Bank policies, frameworks, and guidelines defining areas of responsibility for each person in the Bank. The Bank's policies are reviewed annually and updated as the operating environment evolves. We continue to foster a culture of compliance and risk management in all business undertakings, ensuring adherence to regulatory requirements and maintaining a safe, sound, and resilient institution through our robust risk management policies, frameworks and guidelines.

Anti-Money Laundering Policy

Our Anti-Money Laundering (AML) Policy provides a framework for combating money laundering, terrorism financing, and proliferation financing. Compliance with this policy is mandatory for all NMB employees, agents, and vendors in accordance with the AML Legal Framework of the United Republic of Tanzania. To reinforce our commitment to AML strategies, Counter-Terrorism Financing (CFT), and adherence to sanctions lists, NMB Bank has established a Know Your Customer (KYC) and AML/CFT program aimed at:

- Providing comprehensive training to all employees on baseline AML/CFT preventive measures.
- Effectively managing and minimizing potential AML/CFT risks.

 Clearly communicating activities not permitted within the Bank's risk tolerance.

Annually, the Bank conducts a risk assessment for money laundering, terrorist financing, and proliferation financing in accordance with the 2021 Guidelines of the Financial Intelligence Unit (FIU). This process involves determining the extent of customer due diligence measures on a risk-sensitive basis and taking appropriate steps to assess and understand these risks. All employees must adhere to this policy in their interactions with customers, team members, vendors, regulators, shareholders, investors, and the communities we serve.

100%

Employee Trained on AML

NMB Bank Sanction Policy

NMB Bank maintains a robust sanctions policy to ensure full compliance with all relevant sanctions laws, regulations, embargoes, and export controls. Our commitment to financial crime risk management ensures adherence to the following principles:

- Avoiding involvement in transactions that could expose the Bank, clients, employees, and business partners to sanctions risks.
- Steering clear of any business dealings intentionally structured to circumvent sanctions laws.
- Ensuring that no actions contribute to the proliferation of materials for developing chemical, biological, or nuclear weaponry.

Unwavering adherence to these high standards is required from management and all staff members to uphold legal compliance with sanctions regulations, thereby protecting the Bank from potential criminal consequences and preventing the misuse of NMB's offerings for organized crime, terrorism, and proliferation activities.

knowledge and encouraging both reactive and proactive responses to phishing attempts.

Whistleblowing Policy

The NMB whistleblowing program offers accessible reporting channels while ensuring the confidentiality and anonymity of whistleblowers. This mechanism is available both internally and through an external, independent party, offering additional assurance of confidentiality. NMB personnel and external parties may choose the most suitable channel for reporting incidents.

Financial Crime, Anti-Bribery, and Corruption

Addressing financial crimes, including fraud, corruption, bribery, and terrorism financing, is considered a critical challenge that affects the global economic landscape. We enforce a strict zero-tolerance policy towards any form of fraud and corruption. Every employee is expected to embody honesty and integrity, safeguarding the Bank's resources under their responsibility. Our commitment extends to protecting all revenue, expenditures, and assets from illegal financial activities.

Maintaining high ethical standards and strict compliance with relevant laws and regulations is fundamental to our ethos. We are committed to preventing financial misconduct, including fraud, money laundering, terrorist financing, bribery, and corruption.

Our comprehensive financial crime risk management structure is central to our success. The Forensic Team, guided by Best Practices at NMB Bank, is responsible for daily monitoring, investigation, and resolution of fraudulent activities. This team operates under the Financial Crime Compliance Department, led by the Head of Financial Crime Compliance, who reports directly to the Chief Compliance Officer. This structure ensures the Forensic Team functions both effectively and accurately.

Transparency and governance are key, with reporting lines structured to ensure that critical insights from case analysis and departmental activities are regularly presented to the management team and the Board's Audit, Risk, and Compliance Committee through systematic presentations at bimonthly sessions of the Anti-Fraud Roundtable Committee (AFRC).

In 2024, we strengthened our efforts against financial crime, bribery, and corruption through advanced monitoring, robust AML/CTF programs, and comprehensive employee training. Regular risk assessments and audits ensured compliance while transparent reporting upheld integrity. NMB's zero-tolerance approach reinforced its reputation as a trusted, ethical institution.

Sustainable Resource Management

We continue to advance our commitment to resources by implementing LED lighting across our branch network and transitioning 8 vehicles from fuel to CNG gas consumption. To manage water usage, the Bank introduced an automated water purification system at its head office, resulting in a 10% reduction in water consumption, while energy consumption reached 22,769,787 kWh. Additionally, we initiated a solar project for our head office, which is expected to significantly reduce grid energy consumption, thereby further aligning with the Bank's sustainability goals. See Annexure 1: Sustainability Performance Indicators.

Human Rights and Labor Standards

NMB prioritises human rights and labour standards, ensuring fair treatment, equality, and dignity for all employees and stakeholders. The Bank upholds ethical labour practices, promotes diversity and inclusion, and adheres to international standards, fostering a workplace that values respect, safety, and equal opportunity. We also hold our customers and suppliers to the same high standards of respect for human rights.

NMB Bank has achieved significant improvements in operational efficiency and effectiveness through the implementation of a risk-based strategy and enhancements to transaction surveillance processes. These improvements have strengthened the assessment and management of alerts, as well as improved the conversion ratios for Suspicious Transaction Reports.

Compliance

During the period under review, NMB Bank fully complied with laws and regulations, with no instances of non-compliance reported.

Code of Conduct

NMB Bank regularly reviews its Board-approved Conduct Compliance Framework and associated policies, including the Code of Conduct. The Bank enforces a zero-tolerance stance on behaviors that contravene its Code of Conduct, Conflict of Interest Policy, Anti-bribery and Corruption Policy, and Insider Trading Policy.

The Code of Conduct outlines core principles for ethical behavior expected from all NMB employees, guiding them to uphold the highest standards of ethics and integrity. Employees must acknowledge that they have read and understood the Code of Conduct upon commencing their employment. Breaches of this code may lead to disciplinary measures, up to and including termination of employment.

For Board Members, a distinct Code of Conduct is in place, detailing the relevant policies and procedures that Directors are required to follow.

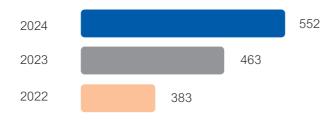
Tax Transparency

Our tax strategy is underpinned by ethical, responsible, and transparent practices, aligning with our commitment to sustainable growth. Over the years, the Bank's tax contributions to the government have steadily increased, reflecting our commitment to compliance with local legislation. We continually

enhance controls, processes, and reporting to maintain ethical tax practices.

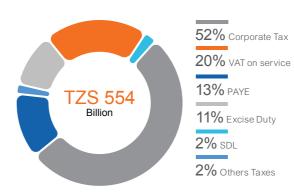
In 2024, the Tanzania Revenue Authority recognized NMB Bank as the largest and most compliant taxpayer in the country, affirming our market leadership not only in the Financial Institutions category but overall national winner. As the largest taxpayer, our substantial contributions support public revenue generation and foster local and community development.

Tax paid to Government (TZS Billion)





Tax Payment Distribution



NB: The Tax stated excludes withholding tax

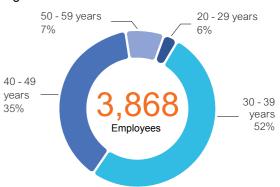
Talent Management and Employee Well-being

Our commitment to talent management and people development remained a cornerstone of our success. We welcomed 1,400 new employees, comprising 44% female representation, reinforcing our commitment to diversity and inclusion. Our total workforce reached 3,863, with women comprising 48% of the workforce, while our employee engagement rate reached 80%. Learning and development remained a priority, with employees collectively completing 300,000 training hours, averaging 50 hours per person.

Our leadership pipeline was strengthened through structured training, including partnerships with the ATE and Uongozi Institute. Attrition was effectively managed, with a total attrition rate of 3%, underscoring our ability to attract and retain top talent. Additionally, our enhanced people well-being programs, including comprehensive health benefits and work-life balance initiatives, contributed to a high-performance culture. Total employee turnover increased by 10% to reach TZS 461 Million in 2024. These efforts reflect our unwavering commitment to building a workforce that drives long-term value for the organisation and its stakeholders.

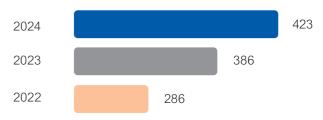
In 2024, we earned Top Employer certification from the Top Employers Institute, reflecting our commitment to talent development, diversity, and the well-being of our people. This recognition underscores our

Age Cluster in % Headcount



commitment to cultivating a high-performance culture, attracting top talent, and fostering a thriving and innovative workforce that drives long-term

Revenue per staff (TZS Million)



Learning and development

NMB Bank is committed to cultivating an environment that promotes comprehensive and systematic training, continuous learning, and professional development for all employees. This commitment enables staff to perform their roles effectively and efficiently. Equipping individual staff members with the necessary knowledge, skills, and behaviors is vital for them to execute their current duties with maximum efficiency. This directly contributes to achieving our agreed-upon objectives.

A thorough evaluation of individual skills naturally highlights the need for targeted training and development related to their specific responsibilities. Furthermore, additional staff development needs are identified through detailed skills assessments,

Performance Management

The Bank prioritize performance management, recognizing and rewarding exceptional performance as crucial elements for achieving superior results. Our commitment to a high-performance culture is unwavering. To reinforce this commitment, we have implemented a comprehensive performance management system that aligns strategic key performance indicators (KPIs) with a robust framework catering to the diverse needs of our staff members.

At the beginning of each year, employees are tasked

100%

Perfomance Appraisal Participation

with establishing KPIs and goals. Additionally, they create a personalized development plan tailored to specific performance metrics. These development plans offer insight into individual strengths and areas for growth, both in terms of behavior and technical skills. They are meticulously designed to reflect specific job roles, responsibilities, and aspirations, while also addressing the needs of departments and team members.

In 2024, our focus was on enhancing performance management processes to enrich the employee experience. This included refining the objective-setting and KPI determination processes, as well as increasing the efficiency of our appraisal system. Our performance framework extends beyond formal evaluations at quarter-end or year-end; it is designed to foster a culture of continuous feedback and support for all staff members throughout the year. The Bank's inclusive performance management approach is grounded in a bottom-up methodology, evidenced by 100% employee participation in performance appraisals. This fosters a culture of ongoing improvement and accountability. See Annexure 1: Performance Indicators.

reflective feedback mechanisms, and comprehensive performance reviews. This structured appraisal ensures that our training initiatives are directly aligned with operational requirements and industry standards within the banking sector.

Through these initiatives, NMB Bank ensures that our workforce is well-equipped to meet the challenges of the evolving banking landscape, thus reinforcing our commitment to sustainability and responsible business practices. See Annexure 1: Performance Indicators.

5.6 TZS Billion

Training Costs

Succession Planning

NMB Bank focuses on enhancing the skills and capabilities of our people to meet future challenges effectively. Our strategy for developing a robust talent pipeline includes a comprehensive succession planning framework designed to ensure leadership continuity in senior management and other critical roles. This approach is integral to maintaining the competencies necessary for the Bank's long-term strategic objectives.

In 2024, we took a step by revising our succession planning process. Not only did we identify potential successors, but we also developed a thoughtful approach to assessing their readiness for more senior roles. This led to pinpointing strategic plans and creating personalised development plans that truly cater to each individual. We placed a strong emphasis on career planning for our emerging leaders. Our HR team organised dedicated sessions with various business divisions to thoughtfully map out the career paths of these talented candidates for the next three years, ensuring they have great opportunities for growth and merit-based promotions.



Equality, Diversity, Inclusion, and Non-Discriminatory Practices

Our competitive edge and success are rooted in our ability to embrace diversity. We firmly believe that everyone should be recognized and valued for their unique contributions. As the leading financial institution in Tanzania, we are committed to fostering an inclusive culture where differences are acknowledged and celebrated. We aim to create a workplace where every individual is valued, where diversity is respected, and where equal opportunities and fair treatment are available to all.

We believe in creating a safe and inclusive workplace for everyone, and we have a strict zero-tolerance policy against harassment. Every reported incident is taken very seriously, and we make sure to conduct thorough investigations to support a respectful environment. To promote Gender Diversity, Inclusion, and Equity, we proudly launched the "NMB Balance" initiative, which encourages women to step into leadership roles. Thanks to this initiative, we've seen a wonderful increase in the presence of women in leadership positions. This forum brings together members from the Board and Executive Committee, focusing on empowering not just women, but also men and youth through exciting programs like the ATE Female Future, Women CEOs Roundtable, and Women in Management (WIMA).

Gender Diversity

Our workforce comprises 3,868 full-time employees, with women accounting for 48% of our team. Furthermore, women fill 32% of leadership roles and lead departments across the Bank by a margin of 30%. The Board and Management are earnestly committed to promoting gender balance and ensuring equitable opportunities for all employees. See Annexure 1&2.

Grievance Mechanism

The Bank has established a fair and consistent grievance procedure for employees to address any dissatisfaction or perceived injustice related to their work or employment conditions. Employees have the right to a fair hearing by their immediate supervisor and can appeal to a more senior manager. These include documenting grievances in writing, holding formal meetings with representation rights, and ensuring decisions are communicated clearly. If unsatisfied, employees can appeal to a senior manager not involved in the original complaint.

The Bank is dedicated to the prompt resolution of grievances to mitigate disputes that may potentially affect personnel or operations. NMB also regards allegations of discrimination, harassment, or bullying with utmost seriousness, and disciplinary measures are instituted for verified claims. In instances where in-person meetings are unfeasible, teleconferencing or videoconferencing alternatives are provided to facilitate participation. Employees are encouraged to utilize the grievance procedure judiciously and to seek guidance from Human Resources when necessary.

Occupational Health and Safety

The Occupational Health and Safety (OHS) Policy of NMB delineates our unwavering commitment to upholding exemplary standards of health, safety, and environmental stewardship in all operational activities. Our methodology is informed by adherence to pertinent legislation, including the Occupational Health and Safety Act 2003, the Fire and Rescue Act 2007, and the Environmental Management Act 2004. Our objective is to avert injuries, illnesses, and environmental degradation, thereby mitigating any

risks associated with non-compliance. This policy is applicable to all business operations, premises, personnel, contractors, and individuals engaged in business on behalf of NMB.

In the year 2024, there were 4 reported work-related injuries or fatalities. The Bank successfully executed fire drill exercises across all branches to evaluate the preparedness of our personnel in the event of fire emergencies. Additionally, the Occupational Safety and Health Authority (OSHA) conducted inspections of our facilities, subsequently issuing certifications that affirm compliance with the requisite occupational health and safety standards.

We continue to maintain our commitment to a secure working environment that is devoid of occupational hazards. Our objectives encompass the protection of the health and well-being of employees, customers, and contractors, with an overarching aim of achieving zero fatalities and injuries. The Board of Directors assumes ultimate responsibility for health and safety matters, ensuring the provision of adequate resources and adherence to pertinent regulations. All contractors are mandated to comply with applicable regulations and to submit safety plans prior to the initiation of work. See Annexure 1: Performance Indicators.

Key Employee Figures	2024	2023	2022	2021	2020	2019
Female staff (in %, Headcount) 1						
Female ExCo	31	31	25	25	25	22
Female Head of Department	25	30	29	32	33	36
Female Senior Managers	32	30	26	21	25	31
Female Managers	38	33	32	31	30	30
Female Officers	55	52	52	52	52	51
Total female staff in %	48	48	48	48	48	47
Age (in %, headcount) 2						
20 - 29 years	6	3	2	1	1	0.2
30 - 39 years	52	51	50	50	47	47
40 - 49 years	35	38	38	39	40	42
50 - 59 years	7	8	10	10	11	10.8
Total in %	100	100	100	100	100	100
Employment type/Contract (in % of						
total staff)						
Permanent-term Employment	74	79	84	86	88	87
Fixed-term Employment	26	21	16	14	12	13
Total in %	100	100	100	100	100	100



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Our Risk Management

The Board's mandate includes determining the Bank's risk appetite and risk tolerance, as well as monitoring risk exposures to ensure that the nature and extent of the main risks we face are consistent with our overall goals and strategic objectives. The Board is accountable for reviewing the effectiveness of the system and processes of risk management and internal control, with the Audit, Risk, and Compliance Committee assisting in discharging this responsibility. At the Board, Committee, and Management levels, we develop formal policies and procedures that define how risks are systematically identified, assessed, quantified, managed, and monitored.

Each business line engages in the risk management process by identifying the key risks applicable to its business. The principal risks and uncertainties faced by the Bank are identified through this bottomup process. On a day-to-day basis, the Bank's Management Risk Committees are responsible for the implementation of the Bank's risk management and internal control policies and procedures. In line with our risk culture, managers "own" the risks originating in their respective business processes. For each material risk identified at any level of the business, the risk is measured, mitigated (if practicable), and monitored in accordance with our policies and procedures. In regard to such risks, managers are required to report on identified issues and risk responses in a timely, consistent, and systematic manner. The Management Risk Committees regularly review and challenge the output from the bottomup process and assess the effectiveness of the implementation of the risk management and internal control policies and procedures. Our reporting process enables key risks to be escalated to the appropriate level of authority and provides assurance to the Committees and the Board.

Key developments affecting our principal risks and associated mitigating actions are reviewed quarterly (or more often, if necessary, on an ad hoc basis, outside of the regular reporting process) by the Audit, Risk, and Compliance Committees, as appropriate, and the Board. The principal risks and uncertainties faced by the Bank are identified through the above processes.

The Enterprise Management Framework

The Enterprise Risks Management Framework sets the strategic approach for risk management by defining standards, objectives, and responsibilities for all areas of NMB Bank's Operations. It is approved by the Board on the recommendation of the Bank's Chief Risk Officer (CRO) and then adopted by the Bank with modifications as needed. The framework supports Executive Management in effective risk management and in developing a strong risk culture.

The ERMF outlines

- Segregation of duties: The ERMF defines a Three Lines of Defence model.
- Principal risks faced by the Bank: This list guides the organization of the risk management function and the identification, management, and reporting of risks.
- 3. Risk appetite requirements: This defines the level of risk the Bank is willing to undertake in its business.
- Roles and responsibilities for risk management: The ERMF outlines the accountabilities of the Bank's CEO and other Members of the Executive Management
- 5. The ERMF is complemented by frameworks, policies, and manuals that are primarily aligned to individual Principal Risk Types:

Our Risk Management Strategy involves

- Risk identification: Conducting an impact analysis of risks arising from growth plans, strategic initiatives, and business model vulnerabilities.
- Risk appetite: Performing an impact analysis to confirm that growth plans and strategic initiatives are within the Board Approved Risk Appetite.
- Stress Testing: Utilizing the outcomes of the risk identification process to develop scenarios for stress tests and using the results of stress tests to recommend strategic actions

Risk Governance

Ultimate responsibility for setting our risk appetite and for the effective management of risk rests with the Board.

Acting within an authority delegated by the Board, the Board Audit, Risk and Compliance Committee (BARCC), whose membership is comprised exclusively of non-executive directors, has the responsibility for oversight and review of prudential risks including, but not limited to, credit, market, capital, liquidity and operational. It reviews the Bank's overall risk appetite and makes recommendations thereon to the Board. Its responsibilities also include reviewing the appropriateness and effectiveness of the Bank's risk management systems and controls and considering the implications of material regulatory change proposals.

The BARCC receives regular reports on risk management, including our portfolio trends, policies and standards, stress testing, liquidity, and capital adequacy, and is authorized to investigate or seek any information relating to an activity within its terms of reference.

The Board

The Board has ultimate responsibility for effectively managing risk and approving our risk appetite. It is responsible for delineating the overall risk management strategy and supervising the risk management framework of the Bank, directly or through the Audit, Risk, and Compliance Committee.

Main duties of the Board of Directors around risk management are:

- Establishing the risk appetite and risk capacity framework of the Bank.
- Approving a risk-management policy consistent with the risk-appetite framework, including the establishment of risk limits in the various areas of activity and main risk areas.
- Providing clear guidance to senior management with regard to risk management based on the recommendations of the executive committee headed by the CEO and ensuring that senior management takes the necessary actions in order to identify, measure, monitor, and control risks.
- Approving methodologies for risk assessment and control and for the allocation of capital in respect of risks.
- Supervising and monitoring the implementation of the established risk-management policy; examining the Bank's actual risk profile and examining the processes and actions that the Bank must apply to comply with all regulatory directives concerning risk management.

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Board of Directors **Board Executive Committee** Board Audit, Risk, and Compliance Committee **Board Credit Committee** Board Human Resource and Renumeration Committee CEO **Executive Committee** Assets and Liability Committee (ALCO) Risk and Compliance Management Committee (RCC) Customer Experience Management Committee Loan Portfolio Quality (LPQ) Management Audit Risk and Compliance Committee (MARCC) Support Internal Segments ■ First Line ■ Second Line ■ Third Line



Risk Committees

Operations

To facilitate strong risk oversight, the following risk committees have been established.

At the Board level, there are three Board-level forums that oversee the application of the ERMF, review and monitor risk. These are the Board Audit Risk and Compliance Committee, Board Credit Committee, and the Board Human Resources and Remuneration Committee, which oversees, among other things, pay practices focusing on aligning pay to sustainable performance in line with policies. Finally, the Board receives regular information on the Bank's risk profile and has ultimate responsibility for risk appetite and capital plans within the parameters set by the Board.

- The Board: One of the Board's responsibilities is the approval of the risk appetite of the Bank. The NMB Bank PLC Board is also responsible for the approval of the ERMF.
- Board Credit Committee: The Committee assists
 the full Board and the management of credit risk
 by continuously reviewing the credit portfolio,
 credit standards, and Credit Policy
- Board Human Resources and Remuneration
 Committee (BHRRC): The BHRRC receives a
 detailed report on HR-related risk management
 performance and risk profile and proposals on ex ante and ex-post risk adjustments remunerations.
 These inputs are considered in the setting of
 performance incentives. The primary function
 of the Committee is to assist the Board of
 Directors in fulfilling its oversight responsibility
 to shareholders by ensuring that the Bank has
 coherent remuneration policies and practices that
 fairly and responsibly reward executives and staff
 with regard to performance, governing laws, and
 the highest standards of governance.
- The Board Audit, Risk and Compliance Committee (BARCC): The BARRC also oversees the identification, monitoring, management, and reporting of credit, market, liquidity, operational,

and reputational risks. To facilitate the BARRC's risk oversight, the following risk management committees have been established.

The BARCC also reviews certain key risk methodologies, the effectiveness of risk management, and NMB Bank's risk profile, including the material issues affecting each business portfolio and forward risk trends. The committee also commissions in-depth analyses of significant risk topics, which are presented by the Chief Risk Officer and Chief Compliance Officer or senior risk managers in the businesses. It also receives regular reports on the effectiveness of internal control systems, material control

 Issues, and accounting judgments (including impairment), and a quarterly review of the adequacy of impairment allowances relative to the risk inherent in the portfolios, the business environment, and NMB Bank's policies and methodologies.

Internal Control Framework

Our Three Lines of Defence

Roles and responsibilities for risk management are defined under a 'three lines of Defence' model. Each line of Defence describes a specific set of responsibilities for risk management and control.

This model delineates management accountabilities and responsibilities for risk management and the control environment. The model underpins our approach to risk management by clarifying responsibility and encouraging collaboration, as well as enabling efficient coordination of risk and control activities. As such, all NMB Bank's employees are responsible for understanding and managing risks within the context of their individual roles and responsibilities, as set out below:

 First line of Defence: all employees are required to ensure the effective management of risks within the scope of their direct organizational

Risk Management Committees (3)

Executive Management

As the overall executive body regarding strategy, performance, and risk matters, from a risk perspective, the EXCO oversees NMB's risk management and control environment.

Asset and Liability Committee

Committees

Management Audit, Risk and **Compliance Committee**

Risk and Compliance Committee

Loan Portfolio Quality Committee

Customer Experience Management Committee

Crisis Management Committee

Product Approval Committee

Each of the committees reports to the Executive Committee, individually and collectively they serve as executive forums to discuss and implement NMB's risk management.

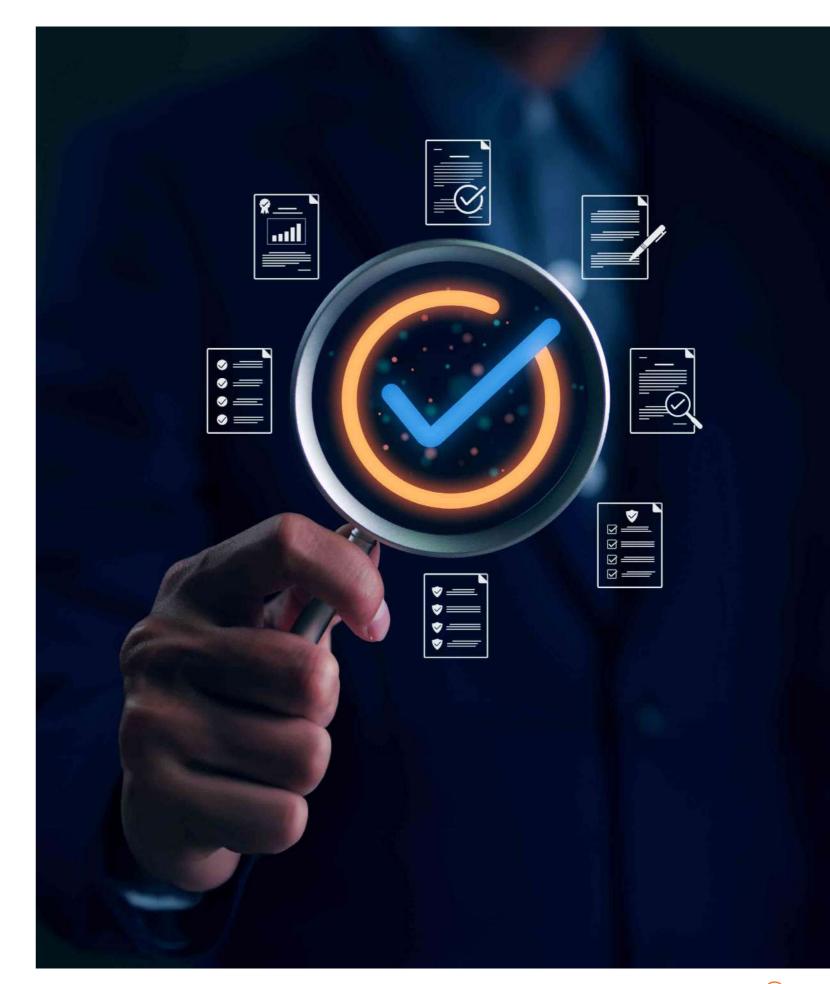
Key responsibilities:

- Assess and approve risk-taking activities.
- Oversee NMB's risk management infrastructure, which includes frameworks, decision criteria, authorities, people, policies, standards, processes, information, and systems.
- Approve risk policies and procedures, stress testing scenarios, and the evaluation and endorsement of risk models.
- Assess and monitor specific credit concentration
- Recommend stress-testing scenarios (including macroeconomic variable projections) and review the results.
- Review and approve credit applications as per mandated credit thresholds.

The members of these committees comprise representatives from the Executive Committee as well as key business and support units.

responsibilities. The first line is responsible for identifying and managing the risks they generate, establishing a control framework, and escalating risk events to Risk and Compliance.

- 2. Second line of Defence: This consists of the Risk and Compliance functions, which establish the parameters and regulations within which first-line activities are to be conducted, aligning with the Bank's risk appetite and monitor the performance of first-line operations against these established limits. The scope of the Risk and Compliance
- responsibilities is delineated according to a specific risk type and the corresponding risk management processes associated with that risk type.
- 3. Third line of Defence: the independent assurance provided by the Internal Audit (IA) function to assess the effectiveness of controls supporting the activities of the first and second lines of defense. Its role is defined and overseen by the Board Audit, Risk and Compliance Committee





Finance

Financial Inclusion

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NMB continues demonstrating resilience and a commitment to financial inclusion by expanding access to affordable, user-friendly banking solutions tailored to underserved communities. The Bank empowered individuals and businesses through innovative products, strategic campaigns, and targeted training, strengthening Tanzania's economic fabric. We aim to ensure the Bank's long-term sustainability by enhancing customer outreach and optimising service delivery.

Customer Outreach

In 2024, we continued to serve the economy and our valued Customers through our access points. The Bank added nine new branches and an impressive 22,403 NMB Wakala agents, strategically enhancing accessibility to our financial services.

51,709

Total Physical Access Points

Physical Access Points	2024	2023	2022
NMB Branches	241	231	227
NMB Wakala	50,698	28,295	19,870
Cash Collection Points	47	54	36
Bank on Wheels	7	7	7
ATM	714	715	781
Stand-Alone Bureau De Change	2	2	2

Mass Account Opening

Driven by strategic goals and, NMB Bank has leveraged mass account openings as a pivotal tool to broaden its customer base by providing sustainable, innovative, and affordable financial services. In 2024, this initiative successfully onboarded 1.540.000 new customers. Our Rural banking initiative, which specifically targets underserved and unserved rural populations, has led to tangible results.

The groundbreaking NMB Pesa Account emerged as a powerful financial inclusion tool, requiring merely TZS 1,000 as an initial deposit. We opened over 300,000 accounts for low-income households. This bold initiative was further amplified by onboarding 2,156 NMB Wakala agents across 1,369 villages, creating robust service points that extended banking services and fundamentally reshaped access to financial opportunities.

	2024	2023	2022
Total Customer Accounts	8,363,628	6,945,767	5,840,589
Female Customers	2,902,702	1,204,209	888,625
Rural Customers	4,117,306	3,604,249	2,942,468
SME Customers	370,488	367,664	226,211
Agri-business customers' Accounts	74,704	69,252	120,868
Farmers Accounts	868,501	805,113	117,092

Support for MSMEs

NMB Bank remains steadfast in its commitment to supporting the growth of Micro, Small, and Medium Enterprises (MSMEs), entrepreneurs, startups, and small businesses by providing vital access to financial services. This focus enhances financial inclusion for

unbanked or underserved groups and stimulates economic development. NMB's efforts in financing agribusiness also exhibited robust growth, with total loans reaching TZS 700 Billion by December 2024, compared to TZS 428.7 Billion the previous year, contributing to Tanzania's food security and agricultural development.

Loans (TZS Billion)	2024	2023	2022
SME Loans	402	416	365
MSE Loans	353	370	327
Agri Retail Loans	511	429	396
Total	754	785	691

Digital and Innovative propositions

NMB Bank is dedicated to enhancing our digital services to meet customers' banking needs efficiently and effectively. By the end of 2024, the number of individual digital active customers surpassed 5 Million, marking significant growth from the previous year. Our mobile application, "MKONONI," underwent substantial enhancements to improve security and functionality. The app is distinguished by its digital intelligence, customisable dashboard, user-friendly interface, and enriched menu options, offering customers a superior banking experience.

Our digital transformation strategy in 2024 included the successful launch of NMB JIWEKEE, a digital wallet tailored for the informal sector, enabling customers to save for retirement. NMB KIKUNDI, a digital group account solution, was also introduced to support savings, contributions, and financial management for community groups, onboarding 35,680 groups in 2024. NMB Pay by Link enables Tanzanian merchants to accept digital payments using secure EMVCo-compliant QR Codes, thereby enhancing the digital payment landscape and providing greater convenience and security for both merchants and customers.

35,680

New NMB Kikundi Accounts

Financial Education

Our strategic initiatives continue to empower women, women-led businesses, microbusinesses, and youth through enhanced financial education and innovative financial solutions. These efforts aim to create empowered communities that can contribute to broader economic growth. In 2024, we launched the Nondo za Pesa campaign, a groundbreaking financial education initiative by the Bank. This program empowers consumers and potential customers with the essential knowledge and skills necessary for making informed financial decisions, while also increasing awareness of personal financial planning. See Annexure 1: Performance Indicators.

Investment in Community

NMB Bank continues to demonstrate a commitment to socio-economic development through targeted initiatives in education, healthcare, financial literacy, and disaster recovery. We empowered communities by providing financial literacy programs through Business Clubs, supporting education with resources such as desks and computers, and offering the Nuru Yangu Scholarship. NMB equipped 55 healthcare facilities and renovated the maternity block of Muhimbili National Hospital. Our disaster recovery efforts reached over 260,000 individuals, offering training and relief in affected areas. Inclusivity was



promoted through investments in assistive devices, and employee volunteerism positively impacted over 20,300 lives.

A significant milestone in 2024 was the completion and handover of Tasani Preparatory School, which is equipped to accommodate 200 students across five classes. This initiative underscores NMB's commitment to nurturing educational foundations and fostering community growth through sustained investment in critical infrastructure and learning opportunities

Responsible procurement and supply chain

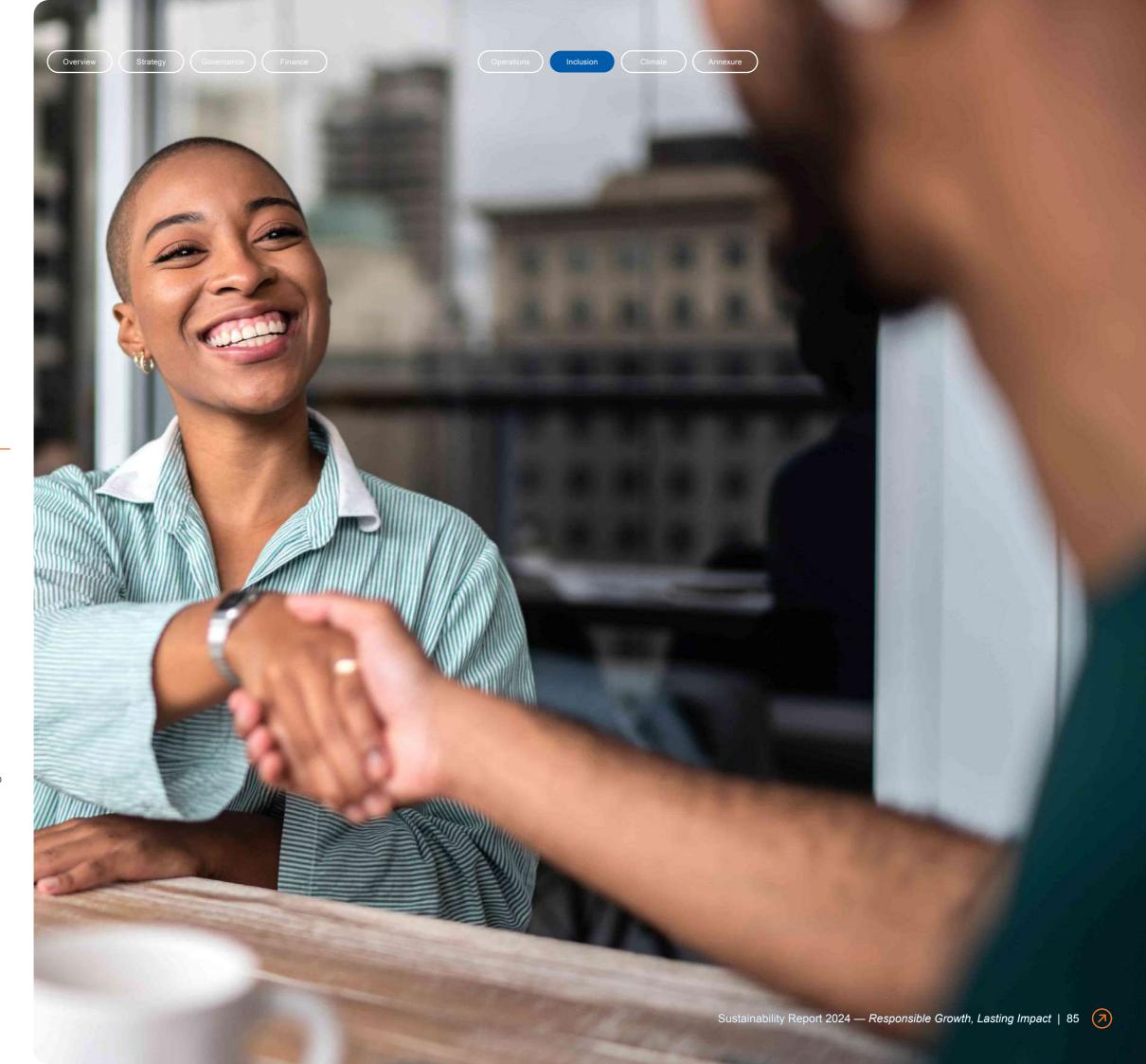
Our centralized procurement strategy is designed to align our operations with industry best practices in governance, supply chain efficiency, and vendor engagement. The Procurement division, which reports directly to the Chief Executive Officer, works in tandem with the Tender Management Committee, which has the authority to award contracts ranging TZS 500 Million to 1 Billion.

The Procurement division is built on a strong governance framework, a comprehensive policy structure, a dedicated team, and advanced technological solutions. In our centralized procurement approach, we are committed to promoting sustainable practices and reducing negative social and environmental impacts within our supply chain. By collaborating with a diverse range of suppliers, from small and medium-sized enterprises to multinational corporations, we strive to enhance collective positive impact while managing operational, financial, regulatory, and reputational risks responsibly.

207

TZS Billior

Payment to Local Suppliers 53% YoY



Finance

Inclusion

Digital Solutions

Our digital platforms gained significant traction in 2024. We are leveraging our technological investments throughout the Bank to improve capabilities and productivity while fostering growth in our customer base and enhancing service quality.

1 Million

Mkononi Subscriptions Up from 4.3 Million in 2023

96%

Services processed digitally 46% YoY rise in digital transactions

84%

Digitally Onboarded Retail Customers 84% in 2023

Digital as an Enabler for Growth

In 2024, NMB Bank advanced banking by providing top digitized experiences focused on convenience and efficiency. Our mobile-first strategy, spearheaded by the NMB Mkononi app, has enhanced accessibility, with over 96% of service requests now processed digitally.

We have introduced advanced digital banking features, including biometric registration, biometricbased limit control, and cross-border remittances within our NMB Mkononi mobile application. Customers using NMB Mkononi have the ability to personalize their transaction limit beyond the standard limit of TZS 5,000,000, allowing for a maximum of TZS 30 Million per day.

Subscriptions for NMB Mkononi surged by 8% throughout the year, exceeding 4.7 Million customers. We welcomed over 1.26 Million new accounts through digital onboarding, which accounts for 84% of our new retail banking customers. Moreover, a substantial 96% of all customer transactions were conducted via digital channels.

The utilization of our digital services continued to increase. Transactions through NMB Mkononi (both USSD and App) rose by 16%, totaling 155 Million in 2024, while internet banking (NMB-Direct) volumes increased by 16%, reaching 6.5 Million transactions. Additionally, agency banking transactions increased by 14% YoY to reach 129 Million. Jirani Chatbot, which we launched in Q3'2024, saw traction, enhancing the role of our social media platforms in delivering realtime information.

Concurrently, we broadened our strategic partnerships, utilizing application programming interfaces (APIs) to offer customers more options and to integrate our banking services directly within partner applications.

◆357,120

New Mkononi User

168,000

Active Daily Users

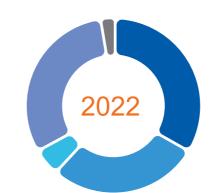
↑ 155 Million

NMB Mkononi Transaction Volume

↑ 109 TZS Billion

NMB Mkononi Revenue Generated 86.9 Billion in 2023

Transaction channels split over the years



32.94%	NMB Wakala	34.08%
29.10%	ATM	18.51%
5.15%	Branch	3.97%
30.34%	NMB Mkononi	41.02%
2.48%	Other	2.43%



Mkononi Others

Focusing on Transforming Customer Experience

With our seamless mobile and online platforms offering multiple services, customers can effortlessly manage their banking needs without visiting a branch. Our Al-powered Jirani Chatbot provides smarter, round-the-clock assistance, and the launch of digital product bundles streamlines customer journeys. The introduction of Mshiko Fasta, our digital personal loan, has reduced the turnaround time for small personal loan applications to under 10 minutes, down from the previous five to six days. Our expanded services, including digital debit cards and Kikundi digital accounts, empower customers to self-serve efficiently. We are proud to see our CSAT continue to rise, reflecting our commitment to enhancing customer satisfaction across all channels.

NMB's Jirani Chatbot



Al-driven conversational interface in WhatsApp to access over 25 core banking services - account information, account opening, loan application status

Flex Malipo



Allows organizations (schools, churches, mosques etc.) to monitor all payments and contributions to their organizations conveniently and securely.

UmeBima App



Enables DSS, SFE, and all staff to sell insurance products to both NMB and Non NMB customers.

NMB Mkononi



Digital portal streamlining customer's business finances with services such as pooling, netting, reconciliations etc.

NMB Lipa Mkononi

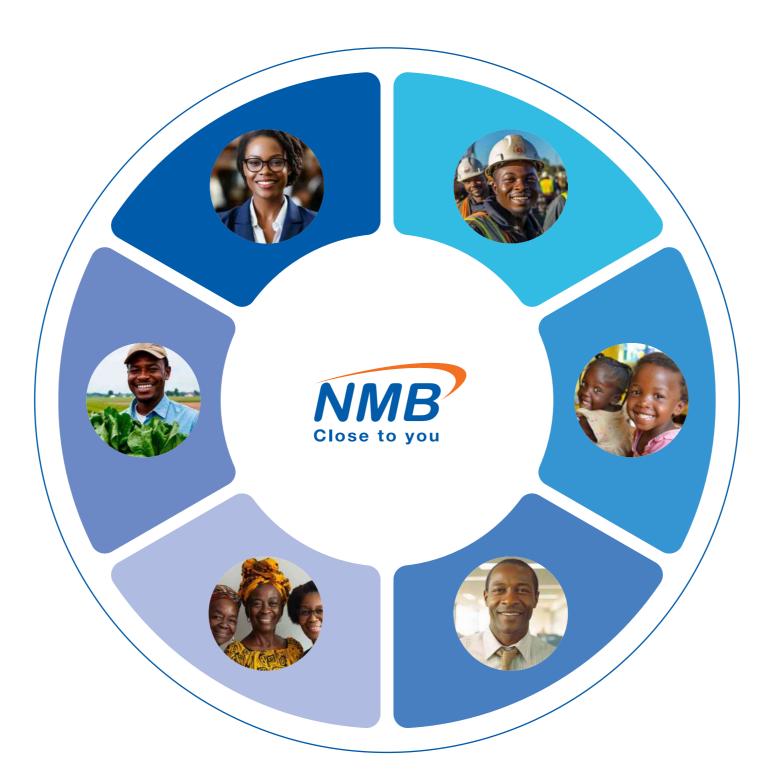


Mobile payment solution contained a QR code which stores merchant information to receive payment through scanning or a LIPA number for normal feature phones.

NMB Pesa Wakala



NMB Agent using a mobile phone to offer banking services.



Pay by Link



Transfer funds to any other bank account in real time.

Pesa Fasta



Allows our customers to send money to anyone who has a mobile phone number in the country.

NMB Wakala



NMB Agents are equipped with point of Sale (POS) devices to provide banking services to our customers on Our behalf.

NMB Internet Banking



Allows our customers to have full control of their business banking in terms of user and access permissions in a simple, convenient and secure

NMB ATMs



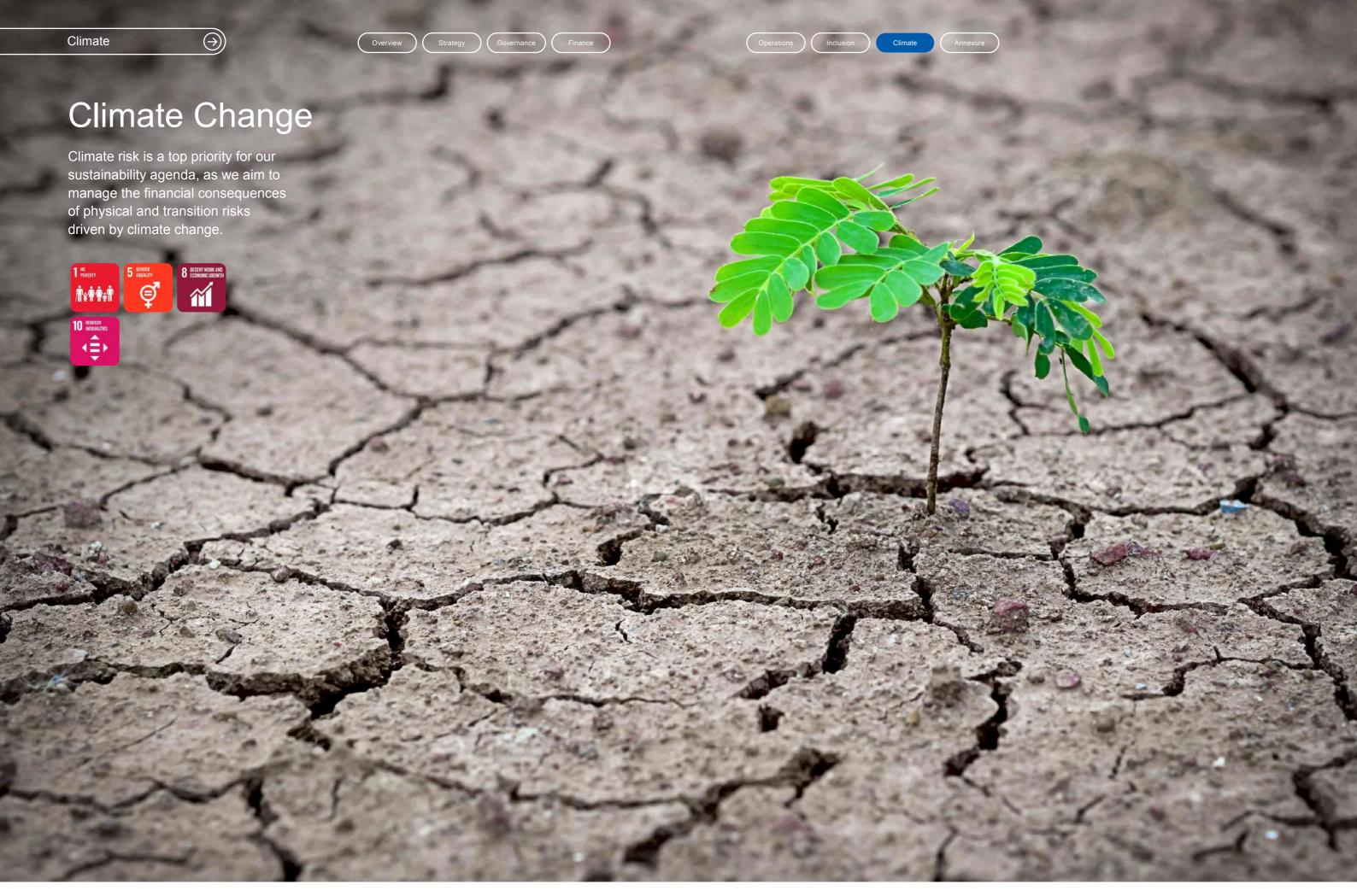
A wider range of ATM network, access ATM service on more than 1,000 ATMs across the Country.

NMB Kwetu



Designed to meet financial needs of diaspora community, Diaspora can now Digitally sign and submit relevant documentation without needing to visit a branch.







Principal Risk

Operational

Strategic Risk

and Cyber Risk

Reputational

Risks

Climate Change



We actively support local procurement to foster domestic market growth and socio-economic development.

Our commitment to championing businesses and innovations that embrace sustainability as a central tenet is reflected in our investment and lending policies. Guided by the ESRM Policy, we conduct thorough environmental and social risk assessments for eligible assets during the onboarding process. This risk management system enables us to track, monitor, and report risks effectively within our credit operations, with oversight from the Environmental & Social (E&S) unit. Our updated Enterprise Risk Management Framework also strengthens our ability to identify, assess, mitigate, and monitor climaterelated risks, reinforcing our commitment to climate action and environmental stewardship.

Climate risk, a material risk for the Bank, arises from environmental, social, or governance events that may cause financial or non-financial impacts. Integrated within the Risk Management Framework, it is managed through the Climate Risk Management framework. The Bank mitigates exposure across clients, operations, vendors, and industries through embedded risk ownership.

Recognising climate risk as a material risk, we have integrated it into our risk management framework, ensuring it is managed across principal risk types. Our Risk Appetite Statement, approved annually by the Board, sets clear metrics for oversight. In 2024, we continued to embed climate risk into existing frameworks and completed estimations of our operational greenhouse gas (GHG) emissions across Scope 1, Scope 2, and Scope 3 (Categories 1-14).

Time Horizons

Time horizons are used to assess the likelihood and

Principal Risk Term	Time Horizon	Action
Short Term	0-3 Years	Our short-term time horizon aligns with our aim of scaling up annual sustainable finance income
		In line with the bank's operational net zero target, we set year-on-year improvement targets for our footprint markets. Climate Risk is considered part of our formal annual corporate strategy and financial planning process
Medium Term	3-5 Years	Our medium-term time horizon is closely aligned with our interim 2030 targets, which focus on reducing portfolio emissions across our 12 highest-emitting sectors. Additionally, we are committed to increasing the sustainability of our portfolio by achieving a 5% greening target by 2023. Our strategic and financial planning incorporates actionable roadmaps to support our progress toward net-zero goals. To ensure resilience and adaptability, we employ scenario analysis to evaluate how potential risks and opportunities may unfold under medium-term.
Long Term	More than 5 years	 Our long-term strategic outlook aligns with our goal of achieving net zero emissions by 2050. This commitment underscores our dedication to sustainable finance and climate resilience. In conducting climate scenario analysis, we employ a robust 30-year framework to assess physical and transition risks. Additionally, certain aspects of our physical risk analysis extend further, with projections reaching 2100, ensuring a comprehensive understanding of long-term climate impacts. Transition risk, driven by regulatory changes and our clients' transition toward lower-emitting revenue streams, is critical to our client transition pathway assessments. This risk unfolds over an extended timeframe, often surpassing the maturity of our loan book and extending up to 2050, necessitating forward-looking strategies to manage its implications effectively.

impact of Sustainability and climate-related risks and opportunities. The time horizons that we use to identify, assess and manage our identified climaterelated risks and opportunities are as follows.

Mapping Climate Risk Drivers to Other Banking Risks

Understanding the complex nature of climate risk drivers and their impact on financial outcomes is vital for NMB. The Bank proactively embedded climate

Physical Risk Impact

Operational disruptions may arise from asset

Physical assets damage, like buildings and

by straining data centres and networks, leading

to system outages, data loss, and cybersecurity

risks, which may result in potential operational

Mishandling climate-related disruptions, such

as natural disasters, could threaten the bank's

from inadequate responses and communication

financial stability and reputation, stemming

factories, can devalue assets

Technology Risk Extreme weather can disrupt banking operations

losses and reputational damage.

strategies.

risk into ERMF, understanding its potential to influence other principal Risks. This strategic inclusion aligns with the Bank of Tanzania's Climate Financial Risk Management and Disclosure guideline, recognising climate risk as a distinct element within broader sustainability concerns.

The following table highlights how climate risks affect other principal risks, emphasising that their impacts differ across sectors, Industries, geographies and Organisations, affecting economic stability variability.

Shift to lower-carbon infrastructure may heighten costs,

Transition risks driven by regulatory shifts and green

The rapid shift to eco-friendly technologies jeopardises

outdated systems and software, potentially necessitating

extensive upgrades to guarantee compliance and efficiency.

Failure to transparently fulfil climate commitments could present

impacting financial stability and highlighting the significance of

a climate-related reputational risk to the Bank, potentially

accountability in environmental responsibilities.

preferences may increase costs, raising borrower default risks

from stranded assets and potentially requiring additional capital

Transition Risk Impact

Risk	damage and workforce displacement.	operational hurdles, and potential legal and third-party risks.
Compliance Risks	Extreme weather events could create compliance issues, risking legal breaches and affecting financial stability.	Failure to adapt to climate rules and regulations raises costs and risks; strategic planning is essential.
Credit Risk	Physical assets damage, like buildings and factories, can devalue assets	Transition risks driven by regulatory shifts and green preferences may increase costs, raising borrower default risks from stranded assets and potentially requiring additional capital allocations.
Market Risk	Physical assets damage, like buildings and factories, can devalue assets	Transition risks driven by regulatory shifts and green preferences may increase costs, raising borrower default risks from stranded assets and potentially requiring additional capital allocations.
Funding Risk	Physical assets damage, like buildings and factories, can devalue assets	Transition risks driven by regulatory shifts and green preferences may increase costs, raising borrower default risks from stranded assets and potentially requiring additional capital allocations.

allocations.



Finance

Assessing the resilience of our strategy using Scenario Analysis

To understand and anticipate climate-related risks and opportunities across varying time horizons, we employ scenario analysis to envisage how these elements might unfold under diverse circumstances. We are committed to enhancing our scenario analysis capabilities by transitioning towards bespoke internal models. This advancement involves refining our infrastructure and expertise to seamlessly integrate Climate Risk into our data, modelling, and analytical processes. Furthermore, we are equipping our workforce with the necessary skills to conduct climate stress testing, ensuring that our team is well-prepared to navigate the complexities of climate-related challenges.

NMB conducts climate scenario analysis and stress tests to assess the impact of material climate risks on the Bank's lending portfolio. The findings from these exercises enhance the Bank's awareness of climate risk. As data quality and accuracy improve, this information will guide the Bank's strategy and risk appetite. In 2024, NMB carried out the Portfolio level top-down approach (internal assessment):

Leveraged climate risk scenarios designed by the Network for Greening the Financial System (NGFS) to assess the impacts of transition and physical risks related to NMB's corporate portfolio. The analysis involved translating various climate scenarios, sectorspecific supply and demand elasticities, and market dynamics into financial drivers, including price, volume, unit cost, capital expenditures and asset value.

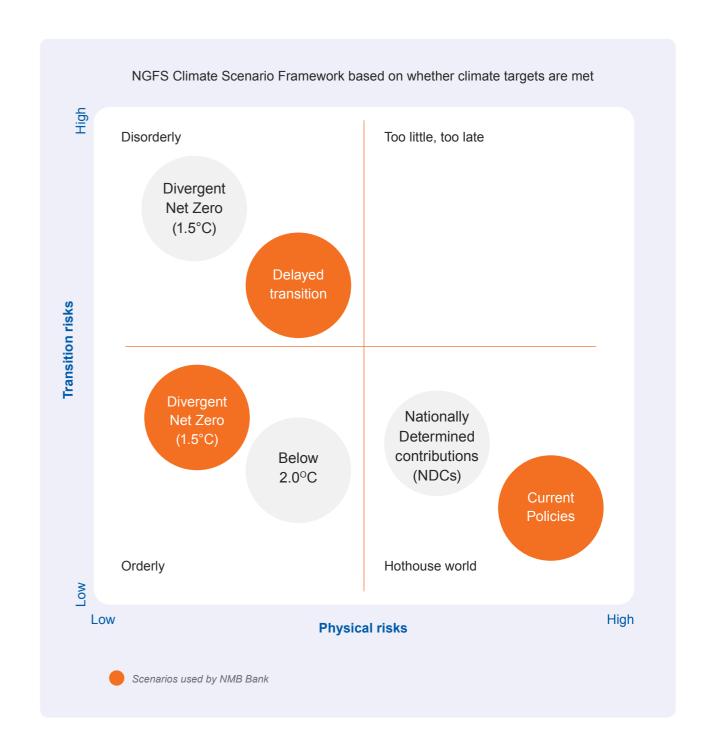
These drivers were then used to forecast company financial statements under various climate scenarios, assessing the impacts on customers' Probability of Default and Loss Given Default as of 2030 and 2040.

Climate Scenarios Analysis

The NGFS provides six scenarios covering physical and transition risks under three broad categories: orderly transition, disorderly transition, and hothouse world. NMB selected the following three scenarios to run the top-down climate stress testing:

- · Net Zero 2050 under orderly transition (impact of high transition risk and low physical risk): Ambitious climate policies are implemented immediately. Carbon dioxide removal (CDR) supports decarbonization while minimising and aligning with sustainable bioenergy limits. Net CO2 emissions are expected to reach zero by 2050.
- Delayed transition under disorderly transition (impact of higher transition and physical risk): Climate action is delayed until 2030, followed by rapid, stringent measures to reach net zero by 2050. This compressed timeline heightens the risk of disorderly transitions, leading to economic and systemic disruptions.
- Current policies under Hothouse World (higher physical risk/no transition risk): With significant global warming and physical risk events, this scenario assumes that climate action is limited to currently implemented governmental policies, new decarbonization policies fail to be introduced, and global warming continues.

These scenarios were selected to assess the impact on IFRS 9 Expected Credit Loss (ECL) of transition and physical risks associated with NMB's corporate portfolio.



Output and Our Methodologies

Climate scenario analysis enables us to model the potential impacts of various climate pathways on the resilience of our customers and portfolios. Our models incorporate a range of climate-specific metrics that may impact our customers, including projected production volumes, revenue, costs, and capital

expenditures. We evaluate how these metrics interact with economic factors, including carbon pricing, reflecting the cost implications of climate-related policies that discourage carbon-intensive activities and promote low-carbon alternatives. Higher carbon prices are expected to reduce emissions by making high-emission activities less economically viable.

Our analysis extends to understanding how climate risks affect key organisational risk types, such as credit, market, and non-financial risks. While the following sections primarily focus on credit risk, we also outline how we are advancing our approach to assess and integrate impacts on other principal risks.

The 2024 analysis prioritised the 50 largest customers for our wholesale lending portfolio. The financial metrics incorporated into our models included credit ratings, client cashflow impacts, and emissions data to calculate Expected Credit Losses (ECLs), Risk-Weighted Assets (RWAs), and balance sheet impacts. This approach allows us to better understand and manage the financial implications of climate risks across our portfolio.

The internal climate scenario analysis showed that losses are significantly influenced by exposure to various climate risks across different scenarios. In the short term, climate-related losses are expected to remain minimal; however, they are likely to rise over the medium and long term, driven by the transition to a net-zero economy and the growing impacts of physical risks.

Under the defined climate scenarios, transition risks are primarily reflected in credit risk losses, which are projected to weigh on the Bank's profitability across all scenarios. In the Net Zero 2050 scenario, an increase in credit losses is anticipated in the medium term, particularly if early action is taken to transition to net zero. Conversely, if the transition is delayed,

as outlined in the Delayed Transition scenario, credit losses are expected to rise more sharply in the medium to long term. This scenario assumes that climate action begins later, resulting in a more rapid and disruptive transition for customers, who have less time to adapt their business models and reduce carbon emissions.

Balancing risks and opportunities will be critical. The Bank can mitigate impairment risks and enhance long-term stability by building a more climate-resilient balance sheet. Additionally, accelerated transition periods, such as those envisioned in the Net Zero 2050 and Delayed Transition scenarios, present increased lending opportunities. These opportunities arise as businesses and industries adapt to new regulatory frameworks, technological advancements, and shifting market demands, creating a dynamic environment for sustainable growth.

Exposures to Carbon-Related and Climate-Sensitive Sectors

The Bank has identified the client sectors in our portfolio that face the most significant exposure to climate risk or present the greatest potential for climate-related opportunities. The values calculated below include both On-Balance and Off-Balance loan book portfolios.



Sector	2024 Exposure (TZS Bn)	% of total credit portfolio	2023 Exposure (TZS Bn)	% of total credit portfolio	Change YoY
High Emission Sectors					
Transport and logistics	191	2.2	119	1.5	
Manufacturing	338	3.8	387	4.9	_
Mining and quarrying	9.7	0.1	133	1.7	_
Electricity	140	1.6	142	1.8	_
Sub-Total	678	7.7	781	9.9	_
Climate Sensitive Sectors Transport and logistics	191	2.2	119	1.5	_
Agriculture	1,062	12.1	731	9.2	_
Manufacturing	338	3.8	387	4.9	
Manufacturing Mining and quarrying	9.7	3.8 0.1	133	1.7	*
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Mining and quarrying	9.7	0.1	133	1.7	* * * * * * * * * * * * * * * * * * *

Climate Risk Management

Climate risk refers to the potential financial and economic risks arising from climate change or efforts to mitigate it. These risks and their associated impacts carry significant economic and financial implications. Recognised as an area of increasing significance, Climate Risk demands strategic transformation across business operations and risk management frameworks. These risks could lead to tangible or potential financial losses and non-financial setbacks for the Bank. Consequently, Climate Risk is a significant concern and is systematically integrated into our primary risk categories, overseen through our Climate Risk Management Policy. The Bank is exposed to climate risk through its customers, operations, vendors, suppliers, and the industries and markets in which it operates.

Financial risks from climate risk drivers

We are conscientiously aligning our climate risk appetite with the Bank's comprehensive risk appetite framework. The integration of both quantitative metrics and qualitative risk criteria characterises this alignment. The Bank has already ceased financing thermal coal mining or power generation. It aims to actively support initiatives by its customers and the countries in which it operates, facilitating the transition of existing operations to proven technologies. Changes to the Bank's risk appetite statement, including climate and ESG risks, are in a draft stage and will be formally adopted pending internal approvals in 2025.

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Climate Risk Taxonomy

Climate Risk

Physical Risk

Transition

Climate

Climate Risk drivers

Physical



Acute

- Wildfires
- · Heat waves
- Flood
- Storms

Chronic

- Droughts
- Landslides
- · Sea level rises
- Variability of precipitations

Transition



Government policy

- · Net-zero policies
- Technological change Electric cars

Sentiment

- Investor (ESG investment)
- Consumer (air travel)

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Transmission Channels

Microeconomic:

How climate risk drivers impact particular households, corporates (including banks), sovereigns, and issuer- specific financial assets.

- Individual sovereign or sub-national institutions
- Corporates (including banks and other financial institutions)
- Households
- · Property
- · Corporate credit
- Equities

Macroeconomic:

How climate risk factors impact the overall economy, sovereigns, and other macroeconomic variables

- Sovereigns or sub- national institutions
- Corporates (including banks and other financial institutions)
- Households
- Government
- bonds

 Foreign exchange
- rates
 Commodities

Financial Risk

Finance



Credit



Market

Sources of Variability

Geographic heterogeneity

Location and jurisdictional dependencies:

- · Risk drivers
- · Economies
- · Financial systems

Amplifiers

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Factors that increase the impact of climate risk drivers:

- Risk driver interactions
- · Financial amplifiers
- Transmission channel interactions

Mitigants

- Factors that reduce the financial impact of climate risk drivers on banks:
- Bank behaviors and business models
- Availability and pricing of insurance
- Depth and maturity of capital markets
- Hedging opportunities



Liquidity



Operational

Acute Specific event-driven weather events, including increased severity of extreme weather events, such as cyclones, hurricanes, floods, or wildfires Chronic Long-term shifts in climate patterns include changes in precipitation patterns, sealevel rise, and prolonged droughts.

in energy prices, and reduced income or creditworthiness for some borrowers.

Consequently, lenders may face credit losses, and investors could experience market losses.

Potential risks that may arise from climate change or from efforts to mitigate climate

Physical risks refer to potential damages from increasing climate and weather-related events, such as harm to infrastructure, supply chain disruptions, and reduced food

Transition risks stem from the shift to a carbon-neutral economy, requiring significant

structural changes. This transition may lead to reassessments of asset values, shifts

production. These risks can lead to lower asset values, challenges with insurance claims, and financial losses, while indirect effects, such as decreased productivity

change, their related impacts and their economic and financial consequences.

Climate Risk Assessment

The approach outlined below guides our proactive risk management process, ensuring that we remain resilient in the face of climate related challenges while identifying opportunities to contribute to a sustainable future

and economic output, may amplify their impact.

the face of climate-related challenges while identifying opportunities to contribute to a sustainable future.				
Climate risk drivers Climate change risks stem from physical or transition risks. Physical risks stem from physical or transition risks.				
Transmission channels	These transmission channels refer to climate risk drivers that directly and indirectly affect banks, including their counterparties, assets, and operating economies.			
Mapping of climate risk taxonomy	We have developed a preliminary climate risk taxonomy that outlines how climate- related risks impact principal risk categories.			
Sources of variability	Numerous factors, including geographical locations, interactions among transmission channels, and mitigants or amplifiers, can affect the extent of climate risk driver impacts.			
Financial risks	We assess how climate risk factors impact banks through traditional financial risk categories, such as credit, market, liquidity, and operational risks.			

Climate Risk Measurement

We employ climate scenario analyses to quantify and prioritise sector-level climate-related risks within our lending portfolios, enabling us to better understand the potential impacts.

Climate Risk Mitigation

Our risk mitigation strategies and controls include:

- Monitoring sectors: Continuous monitoring of industries, geographies, and customers exposed to climate risks is central to our risk mitigation strategy, which includes negative screening.
- Sustainable finance products: We offer a range of sustainable finance products, including green bonds and social loans, and green loans, to finance projects that deliver positive environmental and climate benefits.



Engaging with high-emitting clients: We are engaging with our top eight highest-emitting sectors' clients to help them adopt sustainability risk mitigation measures, as well as supporting them in identifying key levers and technological solutions to reduce their emissions.

Climate Risk reporting and monitoring

The Bank is committed to disclosing its efforts in managing climate-related risks in the Bank's annual report and other public disclosures. The annual report will present an engaging narrative of how the Bank navigates climate risk, its approach to climate risk management and its strategy. As we move forward, we remain committed to significant investments in enhancing our climate capabilities, encompassing risk identification and quantitative analysis. Collaboration with external partners and participation in industry initiatives will further fortify our knowledge, tools, and capabilities for effective climate risk management.

Climate Metrics and Targets

Throughout this Annual Report, we integrate discussions on sustainability and environmental, social, and governance (ESG) topics, particularly in the Strategy Update, Sustainability Update, and governance reporting sections. The reporting period for Scope 1, 2, & 3 emissions and energy consumption is from January 1, 2024, to December 30, 2024.

Scope 1, 2 and 3 emissions

Scope 1: Emission amount (tCO2e) = ∑ Fuel Consumption (Litters) x Emission Factors

We measure and manage our greenhouse gas emissions using the Greenhouse Gas Protocol global framework, which breaks emissions into three scopes. Scope 1 covers the direct emissions we generate. Scope 2 involves indirect emissions from electricity and energy use. Scope 3 encompasses indirect emissions associated with both upstream

 (\rightarrow) Our own operations and supply chain Our financed emissions Scope 2 Scope 3 Scope 1 Scope 3 Indirect Indirect Direct Indirect (|||| Company facilities Electricity, steam heating & coolina Company vehicles (category 15) Upstream activities NMB BANK **Downstream activities**

and downstream activities. Our upstream activities encompass business travel, employee commuting, and supply chain emissions, including transportation, distribution, and waste management. Downstream activities involve investment-related emissions, including those associated with financed emissions.

Scope 2: Emission amount (tCO2e) = \sum Electricity Consumption (kWh) x Emission Factors

The protocol further divides Scope 3 emissions into 15 categories. We report emissions data for five upstream-related categories: purchased goods and services (Category 1), capital goods (Category 2), fuel and energy-related activities (Category 3), business travel (Category 6), and employee commuting (Category 7). We also report data on downstream activities for financed emissions (category 15). In 2024, we successfully measured our Scope 1 and

Scope 2 emissions and broadened our efforts to encompass Scope 3 emissions. Our approach to calculating financed emissions aligns with the industry's leading methodologies, including the Partnership for Carbon Accounting Financials (PCAF) and the Greenhouse Gas (GHG) Protocol.

Operational Emissions

Measuring and Monitoring

Measuring and monitoring our emissions, as well as our progress against our net-zero targets, is paramount. Setting the stage for establishing reduction targets for our operations and financed emissions, we continue to engage with and support our clients in their transition to a low-carbon economy.

GHG emissions	Unit	2024
Scope 1 emissions		
Fuel Consumption	tCO ₂ e	5,638
Refrigerants	tCO ₂ e	-
Scope 1 Total	tCO ₂ e	5,638
Scope 2 emissions		
Scope 2 (Location-based)	tCO ₂ e	7,580
Scope 2 (Market-based)	tCO ₂ e	-
Scope 2 Total	tCO ₂ e	7,580
Total Scope 1 and Scope 2	tCO ₂ e	13,218
Scope 3: (Our Operational Scope 3)		
Category 1: Purchased Goods	tCO ₂ e	2,394
Category 2: Capital Goods	tCO ₂ e	2,781
Category 3: Fuel and Energy Upstream	tCO ₂ e	1,757
Category 6: Business Travel	tCO ₂ e	681
Category 7: Employee Commuting	tCO ₂ e	2,989
Scope 3 total	tCO ₂ e	10,603
Total Operational GHG Emissions	tCO ₂ e	23,821

- 1. Total operating GHG emissions do not include financed emissions; these will be addressed separately
- 2. Furthermore, due to NMB's operational characteristics, emissions associated with Scope 3 categories 4, 5, and 8 to14 are deemed immaterial. These exclusions are based on our current materiality evaluation and may be subject to further review as our operational framework evolves.

Our calculation methodology

Our calculation methodology aligned with the GHG Protocol, allowing us to assess and estimate emissions across Scope 1, Scope 2, and Scope 3 (categories 1-14) within our operations. Whenever possible, we based our calculation on operational data. We utilised emission factors from reputable sources, including the US Environmental Protection Agency (EPA), the International Civil Aviation Organization (ICAO) Calculator, and the Department for Environment, Food and Rural Affairs (DEFRA). Our reported emissions encompass facilities under our operational control across the Bank's entire network.

Financed Emissions

Our approach to financing emissions

In our approach to assessing our financed emissions, our key methodological decisions were informed by industry practices and standards. We recognise these are still developing.

Financed GHG EmissionsFI = \sum ((Outstanding Amount_FI) / (Equity+Debti) x GHG Emissionsi)

Coverage of our analysis

Our assessment primarily targets the top 50 wholesale loan clients, as we believe these accounts

Sector emissions in tCO2e	Scope 01	Scope 02	Scope 03	Total
Agriculture	240.70	51.56	264,191.03	264,483.29
Building and Construction			675.09	675.09
Construction			8,741.41	8,741.41
Iron & steel			14,879.91	14,879.91
Manufacturing	92.29		202,210.46	202,302.75
Oil & Gas		115.28	542,624.64	542,739.92
Power	40,037.45	858.13	9,888.36	50,783.93
Real Estate			248.60	248.60
Trade			2,528.29	2,528.29
Transport and Communication	9,983.61	136.34	24,015.69	34,135.63
TOTAL	50,354.05	1,161.30	1,070,003.47	1,121,518.82

Exposure boundary

Our reporting covers outstanding exposure by considering only loans and advances held for financing and bonds invested in as of 31 December 2024. Undrawn commitments and off balance sheet commitments were not considered, as per industry practice.



represent the majority of emissions within our portfolio. Emissions are reported in tonnes of Carbon-dioxide equivalent ('tCO2e'). To calculate annual on-balance sheet financed emissions, we adhere to the guidance provided by the Partnership for Carbon Accounting Financials (PCAF) standard. We use drawn balances as of December 31 in the year of analysis related to wholesale credit and lending, including business loans and project finance, as the value of finance provided to customers. We excluded loans outstanding that were short-term by design and typically had a duration of less than 12 months to reduce volatility, in accordance with the PCAF guidance.

Measuring and Monitoring

In 2024, we began assessing the financed emissions within our top 50 corporate client portfolios. These

portfolios represent 42% of our total wholesale banking loans and advances. This initiative reflects our commitment to transparency and accountability in understanding the environmental impact of our financial activities.

Our Calculation Methodologies

Our approach to calculating financed emissions adheres to the global standards set forth by the Partnership for Carbon Accounting Financials (PCAF), which encompasses ten diverse sectors. For most of these sectors, we employed revenue-based intensity metrics to estimate the emissions associated with our portfolio. To ensure the precision and reliability of our results, we incorporated rigorous cross-checks and quality control measures throughout the process.well as future adjustments and updates to standards.

PCAF data quality score hierarchy

		Definition	NMB's approach
Certain	Scope 1	Verified GHG emissions data from the company in accordance with the GHG Protocol	We captured the published data for the counterparties that have reporting their emissions data through their TCFD or other ESG reports.
	Scope 2	Unverified GHG emissions data/primary physical activity data for the company's energy	Majority of the reported emissions were not accompanied by a third-party assurance report, leading to a data quality Score of 2.
	Scope 3	Estimate using primary physical activity data for the company's production	Due to limited availability of production level data for the portfolio, we collected financial data for the counterparties.
	Scope 4	Estimate using revenue	This data was then used to model the emissions using globally accepted and relevant emissions factors, leading to a PCAF data quality Score of 4.
Uncertain	Scope 5	Estimate using asset turnover	A portion of the Bank's exposure consisted of private companies with undisclosed financial information. An asset-based approach was used to model the emissions for such
			counterparties, leading to a data quality Score of 5.

Data and Methodology Limitations

Our estimates of financed emissions and the methodological choices we employ are shaped by the availability of data across the sectors and or portfolio we analyse. We rely on the standards set by the Partnership for Carbon Accounting Financials (PCAF), which define and develop greenhouse gas (GHG) accounting frameworks for financial institutions. Specifically, PCAF's Global GHG Accounting and Reporting Standards for Financed Emissions and Facilitated Emissions provide comprehensive methodological guidance for measuring and disclosing emissions associated with financing activities.

- Data quality scores vary across sectors and over time within our analysis. While we expect improvements in data quality as companies adapt to new disclosure standards that meet increasing regulatory and stakeholder demands, there may be fluctuations within sectors from year to year, and/or differences in data quality scores between sectors due to changes in data availability.
- The majority of our clients do not yet report the greenhouse gas emissions included in our analysis. In this case, where client-reported data is unavailable, we estimate emissions using proxies derived from company production and revenue data. While we sought to minimise reliance on non-companyspecific data, industry averages are applied where company-specific data is unavailable. As reporting improves, these estimates will be replaced with actual reported figures.
- The methodologies and data sources used to assess financed emissions are still evolving. We expect ongoing changes in industry guidance, market practices, and regulatory requirements. As such, we will continue to adapt by leveraging the most appropriate data sources and current methodologies available.
- We remain aware that the attribution factor used in the financed emissions calculation

is sensitive to changes in drawn amounts or market fluctuations, and we plan to be transparent about the drivers of change to portfolio financed emissions where possible.

- The attribution factor used in calculating financed emissions is sensitive to changes in drawn amounts or market fluctuations. We plan to be transparent about the drivers of change to portfolio-financed emissions where possible.
- The classification of our clients into sectors is performed with inputs from subject matter experts and will also continue to evolve with improvements to data and our sector classification approach. Our internal data on customer groups used to source financial exposure and emissions data is based on credit and relationship management attributes and is not always aligned with the data needed to analyse emissions across sector value chains. As the sub-sector and, therefore, the value chain classification are based on judgment, these may be revised as better data become available. As a consequence, classification changes can lead to sectoral shifts year-on-year. Emissions are calculated at the counterparty group level rather than at the subsidiary level, primarily due to the availability of emissions data; however, this may lead to an underestimation of emissions compared to calculations at the counterparty level. Companies with multiple activities, such as conglomerates with nearly equal business activity split across multiple sectors, are excluded, as these can have different activities covered by multiple sector targets.
- The operating environment for climate analysis and portfolio alignment is still maturing. We are actively working to enhance our data management processes to better align with evolving standards and practices.

Nature Disclosure

We acknowledge the importance of nature-based solutions in mitigating the effects of climate change and reducing biodiversity loss. However, some climate initiatives can unintentionally harm nature, such as through changes in land and ocean use or the release of pollutants. We are committed to understanding the impact of our financing on natural ecosystems.

NMB recognises the profound risks that climate change poses to human health, biodiversity, and ecosystems, as well as its potential to disrupt economies and livelihoods. At the same time, we understand that nature itself offers powerful solutions for carbon storage and enhancing climate resilience. These solutions depend on the effective protection, restoration, and sustainable management of natural resources. Nature-based solutions can significantly contribute to climate change mitigation by capturing and storing carbon dioxide from the atmosphere, reducing greenhouse gas (GHG) emissions through improved land use and forest management, and enhancing resilience to climate-related threats, such as rising sea levels, flooding, and heatwaves. We have launched targeted initiatives to promote environmental conservation and community resilience. Two key pillars of our efforts are our Tree Planting Campaigns and Beekeeping Initiatives, which align with global sustainability goals and demonstrate our commitment to fostering a nature-positive future.

MitiMilioni (One Million Trees) Campaign

In 2023, NMB Bank set an ambitious goal to plant one Million trees nationwide as part of its broader climate and nature conservation efforts. This initiative underscores our commitment to addressing the dual challenges of climate change and biodiversity loss, while contributing to the restoration of ecosystems and reducing greenhouse gas emissions in the atmosphere.

1.4 Million

Trees planted

Smart Beekeeping Initiative

Recognising the global decline in pollinator populations resulting from habitat loss, pesticide use, and climate change, the Bank has taken a proactive stance in addressing this critical environmental issue. As part of the Bank's corporate social investment and sustainability commitment, the Bank launched an innovative smart beekeeping initiative in 2023. This project aims to promote biodiversity conservation. To date, more than 500 beehives, along with modern beekeeping equipment and training, have been distributed to over 300 beekeepers in different parts of the country, including Tabora, Njombe, and Morogoro. This initiative not only enhances honey production but also fosters sustainable livelihoods, thereby reducing deforestation by offering alternative income sources.

Nature Impacts and Dependencies

The Natural Capital Finance Alliance, in collaboration with the UN Environment World Conservation
Monitoring Centre, has introduced Exploring
Natural Capital Opportunities, Risks, and Exposure
(ENCORE), an innovative tool that links nature to the
economy. This platform helps financial institutions
assess their exposure to natural capital risks by
utilising current environmental data. ENCORE helps
institutions understand the dependencies companies
in their portfolios have on natural resources and
evaluate the impact of environmental changes on
crucial ecosystem services. It also provides guidance
for aligning with global biodiversity goals, offering
a detailed database of nature loss drivers and
dependencies on ecosystem services.

NMB undertook a comprehensive qualitative assessment of the Bank's exposure using the ENCORE tool. This assessment aimed to identify key impacts and dependencies related to our lending

portfolio. The analysis focused on our highest-emitting sectors, where specific emissions reduction targets will be established.

The table below provides a summary of the impact drivers considered by ENCORE.

Pressure (Impact Drivers)

Pressures are the release of agents.	of a measurable quantity of	a natural resource or substance	e, and physical and biological
The impact refers to the chan	ge in the state of nature resul	ting from the pressure or impact of	river.
Area of Freshwater, Land or Seabed Use	Disturbances	GHG and non-GHG Emissions	Emissions of Nutrient or Toxic Pollutants to Water and Soil
Volume of water use	Other abiotic or biotic resource extraction	Generation and release of solid waste	Introduction of invasive species

The table below provides a summary of key ecosystem services (or dependencies) considered by ENCORE:

Ecosystem Services (Dependencies)

Connections between nature and business. Each of these services represents a benefit that nature provides to enable or facilitate economic activities. They comprise three categories: provisioning, regulating and maintenance services, and cultural services (including experiential and non-material services).

Education, scientific, and research	Biomass provisioning	Biological control	Air filtration	Noise attenuation
Storm mitigation	Visual amenity	Water flow regulation	Water purification	Water supply
Flood mitigation	Genetic material	Global climate regulation	Local (micro and meso) climate regulation	Nursery population and habitat maintenance
Animal-based energy provisioning	Dilution by atmosphere and ecosystems	Mediation of sensory impacts	Pollination	Rainfall pattern regulation
Recreation-related	Soil quality regulation	Solid waste remediation	Soil and sediment retention	Spiritual, artistic, and symbolic





The accompanying heatmaps provide a visual representation of the impact drivers and dependency categories as defined by the ENCORE framework. We evaluated 35 activities across eight sectors, assessing their impacts and dependencies. The tables below categorize these activities by their level of impact and dependency, classified as "very high," "high," and "medium," on various drivers and ecosystem services.

Impact Heatmap

Sector	Key Activities	Disturbances	Invasive species	GHG Emissions	Land Use	Non-GHG air pollution	Volume of water use	Area of freshwater use	Seabed use	Water and soil pollution	Solid waste	Other abiotic resource attraction
Real Estate												
Oil & Gas	Extraction of natural gas											
	Transport via pipeline											
	Manufacture of wiring and wiring devices											
	Manufacture of other electrical equipment											
	Manufacture of gas; distribution of gaseous fuels thru mains											
Power	Fossil Fuels energy production											
	Solar power production											
	Steam and air conditioning											
	Transmission and distribution of electricity											_
	Growing of cereals (except rice), leguminous crops, oil seeds											
	Post-harvest crop activities											
Agriculture	Support activities for crop production											
	Support activities for animal production											
	Mixed farming											
	Raising for cattle and buffaloes											
	Raising of poultry											
	Mining of iron ores											
Aluminum and	Mining of non- ferrous metal ores											
Iron/Steel	Casting of metals											
	Manufacture of basic iron and steel											
Cement												

Climate Change

We see the most significant number of activities with "very high" or "high" impact under the following drivers:

- · Emissions of nutrients or toxic pollutants to water and soil – 22 activities had either a "very high" or "high" impact on water and soil pollution, contributing to the release of nutrients and toxic pollutants that affect organisms and the environment. The extraction and refining of crude oil, the mining of metal ores, and the production of iron and aluminium had the highest impact on water and soil pollution.
- GHG emissions 15 out of 35 activities had a "high" or "very high" impact through GHG

- emissions, primarily due to the production of fossil fuel-based energy.
- Non-GHG Emissions 16 out of 35 activities had a "high" or "very high" impact due to non-GHG emissions, with fossil fuel-based energy production and air conditioning having the greatest impact.
- Volume of water use 16 activities had a "high" or "very high" water consumption, with most of the highest-impact activities located in the agricultural sector. Area of land use -16 activities had a "high" or "very high" use of land area, with agriculture having the highest impact, primarily through cattle raising.

The heatmap on the following page presents key ecosystem services in which our assessed activities have "very high", "high", or "medium" levels of dependencies. The following indicates that waterrelated ecosystem services were the most significant for the assessed activities. Key takeaways:

- · Water supply 16 activities have a "high" to "very high" dependence on water supply, with agricultural activities forming the most significant part of this dependence.
- Water purification 16 out of 35 assessed activities have a material dependence on water purification services provided by various natural mechanisms. This ecosystem service also contributes to the broader water supply service.

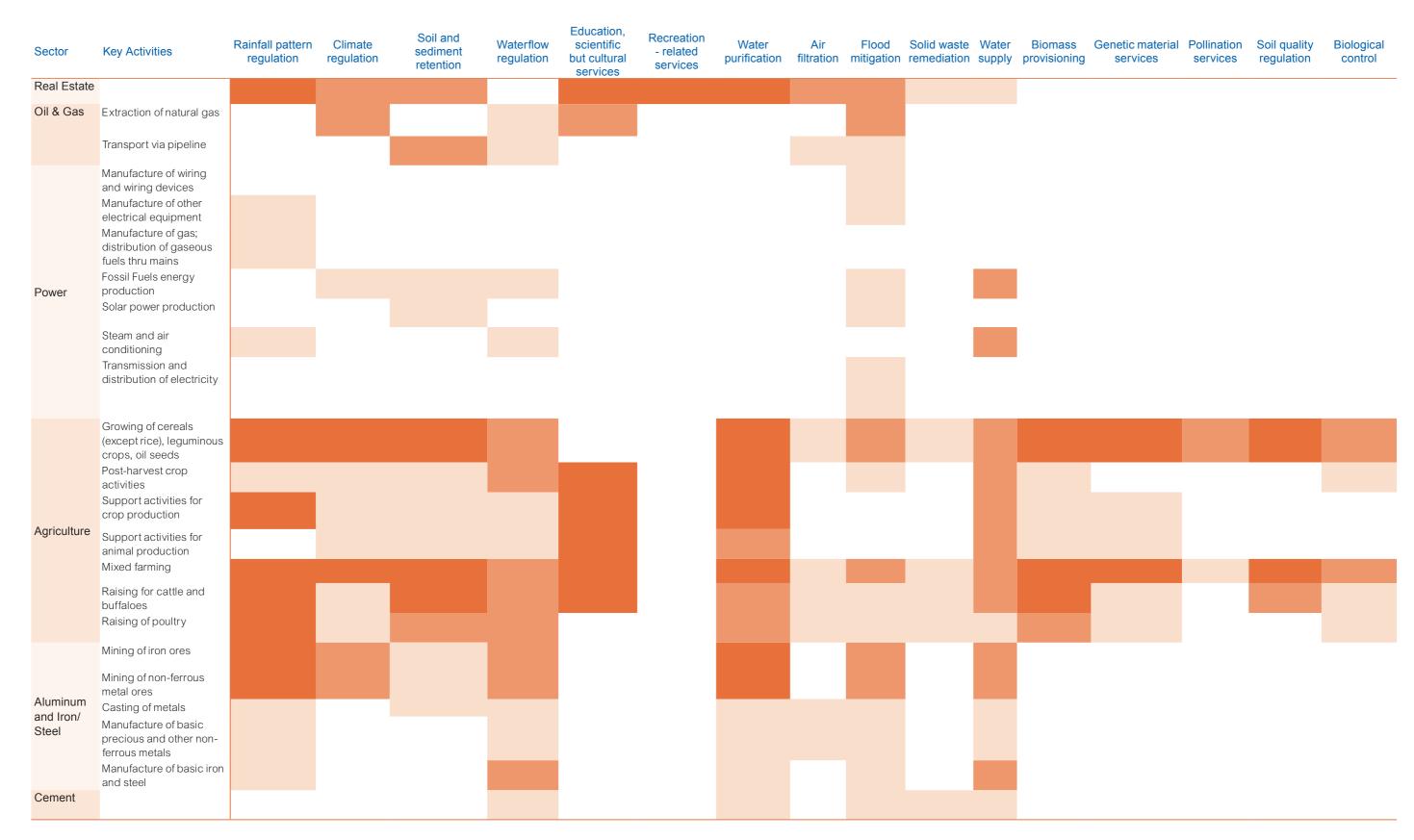
Water flow regulation -15 activities, primarily in agriculture and metal ore mining, were most dependent on regulating water flow.

Generating heat maps through the ENCORE database has enabled us to gain a preliminary view of the key drivers of nature loss and ecosystem service dependencies from the activities to which we are exposed. We will build on this analysis to further develop strategic nature-based metrics for our portfolio and inform our engagement approach with relevant stakeholders.



Finance

Dependency Heatmap





Annexure 1: Sustainability Key Performance Indicators

	2024	2023	2022
1.1. Cybersecurity & Data Protection			
Data Privacy			
Total Number of Data Breaches Recorded (#)	0	0	0
Card-related fraud			
Amount of fraudulent transaction activity (total value of account holder transactions refunded to account holders due to fraud) (TZS)	0	0	0
Training on data privacy and protection			
Percentage of employees formally trained on data privacy and protection (%)	100%	100%	100%
Cyber security Audit Capabilities			
Number of Internal Audit personel with Cyber security Audit Capabilities (#)	3	-	-
Whistleblowing cases			
Total number of whistleblowing cases filed in the reporting period (#)	18	35	121
Total number of whistleblowing cases addressed or resolved in the reporting period (#)	18	35	121
Percentage of whistleblowing cases that were substantiated (%)	28%	23%	17%
	2024	2023	2022
1.2. Financial Crimes, Anti-Bribery and Corruption			
Legal cases regarding corruption			
Number of public legal cases regarding corruption brought against the organisation or its employees during the reporting period (#)	0	0	0
Employee acknowledgement on Code of Conduct			
Percentage of workforce who have formally acknowledged compliance with the Employee Code of Conduct (%)	100%	100%	100%
Employee training on anti-corruption			
Percentage of workforce formally trained on the anti-corruption/bribery policy (%)	100%	100%	100%
Communication on anti-corruption policy to the Board			

Percentage of Board of Directors that the organisation's anti- corruption policies and procedures have been communicated to (%)	100%	100%	100%
Anti-corruption policies and procedures in the supply chain			
Percentage of business partners that the organisation's anti- corruption policies and procedures have been communicated to (%)	100%	100%	100%
	2024	2023	2022
1.3 Tax transparency			
Tax disclosures	0	0	0
Corporate income tax paid on cash basis	303,562	251,330	188,256
Total income tax expense (TZS Mn)	284,397	229,594	183,493
	2024	2023	2022
1.4 Human Rights	2024	2023	2022
Legal cases regarding Human Right Abuse			
Number of public legal cases regarding Human Right Abuse brought against the Bankn or its employees during the reporting period (#)	0	0	0
	2024	2023	2022
1.5 Corporate Governance, Compliance and Risk Management			
Composition of the Board of Directors			
Total number of Board of Directors (#)	9	8	8
Total number of independent Board members (#)	3	3	3
Total number of executive members of the Board (#)	6	5	5
Percentage of independent board members (%)	33%	38%	38%
Board composition by gender (%)			
Male	22%	0%	0%
Female	78%	100%	100%
Board composition by age group (%)			
Under 25 years	0%	0%	0%
25-34 years	0%	0%	18%
35-45 years	0%	13%	13%
Above 45 years	100%	88%	88%



Monetary losses as a result of non-ethical business practices			
Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations (TZS)	0	0	0
Employee training on AML			
Percentage of workforce formally trained on the AML (%)	100%	100%	100%
Legal cases regarding AML / Breach of Sunctions			
Number of public legal cases regarding AML/Breach of Sanctions brought against the bank or its employees during the reporting period (#)	0	0	0
Regulatory Fines			
Value of Fines imposed by regulatory bodies due to breach of regulatory requirements (TZS Mn)	0	0	0
Code of Conduct			
Percentage of Employees who have acknowledged and signed NMB's Code of Conduct (%)	100%	100%	100%
	2024	2023	2022
1.6 Sustainable Resource Management			
Water consumption			
Water consumption within the organisation (Megalitres)	113.19	80.28	96.62
Water intensity (m³/FTE)	16,726	11,872	13,540
Material waste generated			
Total waste generated (kg)	-	32,000	-
Total waste recycled (kg):	3,426		
Paper	192	-	-
Cardboard	278	-	-
Plastic	1	-	-
Other	45	-	-

Food waste	2,910	-	-
Green procurement and supply chain			
Spent on local suppliers			
Percentage of the procurement budget spent on local suppliers (%)	77%	78%	90%
	2024	2023	2022
1.7 Talent Management & Employee Welbeing			
Employees breakdown by contract	0	0	0
Total number of employees	5,204	4,617	4,208
Full-time employees	3,868	3,643	3,544
Part-time employees	1,336	974	664
Contractors/consultants	0	0	0
Workers who are not employees and whose work is controlled by the organization	0	0	0
Full time employees breakdown by gender			
Male	2,015	1,899	1,848
Female	1,853	1,744	1,696
Percentage of female employees (%)	48%	48%	48%



Finance

Total new hires (#)	88	53	49
New hires by age (#)			
Under 25 years	25	15	11
25-34 years	53	28	32
35-45 years	10	8	6
Over 45 years	0	2	0
New hires by gender (#)			
Male	62	32	36
Female	26	21	13
Employee engagement			
Organisational Health Index (OHI) survey score	-	80	80
Employee response rate (%)	-	88%	88%
Total Training hours (breakdown)			
Total training hours (#)	186,557	172,767	123,193
By Gender			
Male	96,591	102,774	74,858
Female	89,966	69,993	48,335
By Employee Category			
Senior and Executive management	189	555	224
Middle management	51,422	52,339	45,122
Non-management	134,946	119,973	77,847
Average hours per employee\ (breakdown)			
Total training hours (#)	29	27	31
By Gender			
Male	31	28	35
Female	27	25	27
By Employee Category			
Senior and Executive management	24	25	11
Middle management	63	36	54
Non-management	24	26	26
eLearning hours for staff			
Total eLearning hours provided for all staff (number)	16,985	10,822	15,158

Training expenditure			
Total training expenditure (TZS 'Mn)	5,581	5,674	3,900
Training expenditure per employee (TZS 'Mn/FTE)	1.44	1.56	1.10
Performance reviews			
Total employees who received a regular performance	100%	100%	100%
and career development review during the reporting period (%)			
Performance reviews by Employee Category (%)			
Senior and Executive management	100%	100%	100%
Middle management	100%	100%	100%
Non-management	100%	100%	100%
Performance reviews by Gender(%)			
Male	100%	100%	100%
Female	100%	100%	100%
Equality, diversity and inclusion			
Parental leave			
Female employees that took maternity leave (#)	178	184	180
Female employees who returned to work after maternity leave ended (#)	178	184	180
Female employees returned from maternity leave who were	178	184	180
still employed twelve months after returning to work (retention) (#)			
Return to work rate (%)	100%	100%	100%
Retention rate (%)	100%	100%	100%
Employee diversity			
Employees by age (%)			
Under 25 years	6%	3%	2%
25-34 years	52%	51%	50%
35-45 years	35%	38%	38%
Over 45 years	7%	8%	10%
Employee by gender (%)			
Male	52%	52%	52%
Female	48%	48%	48%

Heads of Departments (%)			
Male	70%	71%	68%
Female	30%	29%	32%
Senior and executive level (%)			
Male	69%	69%	75%
Female	31%	31%	25%
People with disabilities			
Total number of people with disabilities employed (#)	11	12	13
Wages and benefits	005.050	007.000	000.000
Total salaries and benefits paid to employees (TZS 'Mn)	335,656	297,923	266,296
	2024	2023	2022
2.1 Financial Inclusion			
Accounts to unbanked or underbanked customers			
Total number of no-cost retail checking accounts provided to	1,540,000	1,200,000	1,000,000
previously unbanked or underbanked customers (#)			
Financial literacy			
Number of participants in financial literacy initiatives ('#)	690,000	659,000	507,000
	333,333	000,000	001,000
Loans to promote small business (MSME)			
Number of loans - Small Business (#)	14,343	13,136	13,082
Value of net loans - Small Business (TZS Mn)	401,500	415,606	364,683
Percentage of total lending to small business (%)	5%	5%	6%
Percentage of revenues from lending to small business (%)	-	5%	5%
Digital & Innovation			
Digital channels for customer engagement			
Number of internet banking subscribers (#)	594,483	619,835	678,177
Number of mobile banking app subscribers (#)	753,249	985,965	1,382,360
Digital transactions			
0/ of Patail austamars digital transactions	96%	96%	94%
% of Retail customers digital transactions	0070		

	2024	2023	2022
2.2 Customer experience			
NPS scores recorded by NMB	59	59	N/A
Personal Banking NPS	54	54	N/A
Private Banking NPS	60	57	N/A
Corporate Banking NPS	-	-	N/A
SME Banking NPS	62	66	N/A
Customer satisfaction scores recorded by NMB	89	87	N/A
Personal Banking CSAT	88	87	N/A
Private Banking CSAT	89	86	N/A
Corporate Banking CSAT	87	-	N/A
SME Banking CSAT	91	88	N/A
Customer complaints			
Total number of customer complaints recorded (#)	314,753	314,753	205,397
Total number of complaints recorded per 1,000 customers (#)	89	66	48
	2024	2023	2022
2.3 Community Investments	2024	2023	2022
2.3 Community Investments Direct community investments	2024	2023	2022
•	5.42	6.29	2.90
Direct community investments			
Direct community investments Total direct community investments (TZS Billion)	5.42	6.29	2.90
Direct community investments Total direct community investments (TZS Billion)	5.42 1%	6.29 1%	2.90
Direct community investments Total direct community investments (TZS Billion) Community investments as a percentage of PAT (%)	5.42 1%	6.29 1%	2.90
Direct community investments Total direct community investments (TZS Billion) Community investments as a percentage of PAT (%) Greenhouse Gas (GHG) emissions	5.42 1% 2024	6.29 1% 2023	2.90 1% 2022
Direct community investments Total direct community investments (TZS Billion) Community investments as a percentage of PAT (%) Greenhouse Gas (GHG) emissions GHG emissions intensity (tCO2e/FTE)	5.42 1% 2024 6.16	6.29 1% 2023	2.90 1% 2022
Direct community investments Total direct community investments (TZS Billion) Community investments as a percentage of PAT (%) Greenhouse Gas (GHG) emissions GHG emissions intensity (tCO2e/FTE) Total GHG emissions (tCO2e)	5.42 1% 2024 6.16 23,820	6.29 1% 2023 4 14,811	2.90 1% 2022
Direct community investments Total direct community investments (TZS Billion) Community investments as a percentage of PAT (%) Greenhouse Gas (GHG) emissions GHG emissions intensity (tCO2e/FTE) Total GHG emissions (tCO2e) Scope 1 (tCO2e)	5.42 1% 2024 6.16 23,820 5,638	6.29 1% 2023 4 14,811 9,587	2.90 1% 2022
Direct community investments Total direct community investments (TZS Billion) Community investments as a percentage of PAT (%) Greenhouse Gas (GHG) emissions GHG emissions intensity (tCO2e/FTE) Total GHG emissions (tCO2e) Scope 1 (tCO2e) Scope 2 (tCO2e)	5.42 1% 2024 6.16 23,820 5,638 7,580	6.29 1% 2023 4 14,811 9,587 3,784	2.90 1% 2022 0 0
Direct community investments Total direct community investments (TZS Billion) Community investments as a percentage of PAT (%) Greenhouse Gas (GHG) emissions GHG emissions intensity (tCO2e/FTE) Total GHG emissions (tCO2e) Scope 1 (tCO2e) Scope 2 (tCO2e) Scope 3 (tCO2e)	5.42 1% 2024 6.16 23,820 5,638 7,580 10,602	6.29 1% 2023 4 14,811 9,587 3,784	2.90 1% 2022 0 0
Direct community investments Total direct community investments (TZS Billion) Community investments as a percentage of PAT (%) Greenhouse Gas (GHG) emissions GHG emissions intensity (tCO2e/FTE) Total GHG emissions (tCO2e) Scope 1 (tCO2e) Scope 2 (tCO2e) Scope 3 (tCO2e) Purchased Goods	5.42 1% 2024 6.16 23,820 5,638 7,580 10,602 2,394	6.29 1% 2023 4 14,811 9,587 3,784	2.90 1% 2022 0 0
Direct community investments Total direct community investments (TZS Billion) Community investments as a percentage of PAT (%) Greenhouse Gas (GHG) emissions GHG emissions intensity (tCO2e/FTE) Total GHG emissions (tCO2e) Scope 1 (tCO2e) Scope 2 (tCO2e) Scope 3 (tCO2e) Purchased Goods Capital Goods	5.42 1% 2024 6.16 23,820 5,638 7,580 10,602 2,394 2,781	6.29 1% 2023 4 14,811 9,587 3,784 1,440	2.90 1% 2022 0 0

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Annexure 2: SASB Index

The following index supplements NMB's 2024 Sustainability Report. The disclosures herein align with the Sustainability Accounting Standards Board (SASB) sector standards relevant to our business, specifically those applicable to the Commercial Banks and Consumer Finance sectors. Responses adhere to SASB's Industry Standards Version 2023-12. Unless otherwise indicated, all data and descriptions pertain to the entire bank as of or for the year ending December 31, 2024, and encompass our complete operations as of the close of each indicated reporting year.

Certain information recommended by the SASB framework has not been disclosed due to its (i) privileged or confidential nature, (ii) proprietary status, or (iii) the fact that it is not currently collected per the related SASB metric. This index is not intended to be exhaustive and should, therefore, be reviewed in conjunction with the other referenced documents and resources provided.

TOPIC	SASB METRIC	SASB CODE	DATA AND NARRATIVE RESPONSE
Data Security	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	FN-CB-230a.1 FN-CF-230a.1	Any material cybersecurity incidents that occur during the reporting period will be disclosed in the Annual Financial Report as per all applicable regulatory requirements. # of Data Breaches 0 % Involving PII 0% # Of Account holder 0
			Affected
	Card-related fraud losses from (1) card- not-present fraud and (2) card-present and other	FN-CF-230a.2	NMB Bank does not have any monetary losses associated with card fraud.
	Description of approach to identifying and addressing data security risks	ying and FN-CB-230a.2 Our Information Security Progression Security Prog	
			We leverage the latest security technologies to safeguard our systems, devices, and connections to other third parties. This includes physical, technical, and administrative controls. We also conduct regular tests and have systems in place to promptly identify and resolve security threats.
			We further vet the security capabilities and controls of third-party vendors, as required, through our third-party management process to mitigate the risk of data breaches affecting vendors' information systems.
			We also adhere to all data security and privacy laws, and we have contingency plans in place to address data potential data breaches.

Consumer Privacy	Number of account holders whose information is used for secondary purposes	FN-CF-220a.1	0
	Description of the Bank policies and practices regarding the manner in which it discloses the use of customer data for third-party use	FN-CF-220a.2	NMB does not share client data with non-affiliated third parties.
	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	FN-CF-220a.2	TZS 0.0
	Description of the nature, context, and any corrective actions taken as a result of the monetary losses		NMB Bank does not have any monetary losses associated with client privacy.
Financial Inclusion & Capacity Building	Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	FN-CB-240a.1	See page 230 of the NMB Integrated Annual Report 2024
	(1) Number and (2) amount of past due and non-accrual loans qualified to programs designed to promote small business and community development	FN-CB-240a.2	See page 230 of the NMB Integrated Annual Report 2024
	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	FN-CB-240a.3	Total number of new Customer accounts opened 1,540,000
	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	FN-CB-240a.4	NMB engages with community members to promote financial literacy. In 2024, we offered financial literacy classes, career resources, staff support, and other annual donations to local students. See page 229 of the NMB Integrated Annual Report 2024
Incorporation of Environmental, Social and Governance Factors in Credit Analysis	Commercial and industrial credit exposure by industry	FN-CB-410a.1	Loans by Sector 1. Manufacturing TZS 321 Billion 2. Trading and Commercial TZS 100 Billion 3. Transport & Communication TZS 179 Billion 4. Trading TZS 690 Billion 5. Agriculture TZS 970 Billion 6. Individuals TZS 5,237 Billion 7. Other TZS 1,001 Billion
	Description of approach to incorporation of environmental, social and governance (ESG) factors in credit analysis	FN-CB-410a.2	We are actively enhancing our approach by integrating climate risk factors into our credit analyses to address environmental risks and challenges. Environmental considerations have always been a part of our credit decision-making process, which includes assessing collateral related to hazardous materials and keeping an eye on regions that may face heightened risks from natural disasters, particularly those influenced by climate change.

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Business Ethics	The total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice or other related financial industry laws or regulations	FN-CB-510a.1	Any material losses incurred during the reporting period will be disclosed in our annual report in accordance with applicable accounting standards and regulatory requirements.
	Description of whistleblower policies and procedures	FN-CB-510a.2	NMB Bank is committed to upholding the highest standards of ethical conduct and transparency. Our complaints and whistleblower policies are designed to facilitate the confidential and anonymous reporting of concerns regarding potential misconduct or irregularities without fear of reprisal. Reporting Mechanisms
			Individuals who wish to report concerns regarding accounting practices, internal accounting controls, potential fraud, or auditing matters may do so through the following channels:
			Directly to NMB Bank: o Email: whistleblowing@nmbbank. co.tz o Toll-Free Hotline: 0800751000
			To Our Independent Service
			Provider, Whistleblowers Pty (Ltd):
			o Toll-Free Number: 0800120078 o Email: nmbbank@whistleblowing. co.za o Website: www.whistleblowing. co.za
			o Mobile App: Whistle Blowers App (available on Play Store/App Store) o WhatsApp Chatbot: +27 31 308 4664 o Postal Address: PO Box 51006
			Musgrave, South Africa, 4062
			NMB Bank strictly prohibits any form of retaliation against individuals who, in good faith, report suspected violations. All reports are handled with the utmost confidentiality and thoroughly investigated.
Systematic Risk Management	Global Systemically Important Bank (G-SIB) score by category	FN-CB-550a.1	According to the Basel Committee on Banking Supervision's assessment methodology, NMB Bank is not considered to be a Global Systemically Important Bank (G-SIB) and, accordingly, does not have a G-SIB score.

Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy and other business activities Proceeding Procedure Procedure				
Activity Metrics (1) Number and (2) value of checking and savings accounts by segment (a) personal and (b) small business (c) Corporate Number of unique consumers with an active (1) credit card account Number of (1) credit card accounts and (2) prepaid debit card accounts and financial forecasting. Stress testing, including scenario analysis and sensitivity analysis, is a key tool that informs the calibration of the Bank's risk tolerances, provides insights into the Annual Strategy Review and Business Planning process, and tests whether NMB's strategy remains and is forecast to remain in line with its risk appetite. FN-CB-000.A See Page 230 of the NMB Integrated Annual Report 2024 FN-CB-000.B See Page 230 of the NMB Integrated Annual Report 2024 FN-CF-000.A Not Disclosed		of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy	FN-CB-550a.2	stress test, as well as specific stress tests for market, credit, liquidity, and capital, in accordance with the Bank of Tanzania's Guidelines on Stress Testing for Banking and Financial
and savings accounts by segment: (a) personal and (b) small business (1) Number and (2) value of loans by segment: (a) personal and (b) small business (c) Corporate Number of unique consumers with an active (1) credit card account and (2) prepaid debit card account Number of (1) credit card accounts and FN-CF-000.B Annual Report 2024 FN-CB-000.B See Page 230 of the NMB Integrated Annual Report 2024 FN-CF-000.B Not Disclosed				NMB's risk management framework, integrated with its strategy review and financial forecasting. Stress testing, including scenario analysis and sensitivity analysis, is a key tool that informs the calibration of the Bank's risk tolerances, provides insights into the Annual Strategy Review and Business Planning process, and tests whether NMB's strategy remains and is forecast to remain in line with its risk
segment (a) personal and (b) small business (c) Corporate Number of unique consumers with an active (1) credit card account and (2) prepaid debit card account Number of (1) credit card accounts and FN-CF-000.B Not Disclosed	Activity Metrics	and savings accounts by segment (a)	FN-CB-000.A	•
active (1) credit card account and (2) prepaid debit card account Number of (1) credit card accounts and FN-CF-000.B Not Disclosed		segment (a) personal and (b) small	FN-CB-000.B	•
		active (1) credit card account and (2) pre-	FN-CF-000.A	Not Disclosed
(2) preparu debit card accounts		Number of (1) credit card accounts and (2) prepaid debit card accounts	FN-CF-000.B	Not Disclosed

Annexure 3: DSE Sustainability Index

Topic	DSE Indicator and disclosure	Reference to report page number		
General	Sustainability policy and goals, including milestones, plans for	Page 15 - 24		
	achieving goals, and long-term aspirations;			
	Corporate accountability and seniority of decision-making on	Page 29 - 45		
	sustainability issues;			
	Corporate stance on bribery and corruption;	Page 30, 54, 66, 68		
	Assessment of sustainability impacts, risks, or opportunities;	Page 48 - 58		
	Risk management policies and processes arising from	Page 61, see page 74 - 78, 116 -		
	environmental and social concerns;	131 of the NMB Integrated Annual		
	Relevant laws, regulations, international agreements, or voluntary	Not Applicable		
	agreements with strategic significance to the organisation and			
	its stakeholders,including fines, sanctions, prosecution, and			
	accidents for non-compliance with environmental laws and			
	regulation.			
	Issues and future challenges for the specific industry sector that	Page 16, 21		
	the Company operates in as observed by peers and competitors;			
Environmental	Climate change disclosures e.g. business or legal developments	Page 8, 97 - 103		
	related to climate change mitigation or adaptation that may have			
	an impact on the organisation			
	Biodiversity management	Page 105 - 113		
	Environmental management systems	Page 92		
Social	Labour practices and relations i.e., number of female staff in senior positions	Page 69 - 73		
	Diversity and inclusion of minority shareholders and women on	See page 188 of the NMB		
	the Board of Directors	Integrated Annual Report 2024		
	Programs and practices that assess and manage the impacts of	Page 64, 66, 68		
	operations on communities			
	Product responsibility policy and practices	Not reported		

Annexure 4: GRI Index

Response to the mandatory GRI 2024 disclosures is provided as follows:

Disclosure Type		Requirement	Report Section, Disclosure or Other Documentation
The Organization and i	ts r	eporting practices	
2-1 Organisational details	а	Legal name	Page 8
	b	Nature of ownership and legal form	Page 8, 10
	С	Location of the headquarters	Page 10
	d	Countries of operation	Page 10
2-2 Entities included	а	Entities included in its sustainability reporting	Page 8
in the organisations sustainability report	b	If the organization has audited consolidated financial statements or financial information filed on public record, specifying the differences between entities included in financial reporting	Refer to 2024 NMB Integrated Annual Report
	С	If the organization consists of multiple entities, explain the approach used for consolidating information, including: If the approach involves adjustments to information for minority interests. How the approach takes into account mergers, acquisitions, and disposal of entities or parts of entities. Whether and how the approach differs across the disclosures in this Standard and across material topics.	Refer to 2024 NMB Integrated Annual Report
2-3 Reporting period, frequency and contact point	а	Reporting period for, and the frequency of sustainability reporting	Page 8
point	b	Reporting period for financial reporting and, if not align to the sustainability reporting period, explain why.	Page 8
	С	Publication date of the report or reported information	Page 8
	d	Contact point for questions about the report or reported information.	Page 10
2-4 Restatements of information	а	Restatements of information made from previous reporting periods explaining reasons for the restatements.	Not applicable

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2-5 External assurance	а	Describe policy and practice for seeking external assurance, including whether and how the highest governance body and senior executives are involved.	Not available
	b	If the sustainability report is externally assured:	Not available
		 provide a link or reference to the external assurance report(s) or assurance statement(s). 	
		 describe what has been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process. 	
		 describe the relationship between the organization and the assurance provider. 	
Activities and Workers	5		
Act 2-6 Activities, value chain and other business relationships	а	Report the sector(s) in which the entity is active	Page 8 & refer to 2024 NMB Integrated Annual Report
	b	Describe its value chain, including:	Page 8
		 the organization's activities, products, services, and markets served. 	
		· the organization's supply chain.	
		 the entities downstream from the organization and their activities. 	
	С	Report other relevant business relationships;	Page 13
	d	Describe significant changes in 2-6-a, 2-6-b, and 2-6-c compared to the previous reporting period.	Not available
2-7 Employees	а	Report total number of employees, breakdown of total by gender and by region.	Page 73
	b	Report the total number of:	Page 119 - 122
		· permanent employees, and a breakdown by gender and by region.	
		 temporary employees, and a breakdown by gender and by region. 	
		 non-guaranteed hours employees, and a breakdown by gender and by region. 	
		 full-time employees, and a breakdown by gender and by region. 	
		 part-time employees, and a breakdown by gender and by region. 	
	С	Describe the methodologies and assumptions used to compile the data, including whether the numbers are reported:	N/A
		 In head count, full-time equivalent (FTE), or using another methodology. 	
		At the end of the reporting period, as an average across the reporting period, or using another methodology.	
	d	Report contextual information necessary to understand the data reported under 2-7-a and 2-7-b.	Page 31 - 36
	е	Describe significant fluctuations in the number of employees during the reporting period and between reporting periods.	Not available

2-8 Workers who are not employees	а	Report the total number of workers who are not employees and whose work is controlled by the organization and describe: The most common types of worker and their contractual	Page 119
		relationship with the organization.	
	b	The type of work they perform. Describe the methodologies and assumptions used to compile the data, including whether the number of workers who are not employees is reported:	Not available
		 In head count, full-time equivalent (FTE), or using another methodology. 	
		At the end of the reporting period, as an average across the reporting period, or using another methodology.	
	С	Describe significant fluctuations in the number of workers who are not employees during the reporting period and between reporting periods.	Page 119
Governance			
2-9 Governance structure and composition	а	Describe the governance structure, including committees of the highest governance body.	Page 29 - 31
	b	List the committees of the highest governance body that are responsible for decision- making on and overseeing the management of the organization's impacts on the economy, environment, and people.	Page 32 - 36
	С	Describe the composition of the highest governance body and its committees by:	See page 147, 242 - 251 of the NMB Integrated Annual Report
		Independence,	2024
		tenure of members on the governance body,	Page 30 - 31
		 number of other significant positions and commitments held by each member, and the nature of the commitments. 	
		· gender,	See page 192 - 200 of the NME Integrated Annual Report 2024
		under-represented social groups,	
		competencies relevant to the impacts of the organization,	
		· stakeholder representation.	
2-10 Nomination and selection of the highest governance body	а	Describe the nomination and selection processes for the highest governance body and its committees.	See page 118 of the NMB Integrated Annual Report 2024
	b	Describe the criteria used for nominating and selecting highest governance body members, including whether and how the following are taken into consideration:	See page 118 of the NMB Integrated Annual Report 2024
		· Views of stakeholders (including shareholders),	
		· Diversity,	
		· Independence,	
		 Competencies relevant to the impacts of the organization. 	

	а	Is the chair of the highest governance body also a senior executive in the organization.	Not applicable
	b	If the chair is also a senior executive, explain their function within the organization's management, the reasons for this arrangement, and how conflicts of interest are prevented and mitigated.	Not applicable
	а	Describe the role of the highest governance body and of senior executives in developing, approving, and updating the organization's purpose, value or mission statements, strategies, policies, and goals related to sustainable development.	Page 32 - 36
	b	Describe the role of the highest governance body in overseeing the organization's due diligence and other processes to identify and manage the organization's impacts on the economy, environment, and people, including: · Whether and how the highest governance body engages with stakeholders to support these processes. · How the highest governance body considers the outcomes of these processes.	Page 32 - 36
	С	Describe the role of the highest governance body in reviewing the effectiveness of the organization's processes as described in 2-12-b, and report the frequency of this review.	Page 36 - 37
2-13 Delegation of responsibility for managing impacts	а	Describe how the highest governance body delegates responsibility for managing the organization's impacts on the economy, environment, and people, including: Whether it has appointed any senior executives with responsibility for the management of impacts. Whether it has delegated responsibility for the management of impacts to other employees.	Page 32 - 36
	b	Describe the process and frequency for senior executives or other employees to report back to the highest governance body on the management of the organization's impacts on the economy, environment, and people.	Page 32 - 36
2-14 Role of the highest governance body in sustainability reporting	а	Report whether the highest governance body is responsible for reviewing and approving the reported information, including the organization's material topics, and if so, describe the process for reviewing and approving the information;	See page 195 -196 of the NMB Integrated Annual Report 2024
	b	If the highest governance body is not responsible for reviewing and approving the reported information, including the organization's material topics, explain the reason for this.	Not applicable

2-15 Conflicts of interest	а	Describe the processes for the highest governance body to ensure that conflicts of interest are prevented and mitigated;	Page 34 - 35, 68
	b	Report whether conflicts of interest are disclosed to stakeholders, including, at a minimum, conflicts of interest relating to: Cross-board membership. Cross-shareholding with suppliers and other stakeholders. Existence of controlling shareholders. Related parties, their relationships, transactions, and outstanding balances.	Page 35, 68 See page 194 of the NMB Integrated Annual Report 2024
2-16 Communication of critical concerns	а	Describe whether and how critical concerns are communicated to the highest governance body.	Page 37
	b	Report the total number and the nature of critical concerns that were communicated to the highest governance body during the reporting period.	Page 37
2-17 Collective knowledge of the highest governance body	а	Report measures taken to advance the collective knowledge, skills, and experience of the highest governance body on sustainable development.	See page 189 of the NMB Integrated Annual Report 2024, Page 37 - 38
2-18 Evaluation of the performance of the highest governance body	а	Describe the processes for evaluating the performance of the highest governance body in overseeing the management of the organization's impacts on the economy, environment, and people.	Page 38 - 39
	b	Report whether the evaluations are independent or not, and the frequency of the evaluations.	Page 38 - 39
	С	Describe actions taken in response to the evaluations, including changes to the composition of the highest governance body and organizational practices.	Page 39
2-19 Remuneration policies	а	Describe the remuneration policies for members of the highest governance body and senior executives, including: Fixed pay and variable pay. Sign-on bonuses or recruitment incentive payments. Termination payments. Claw backs. Retirement benefits.	See page 193, 234 of the NMB Integrated Annual Report 2024
	b	Describe how the remuneration policies for members of the highest governance body and senior executives relate to their objectives and performance in relation to the management of the organization's impacts on the economy, environment, and people.	Not available

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2-20 Process	а	Describe the process for designing its remuneration policies and	See page 193 of the NMB
of determining		for determining remuneration, including:	Integrated Annual Report 2024
remuneration		 Whether independent highest governance body members or an independent remuneration committee oversees the process for determining remuneration. 	
		 How the views of stakeholders (including shareholders) regarding remuneration are sought and taken into consideration. 	
		 Whether remuneration consultants are involved in determining remuneration and, if so, whether they are independent of the organization, its highest governance body and senior executives. 	
	b	Report the results of votes of stakeholders (including shareholders) on remuneration policies and proposals, if applicable.	Not applicable
2-21 Annual total compensation ratio	а	Report the ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual).	Not reported
	b	Report the ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual).	Notreported
	С	Report contextual information necessary to understand the data and how the data has been compiled.	Not reported
Strategy, Policies	and	practices	
2-22 Statement on sustainable development strategy	а	Report a statement from the highest governance body or most senior executive of the organization about the relevance of sustainable development to the organization and its strategy for contributing to sustainable development.	Page 16 - 21

2-23 Policy Commitments	а	Describe its policy commitments for responsible business conduct, including:	Page 64, 68
		 The authoritative intergovernmental instruments that the commitments reference. 	
		 Whether the commitments stipulate conducting due diligence. 	
		 Whether the commitments stipulate applying the precautionary principle. 	
		· Whether the commitments stipulate respecting human rights.	
	b	Describe the specific policy commitment to respect human rights, including:	Page 50, 66
		 The internationally recognized human rights that the commitment covers. 	
		 The categories of stakeholders, including at-risk or vulnerable groups, that the organization gives particular attention to in the commitment. 	
	С	Provide links to the policy commitments if publicly available, or, if the policy commitments are not publicly available, explain the reason for this.	Not reported
	d	Report the level at which each of the policy commitments was approved within the organization, including whether this is the most senior level.	Page 32 - 36
	е	Report the extent to which the policy commitments apply to the organization's activities and to its business relationships.	Page 32 - 36
	f	Describe how the policy commitments are communicated to workers, business partners, and other relevant parties.	Page 47
2-24 Embedding policy commitments	а	Describe how it embeds each of its policy commitments for responsible business conduct throughout its activities and business relationships, including: How it allocates responsibility to implement the commitments	Page 64, 66, 67, 68 - 72
		across different levels within the organization.	
		 How it integrates the commitments into organizational strategies, operational policies, and operational procedures. 	
		 How it implements its commitments with and through its business relationships. 	
		 Training that the organization provides on implementing the commitments. 	

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Strategy, Policies at 2-25 Processes to	а	Describe the commitment to provide for or cooperate in	Not available
remediate negative impacts	а	the remediation of negative impacts that the organization identifies it has caused or contributed to.	TNOT a valiable
	b	Describe its approach to identify and address grievances, including the grievance mechanisms that the organization has established or participates in.	Page 72
	С	Describe other processes by which the organization provides for or cooperates in the remediation of negative impacts that it identifies it has caused or contributed to.	Not available
	d	Describe how the stakeholders who are the intended users of the grievance mechanisms are involved in the design, review, operation, and improvement of these mechanisms.	Not available
	е	Describe how the organization tracks the effectiveness of the grievance mechanisms and other remediation processes, and report examples of their effectiveness, including stakeholder feedback.	Page 72
2-26 Mechanisms for seeking advice and raising concerns	а	Seek advice on implementing the organization's policies and practices for responsible business conduct. Raise concerns about the organization's business conduct.	Page 35, 41, 59
2-27 Compliance with laws and regulations	а	Report the total number of significant instances of non- compliance with laws and regulations during the reporting period, and a breakdown of this total by: Instances for which fines were incurred. Instances for which non-monetary sanctions were incurred.	Not available
	b	Report the total number and the monetary value of fines for instances of non- compliance with laws and regulations that were paid during the reporting period, and a breakdown of this total by: Fines for instances of non-compliance with laws and regulations that occurred in the current reporting period. Fines for instances of non-compliance with laws and regulations that occurred in previous reporting periods.	Not available
	С	Describe the significant instances of non-compliance.	Not available
	d	Describe how it has determined significant instances of non-compliance.	Not available

Stakeholder enga	Stakeholder engagement		
2-28 Membership associations	а	Report industry associations, other membership associations, and national or international advocacy organizations in which it participates in a significant role.	Not reported
2-29 Approach to stakeholder engagement	a	Describe its approach to engaging with stakeholders, including: The categories of stakeholders it engages with, and how they are identified. The purpose of the stakeholder engagement. How the organization seeks to ensure meaningful engagement with stakeholders.	Page 46 - 47
2-30 Collective bargaining arrangements	а	Report the percentage of total employees covered by collective bargaining agreements.	Not reported
	b	For employees not covered by collective bargaining agreements, report whether the organization determines their working conditions and terms of employment based on collective bargaining agreements that cover its other employees or based on collective bargaining agreements from other organizations.	Not available

Based on the list of non-mandatory GRI disclosures NMB Bank has determined the following to be material to report against. In the absence of sector specific guidelines which are still in development this list is based on the GRI

Economic		
	GRI 201: Economic Performance	
	Management approach disclosures	Page 8
	2. Topic-specific disclosures	Page 8
	Disclosure 201-1 Direct economic value generated and distributed	Page 22 & See page 16 - 25 of the NMB Integrated Annual Report 2024
	Disclosure 201-2 Financial implications and other risks and opportunities due to climate change	Not applicable
	Disclosure 201-3 Defined benefit plan obligations and other retirement plans	See pages 141, 277 - 278 of the NMB Integrated Annual Report 2024
	Disclosure 201-4 Financial assistance received from government	Not available
	GRI 202: Market Presence	
	Management approach disclosures	Page 8

	0. T	
	2. Topic-specific disclosures	
	Disclosure 202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Not available
	Disclosure 202-2 Proportion of senior management hired from the local community	Page 30, 31
	GRI 203: Indirect Economic Impacts	
	Management approach disclosures	Page 8
	2. Topic-specific disclosures	
	Disclosure 203-1 Infrastructure investments and services supported	See page 76, 210 of the NMB Integrated Annual Report 2024
	Disclosure 203-2 Significant indirect economic impacts	Page 118 - 119, see page 215 - 216, 229 - 232 of the NMB Integrated Annual Report 2024
	GRI 204: Procurement Practices	
	Management approach disclosures	Page 84
	2. Topic-specific disclosures	
	Disclosure 204-1 Proportion of spending on local suppliers	Page 84
	GRI 205: Anti-corruption	
	1. Management approach disclosures	Page 50, 54, 66
	2. Topic-specific disclosures	
	Disclosure 205-1 Operations assessed for risks related to corruption	Not reported
	Disclosure 205-2 Communication and training about anti- corruption policies and procedures	Page 116
	Disclosure 205-3 Confirmed incidents of corruption and actions taken	Page 117
Economic		
	GRI 206: Anti-competitive Behaviour	
	Management approach disclosures	Not available
	2. Topic-specific disclosures	
	Disclosure 206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Not available
	GRI 207: Tax	
	Management approach disclosures	Page 68
	2. Topic-specific disclosures	

	Disclosure 207-1 Approach to tax	Page 68
	Disclosure 207-2 Tax governance, control, and risk management	Page 68
	Disclosure 207-3 Stakeholder engagement and management of concerns related	Page 46 - 47
Environmental		
	GRI 301: Materials	
	Management approach disclosures	Not applicable
	2. Topic-specific disclosures	
	Disclosure 301-1 Materials used by weight or volume	Not applicable
	Disclosure 301-2 Recycled input materials used	Page 119
	Disclosure 301-3 Reclaimed products and their packaging materials	Not available
	GRI 302: Energy	
	1. Management approach disclosures	Not applicable
	2. Topic-specific disclosures	
	Disclosure 302-1 Energy consumption within the organization	Page 66,
	Disclosure 302-2 Energy consumption outside of the organization	Not available
	Disclosure 302-3 Energy intensity	Not applicable
	Disclosure 302-4 Reduction of energy consumption	Not applicable
	Disclosure 302-5 Reductions in energy requirements of products and services	
	GRI 303: Water and Effluents	
	1. Management approach disclosures	Not applicable
	Disclosure 303-1 Interactions with water as a shared resource	Not available
	Disclosure 303-2 Management of water discharge-related impacts	Not applicable
	2. Topic-specific disclosures	
	Disclosure 303-3 Water withdrawal	Not applicable
	Disclosure 303-4 Water discharge	Not applicable
	Disclosure 303-5 Water consumption	Page 119

Environmental		
	GRI 304: Biodiversity	
	Management approach disclosures	Page 105
	2. Topic-specific disclosures	
	Disclosure 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not available
	Disclosure 304-2 Significant impacts of activities, products, and services on biodiversity	Not available
	Disclosure 304-3 Habitats protected or restored	Not available
	Disclosure 304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not available
	GRI 305: Emissions	
	Management approach disclosures	Page 20, see page 40 - 43 of the NMB Integrated Annual Report 2024
	2. Topic-specific disclosures	Not applicable
	Disclosure 305-1 Direct (Scope 1) GHG emissions	Page 101
	Disclosure 305-2 Energy indirect (Scope 2) GHG emissions	Page 101
	Disclosure 305-3 Other indirect (Scope 3) GHG emissions	Page 101
	Disclosure 305-4 GHG emissions intensity	Page 118
	Disclosure 305-5 Reduction of GHG emissions	Not applicable
	Disclosure 305-6 Emissions of ozone-depleting substances (ODS)	Not applicable
	Disclosure 305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Not applicable
	GRI 306: Effluents and Waste	
	Management approach disclosures	Not available
	2. Topic-specific disclosures	
	Disclosure 306-1 Water discharge by quality and destination	Not available
	Disclosure 306-2 Waste by type and disposal method	Not available
	Disclosure 306-3 Significant spills	Not available
	Disclosure 306-4 Transport of hazardous waste	Not available

	Disclosure 306-5 Water bodies affected by water discharges and/or runoff	Not available
Environmental		
	GRI 307: Environmental Compliance	
	Management approach disclosures	Not available
	Topic-specific disclosures	
	Disclosure 307-1 Non-compliance with environmental	Not available
	laws and regulations	
	GRI 308: Supplier Environmental Assessment	
	Management approach disclosures	Not applicable
	2. Topic-specific disclosures	
	Disclosure 308-1 New suppliers that were screened	
	using environmental criteria	
	Disclosure 308-2 Negative environmental impacts in the supply chain and actions taken	
Social		
	GRI 401: Employment	
	Management approach disclosures	See page 42, 86 - 90 of the NMB Integrated Annual Report 2024
	2. Topic-specific disclosures	
	Disclosure 401-1 New employee hires and employee turnover	Page 120
	Disclosure 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Not reported
	Disclosure 401-3 Parental leave	Page 121
	GRI 402: Labour/Management Relations	
	Management approach disclosures	Page 47, 69 - 73, See page 86 90 of the NMB Integrated Annual Report 2024
	2. Topic-specific disclosures	
	Disclosure 402-1 Minimum notice periods regarding operational changes	Not available
	GRI 403: Occupational Health and Safety	
	Scope of 'workers' in this Standard	
	Management approach disclosures	Page 72
	Disclosure 403-1 Occupational health and safety management system	Not available
	Disclosure 403-2 Hazard identification, risk assessment, and incident investigation	Not reported
	Disclosure 403-3 Occupational health services	Page 72
	Disclosure 403-4 Worker participation, consultation, and communication on occupational health and safety	Not reported
	Disclosure 403-5 Worker training on occupational health and safety	Not reported

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	Disclosure 403-6 Promotion of worker health	Page 72
	Disclosure 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Not applicable
Social		
	GRI 403: Occupational Health and Safety	
	2. Topic-specific disclosures	Page 72
	Disclosure 403-8 Workers covered by an occupational health and safety management system	Page 72
	Disclosure 403-9 Work-related in juries	Page 72
	Disclosure 403-10 Work-related ill health	Page 72
	GRI 404: Training and Education	
	Management approach disclosures	Page 69
	2. Topic-specific disclosures	
	Disclosure 404-1 Average hours of training per year per employee	Page 120
	Disclosure 404-2 Programs for upgrading employee skills and transition assistance programs	Not reported
	Disclosure 404-3 Percentage of employees receiving regular performance and career development reviews	Page 120
	GRI 405: Diversity and Equal Opportunity	
	Management approach disclosures	Page 71
	2. Topic-specific disclosures	
	Disclosure 405-1 Diversity of governance bodies and employees	Page 31, 41, 73, 119 - 120, 124
	Disclosure 405-2 Ratio of basic salary and remuneration of women to men	Not reported
	GRI 406: Non-discrimination	
	Management approach disclosures	Page 71
	2. Topic-specific disclosures	
	Disclosure 406-1 Incidents of discrimination and corrective actions taken	Not reported
	GRI 407: Freedom of Association and Collective Bargaining	
	Management approach disclosures	Not reported
	2. Topic-specific disclosures	
	Disclosure 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Not available

	GRI 408: Child Labour	
	Management approach disclosures	Not reported
	2. Topic-specific disclosures	
	Disclosure 408-1 Operations and suppliers at significant risk for incidents of child labour	Not available
ocial		
	GRI 409: Forced or Compulsory Labour	
	Management approach disclosures	Page 66
	2. Topic-specific disclosures	
	Disclosure 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	Not available
	GRI 410: Security Practices	
	Management approach disclosures	Not available
	2. Topic-specific disclosures	Not available
	Disclosure 410-1 Security personnel trained in human rights policies or procedures	Not reported
	GRI 411: Rights of Indigenous Peoples	
	Management approach disclosures	Not available
	2. Topic-specific disclosures	
	Disclosure 411-1 Incidents of violations involving rights of indigenous peoples	Not applicable
	GRI 412: Human Rights Assessment	
	Management approach disclosures	Page 66
	2. Topic-specific disclosures	
	Disclosure 412-1 Operations that have been subject to human rights reviews or impact assessments	Page 117
	Disclosure 412-2 Employee training on human rights policies or procedures	Not reported
	Disclosure 412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Not available
	GRI 413: Local Communities	
	Management approach disclosures	Page 16 - 20, 46 - 47, 83
	2. Topic-specific disclosures	
	Disclosure 413-1 Operations with local community engagement, impact assessments, and development programs	Page 82 - 84
	Disclosure 413-2 Operations with significant actual and potential negative impacts on local communities	Not applicable

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	GRI 414: Supplier Social Assessment	
	1. Management approach disclosures	Page 84
	2. Topic-specific disclosures	
	Disclosure 414-1 New suppliers that were screened using social criteria	Not available
	Disclosure 414-2 Negative social impacts in the supply chain and actions taken	Not available
Social		
	GRI 415: Public Policy	
	Management approach disclosures	Not reported
	2. Topic-specific disclosures	
	Disclosure 415-1 Political contributions	See page 233 of the NMB Integrated Annual Report 2024
	GRI 416: Customer Health and Safety	
	1. Management approach disclosures	Page 72
	2. Topic-specific disclosures	
	Disclosure 416-1 Assessment of the health and safety impacts of product and service categories	Not reported
	Disclosure 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Not available
	GRI 417: Marketing and Labelling	
	Management approach disclosures	Not available
	2. Topic-specific disclosures	
	Disclosure 417-1 Requirements for product and service information and labelling	Not available
	Disclosure 417-2 Incidents of non-compliance concerning product and service information and labelling	Not available
	Disclosure 417-3 Incidents of non-compliance concerning marketing communications	Not available
	GRI 418: Customer Privacy	
	Management approach disclosures	Page 64
	2. Topic-specific disclosures	

Disclosure 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Not available
 GRI 419: Socioeconomic Compliance	Not available
 GRI 419: Socioeconomic Compliance	
 Management approach disclosures	Not available
 2. Topic-specific disclosures	
Disclosure 419-1 Non-compliance with laws and regulations in the social and economic area	Not available

Annexure 5: Definitions

TERM	DEFINITION
Acute Risk	Climate-related risks that are event-driven, such as extreme weather events like
	hurricanes, droughts, or floods.
Anthropogenic	Relating to or resulting from the activity of humans
Adaptation	Actions that reduce vulnerability to climate change effects ie physical risk. It is
	about managing unavoidable risks rather than avoiding them entirely. Adaptation
	is complementary to 'Resilience'. Climate mitigation is not about reducing climatic
	shocks; it's about reducing the scale of climate change that we experience.
	Adaptation is about how we deal with the climate change impacts that eventuate. In
	short, mitigation is avoiding the unmanageable, while adaptation is managing the
	unavoidable.
Carbon Neutral	A state in which an organization offsets its carbon emissions through reduction
	strategies and carbon credits, resulting in a net-zero carbon footprint.
Chronic Risk	Long-term changes in climate patterns such as sea-level rise or prolonged
	heatwaves that affect economic and social systems.
Climate Change	A change in average weather patterns due to natural or human-induced factors, with
S	current trends largely driven by anthropogenic activity.
Climate Resilience	An organizational capacity to adapt, recover, and remain viable amidst climate-
	related disruptions.
Climate-related Risk	Risks to an organization arising from physical hazards (acute or chronic) or the
	transition to a low-carbon economy (regulatory, market, reputational, etc.)
ESG (Environmental, Social, and	A framework for assessing an organization's exposure to environmental, social, and
Governance)	governance risks and opportunities.
ESG Risk	The risk of financial or reputational loss stems from ESG-related impacts either
	caused by the bank (inside-out) or affect the bank (outside-in).
	a. Inside-out perspective: The group's impact on people, the planet, and the
	economy through its operations, products, and services
	b. Outside-in perspective: The impact that people, the planet, and the economy
	have on the group's financial position, financial performance, and cash flow.
GHG Emissions	Greenhouse gas emissions measured in three scopes: Scope 1 (direct), Scope 2
	(indirect from electricity), and Scope 3 (other indirect across the value chain).
Just Transition	Ensuring that the shift to a low-carbon economy is inclusive, equitable, and provides
	decent work without leaving vulnerable populations behind.
Mitigation	Climate Risk Mitigation: Efforts to reduce or prevent the emission of greenhouse
	gases to curb the pace of climate change.
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	Risk Mitigation means the process of taking steps to reduce the negative effects of
	threats and disasters on business continuity. It is used for situations where a threat
	cannot be avoided entirely.
Net-zero Carbon Economy	A state where any GHG emissions are balanced by carbon removal methods such as
Thet-zero Garbon Economy	reforestation or carbon capture.
Physical Risk	Includes both acute and chronic climate hazards that may result in operational or
Thysical No.	financial losses.
Scenario Analysis	A tool used to evaluate how different climate-related futures might affect a bank's
ocenano Analysis	operations, finances, and strategy.
Sustainability	A forward-looking approach that considers the needs of current and future
Castaniability	generations across environmental, social, and economic dimensions.
Sustainability Risk	The risk of negative financial and non-financial outcomes resulting from ESG factors
oustainability (Visit	or a company's impact on society and the environment.
Transition Risk	Risks arising from the transition to a net-zero economy, including policy changes,
TIGHT TON	technological shifts, market dynamics, and reputational impact.
	technological shirts, market dynamics, and reputational impact.

Annexure 6: Scope 3 Category Inclusion List

SCOPE 3 CATEGORY	INCLUDED (YES/NO)	JUSTIFICATION FOR INCLUSIONS/EXCLUSIONS
Category 1: Purchased goods and services	Yes	Materiality is high, as supply chain emissions are a key component of NMB Banks scope 3 footprint. Data availability is reasonable, with procurement records providing a strong basis for emissions estimates. Aligns with sustainability strategy, allowing NMB Bank to engage suppliers on emission reductions and drive sustainable procurement practices.
Category 2: Capital goods	Yes	Capital goods emissions are typically low for financial institutions, with minimal impact on overall scope 3 emissions.
Category 3: Fuel- and energy-related activities (not included in scope 1 or 2)	Yes	This category captures upstream emissions from fuel extraction, refining and transportation, as well as electricity transmission and distribution losses that are not already reported under scope 1 and 2.
Category 4: Upstream transportation and distribution	No	This category is currently excluded from NMB Banks scope 3 carbon footprint, as emissions from supplier transport and distribution are not considered material.
Category 5: Waste generated in operations	No	Data availability is low, with waste management providers tracking disposal methods ongoing.
Category 6: Business travel	Yes	High data availability through corporate travel providers and reimbursement systems. Standardised emissions factors ensure accurate and consistent reporting.
Category 7: Employee commuting	Yes	Data availability through employee surveys and travel reimbursement records. GHG Protocol provides standardised emissions factors for commuting calculations.
Category 8: Upstream leased assets	No	NMB Bank does not lease significant upstream assets as part of its normal operations. Where relevant leases exist, emissions would typically be reported by the lessor.
Category 9: Downstream transportation and distribution	No	Materiality is low, as service providers operate fuel-dependent vehicle fleets across multiple locations. Data should be available, with security and courier providers tracking vehicle use and fuel consumption.
Category 10: Processing of sold products	No	NMB Bank provides financial services rather than physical products. Emissions from product processing apply to companies selling intermediate goods that require further transformation by downstream users, which is not relevant to NMB Banks operations.
Category 11: Use of sold products	No	NMB Bank provides financial services rather than physical products. Emissions from product use typically apply to companies selling energy-consuming goods (eg vehicles, appliances, or fuels), which does not apply to NMB Banks operations.
Category 12: End-of-life treatment of sold products	No	NMB Bank provides financial services rather than physical products. Emissions from product disposal typically apply to companies selling goods that require end-of-life treatment (eg electronics, packaging, or consumer products), which does not apply to NMB Banks operations.
Category 13: Downstream leased assets	No	This category is not currently included in NMB Banks scope 3 carbon footprint. Downstream leased assets refer to emissions from properties, equipment, or infrastructure that NMB Bank owns and leases to third parties.
Category 14: Franchises	No	NMB Bank does not operate a franchise-based business model. Franchise emissions typically apply to businesses where independent operators run branded locations, which does not apply to NMB Banks operations.
Category 15: Investments	Yes	This category is included in NMB Banks scope 3 carbon footprint but reported separately from the banks facility-based emissions. Financed emissions (scope 3, category 15) arise from the operational activities of entities in which NMB Bank holds equity or debt investments.





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