

Creating a sustainable future

SUSTAINABILITY REPORT 2023





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About the Report

This Report presents the Bank's sustainability agenda, initiatives, and performance for the Financial Year 2023. It highlights the issues deemed most important through our materiality assessment. The report offers essential updates and progress on sustainability initiatives throughout our business operations.

The report made specific mention of the Global Reporting Initiative Universal Standards, which are widely recognized as a framework for sustainability reporting. It also cited the Dar es Salaam Stock Exchange (DSE) guidelines for sustainability reporting, indicating the Bank's commitment to transparency and accountability in its operations. Additionally, the report referenced the Central Bank of Tanzania's Guidelines on Climate-Related Financial Risk Management, 2022, highlighting the Bank's awareness of and proactive approach to climate-related financial risks. All of this information serves as a valuable complement to the details published in our 2023 Annual Report, providing stakeholders with a comprehensive view of our sustainability agenda and risk management practices.

Links to Supplementary Information:

- **2023 Annual Report and the Audited Financial Statements**
- **The CRDB Group Green, Social and Sustainability Bond Framework**



About our Theme

The Cover design captures the essence of CRDB Bank's commitment to Sustainability by portraying the innocence of a child with the powerful imagery of hope and optimism for a brighter future.

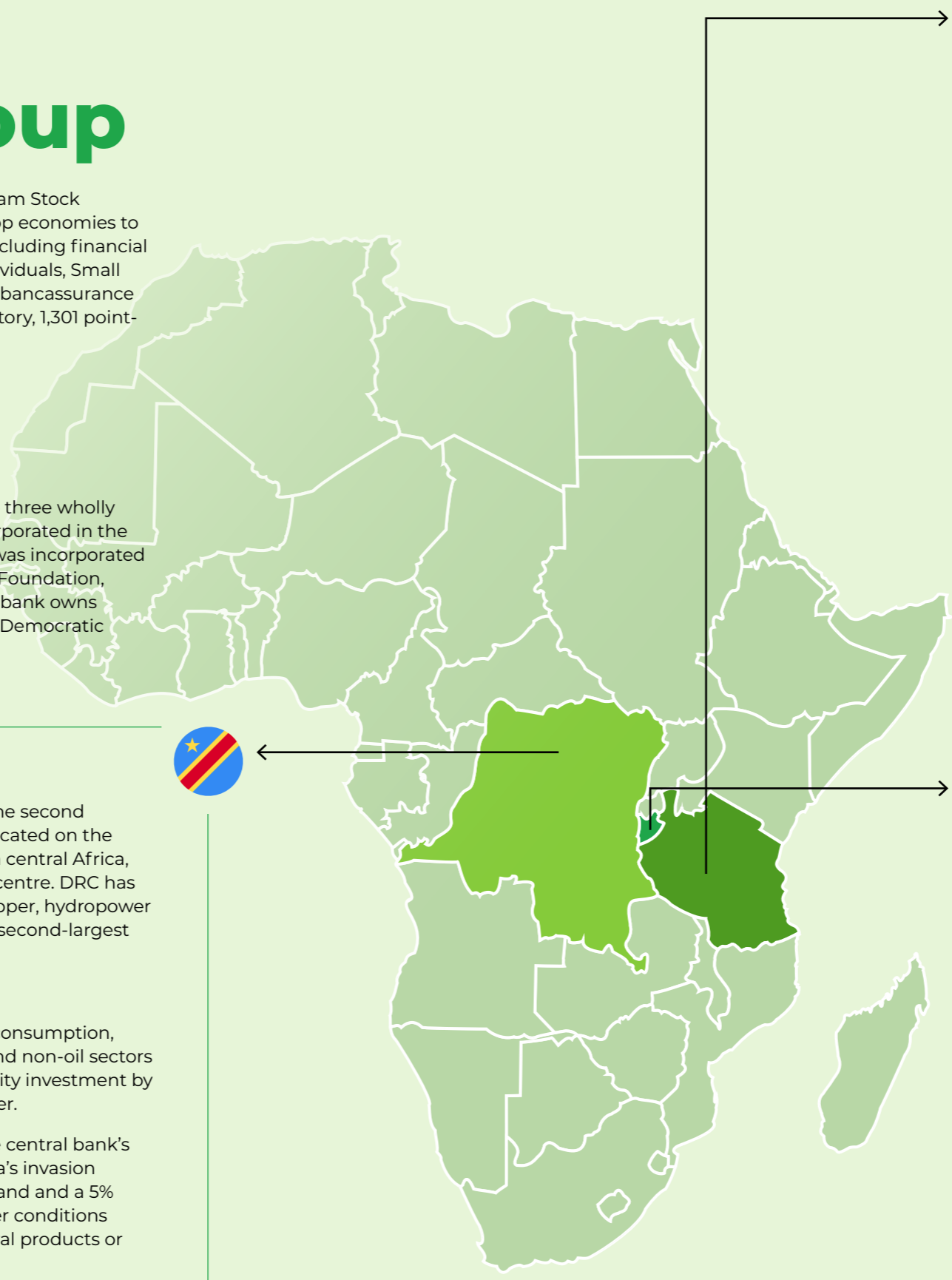
The background features a vibrant visual representation of prosperity and growth. Together, these design elements create a compelling narrative that encapsulates CRDB Bank's holistic approach towards sustainability and its impact on society.

About CRDB Bank Group

We are an integrated financial services provider listed at the Dar es Salaam Stock Exchange (DSE) in Tanzania, and we aspire to transform lives and develop economies to their fullest potential. The Bank is contributing to sustainable growth, including financial inclusion, by offering a comprehensive range of financial services to individuals, Small and Medium-sized Enterprises (SMEs), corporate, treasury, premier, and bancassurance services through a network of 245 branches, 648 ATMs including depository, 1,301 point-of-sale (POS) terminals, and 34,627 agents spread across the country

Our presence

We are based in Tanzania, where our headquarters are located. We have three wholly owned subsidiaries, including CRDB Bank Burundi S.A., which was incorporated in the Republic of Burundi in 2012; CRDB Insurance Company Limited, which was incorporated in the United Republic of Tanzania under TIRA in 2023; and CRDB Bank Foundation, which was registered in 2022 by the Registrar of NGOs. Additionally, the bank owns another subsidiary, "CRDB Bank Congo", which was incorporated in the Democratic Republic of Congo in 2023 with 55% ownership.



Tanzania

In 1964, Tanganyika united with the Island of Zanzibar to form the United Republic of Tanzania, the largest of the East African countries, occupying an area of 945,087 km². The country is located east of Africa's Great Lakes, north of Mozambique, and south of Kenya; it has a coastline at the Indian Ocean in the east.

The nation is bordered by six other African countries - Burundi, the DRC, Malawi, Rwanda, Uganda, and Zambia. It also shares maritime borders with Comoros and Seychelles. It has shorelines at three Great Lakes: Lake Victoria, Lake Tanganyika, and Lake Nyasa (Lake Malawi).

Tanzania has a population of 63.59 million people. The capital is Dodoma, the largest city, chief port, and major economic and transportation hub, and the de facto capital is Dar es Salaam. The spoken languages are Swahili and English (both official).

Economy

Real GDP growth is projected to rise to 6.3% in 2024 from 5.3% estimated in 2023, driven by the sustained recovery in tourism and gradual stability in supply and value chains. The Annual Average Headline Inflation has decreased to 3.8% in 2023 from 4.8% recorded in Dec 2022. Monetary and fiscal policies, adequate food supply, and a stable exchange rate drove this trend.



Democratic Republic of Congo

The Democratic Republic of the Congo is located in central Africa. It is the second largest country on the continent after Algeria. The capital, Kinshasa, is located on the Congo River, about 320 miles (515 km) from its mouth. The largest city in central Africa, it serves as the country's official administrative, economic, and cultural centre. DRC has exceptional natural resources, including minerals such as cobalt and copper, hydropower potential, significant arable land, immense biodiversity, and the world's second-largest rainforest.

Economy

Real GDP is projected to grow 4.2% in 2023 and 4.4% in 2024, driven by consumption, investment, and exports on the demand side and by growth in the oil and non-oil sectors (projected at 3.8% and 4.2% a year, respectively) on the supply side. Priority investment by the agricultural transformation program could boost growth even further.

Inflation is projected to fall to 6.5% in 2024 from 23.8% in 2023, below the central bank's 7% target, linked to increased economic activity and the effects of Russia's invasion of Ukraine on the price of imported commodities. Rising domestic demand and a 5% increase in the pump price of oil products, coupled with adverse weather conditions exacerbated by climate change, could affect the availability of agricultural products or lead to food insecurity and additional inflationary pressures.



Burundi

Burundi is a landlocked country in East-Central Africa, South of the Equator. The historic kingdom is one of the few African countries whose borders were not determined by colonial rulers.

Economy

Real GDP is projected to grow 4.7% in 2023 and 4.6% in 2024, thanks to public investment in transportation and energy. Measures aimed at boosting agricultural production and stabilising the exchange rate are expected to reduce inflation, projected to drop to 9.0% in 2024 from 20.3% in December 2023. Intensified mining, international economic and financial aid, and migrants' remittances may help narrow the current account deficit, projected to be 12.1% of GDP in 2023 and 6.3% in 2024.

Our legacy

CRDB's history can be traced back to 1947, when it was established as the Land Bank of Tanganyika and subsequently restructured into the Tanzania Rural Development Bank, then the Cooperative and Rural Development Bank (CRDB). CRDB Bank was privatised in 1996 and listed on the Dar es Salaam Stock Exchange (DSE) in 2009. The Bank extends short-, medium-, and long-term loans, working

capital, and guarantee facilities to various sectors. It sets aside 1% of its net profit for corporate social investment, which is invested in the environment, education, health, youth and women. We were the first in Tanzania to establish an innovative mobile banking solution – Simbanking – which has continued transforming how our customers interact with financial services.



Our purpose

“Improve livelihoods and deliver sustainable impact”.

Our Group believe that we have a responsibility to make a positive impact on the world and the people we serve. We aim to enhance the quality of life for our customers, employees, and communities by providing innovative products and services that make a real difference. In addition, we strive to create a sustainable impact by considering the

social, environmental, and economic impact of our operations. This means that we aim to create long-term value for our stakeholders and customers by taking into account the impact of our actions on the environment and the communities in which we operate.

Our aspiration

“We aspire to grow and deliver value for all our stakeholders. For us, value is best illustrated in the quality of lives of our shareholders, our people and the community around us”.

The world is changing at a rapid pace and customers are looking for products and services that align with their values and lifestyles. Similarly, employees want to be a part of something that they believe in and find meaningful. At the same time, the public and investors expect businesses to behave ethically and

take care of the environment. It is no longer enough to just make profits; we must also make a positive impact on the world. Our new five-year strategy is designed to meet these changing dynamics while keeping our position as leaders in all aspects of our business.

Our strength

We have a strong brand with a large footprint and asset size reinforced by the robust risk management framework, which forms the Group's part of corporate governance and is customer focused.

The Bank is committed to creating sustainable development in the full range of its financial products

and general operations. Environmental and social sustainability and robust governance procedures are fundamental to achieving desired outcomes and consistency with the bank's long-term growth strategy.

Our Core values

The Bank is founded on the philosophy of offering unmatched services to its customers by:

- (i) Providing tailored solutions for individuals, SMEs and corporate customers.
- (ii) Providing superior experience to customers
- (iii) Leveraging digital technologies.



Message from the **Leaders**



Chairman's Message



Climate change is a complex global phenomenon significantly threatening the planet and all life.

As a responsible financial institution, we are committed to aligning with the country's ambitious goal of achieving Net-zero Carbon by 2050. This commitment is the driving force behind all our operations, motivating us to take concrete and meaningful actions to protect the planet and mitigate the effects of climate change.

Taking action for the Sustainability agenda

We are committed to creating a sustainable future for every facet of our operations and prioritise investments

supporting sustainable development. The Group is pursuing a comprehensive plan encompassing environmental, social, and governance issues, with the primary objective of reducing carbon emissions and enhancing sustainability. Our unwavering commitment to these practices underscores our dedication to creating a brighter and more sustainable future for the communities we serve.

We have also established an Environmental, Social, and Climate Management Risk Policy to effectively manage and mitigate environmental, social, and climate-related risks. We have always emphasised sustainability, and this year, we have taken significant measures

“As a responsible financial institution, we are committed to creating sustainable value for all our stakeholders. Our ability to drive inclusive growth stems from our strong governance and focus on positively changing the environment and the communities we operate in.”

to incorporate essential ESG elements into our daily operations. By doing so, we are committed to conducting our business in a responsible and sustainable manner while staying aligned with our values and principles.

Our strong corporate governance and responsible business culture are the foundation for long-term sustainable growth. To this end,

sustainability has been key to our board meeting agendas. This ensures that sustainability topics are given the attention they deserve and are discussed regularly. In addition, we have built capacity in our sustainability team to support us in delivering our sustainability initiatives and meeting the expectations of our stakeholders.

Creating a sustainable future through Kijani Bond

In 2023, the Bank launched the Medium Term Note Programme (MTN) worth TZS 780 billion, equivalent to US\$300 million. This became the first bond with green, social, and sustainability components to be issued in Tanzania and the largest in Sub-Saharan Africa by a corporation listed on a stock exchange. The objective of the MTN is to raise funds that will be used to finance eligible Green, Social, and Sustainability projects under the bank's sustainability bond framework. This aligns with the principles and recommendations of the International Capital Markets Association (ICMA). The MTN will be issued in tranches.

The first tranche of the MTN was issued in 2023 under the name 'Kijani Bond'. It aims to mobilize funds and invest in businesses and activities that promote environmental sustainability. The bank raised TZS 171.8 billion through the Kijani Bond. It was oversubscribed by 429.6%, demonstrating investors'

confidence in the bank's efforts to promote a sustainable economy. The Kijani Bond is listed at the DSE.

Driving our financial inclusion

We are dedicated to ensuring everyone can access affordable and convenient financial products and services, regardless of location, background, or financial status. Our bank has seen a significant increase in its customer base, growing from 3.1 million to over 4.0 million in 2023. This growth is primarily due to the expansion of our agency banking services, which have been instrumental in providing access to financial services. We have expanded our agency network from 28,241 in 2022 to 34,627, demonstrating our commitment to serving the underserved population.

Besides conventional banking solutions, we have ensured that our Islamic banking 'Al Barakah' customers have sustainable financial solutions. Since the launch of the Al Barakah, we have seen robust uptake of growth and penetration, onboarding 112,621 customers and financing TZS 139 billion.

We strongly believe in our responsibility to enhance the well-being of local communities across the country and region. To achieve this goal, in 2022, we established our non-profit entity, the CRDB Foundation. We aim to bring about a positive impact on the lives of communities by promoting financial inclusion and socio-economic growth through

innovative solutions. We remain committed to working towards a better future for all.

Partnering for growth while transforming lives

We are committed to working with our customers and partners to build a sustainable future. We believe that the most significant impact can be achieved through collaboration. We understand the importance of teamwork and close coordination with our business partners and other stakeholders in ensuring sustainable progress for the community. Our primary focus is on several critical areas, including fostering strong and long-lasting relationships with our partners, promoting social and economic development, and maintaining the trust of our stakeholders and partners while enhancing the overall value chain.

Looking ahead

I am grateful for having you with us on this journey towards creating a brighter future where everyone can thrive and prosper. Your unwavering support and invaluable contributions have been essential in shaping a better tomorrow for all of us. We humbly request all our stakeholders to continue their support on our transformative journey, where we work tirelessly to create a sustainable future that is eco-friendly, inclusive, equitable, and prosperous for all.

Dr. Ally Hussein Laay

Group Managing Director and CEO message



“ We firmly believe that integrating sustainable practices into our operations upholds our ethical values and fuels our long-term growth. We strive to create a positive impact on the environment and society at large. ”

I am proud to present our 2023 Sustainability Report, which provides a detailed overview of our efforts to promote sustainability across all our operations. The report highlights our commitment to sustainability and showcases our progress towards achieving our sustainability goals. We have implemented various initiatives in energy consumption, waste management, water conservation, and carbon footprint reduction, among others. Our comprehensive report captures our notable progress towards achieving our sustainability goals and outlines our ambitious plans.

I fully recognize the benefits of embracing positive sustainability initiatives and the significance

of aligning with the global sustainable development agenda. As a result, our business is dedicated to moving towards an ESG-aligned path and will take intentional actions and initiatives to achieve our sustainability goals.

We are fully committed to promoting innovative solutions and facilitating the transition towards a low-carbon economy. To achieve this, we have adopted a strategic approach that involves directing resources towards initiatives prioritizing sustainability, environmental preservation, and eco-friendly practices. Our initiatives are thoughtfully designed to manage and minimize the environmental and social impacts of our financial

activities. Our primary goal is to promote a net positive societal effect by encouraging responsible financial practices.

As a responsible bank, we strive to ensure that our banking practices positively impact the environment and do not cause any harm. We evaluate credit risks by considering environmental, social, and governance (ESG) factors within our Environmental and Social Management System (ESMS) to achieve this goal. By adopting sustainable practices, we can effectively manage risks and take advantage of opportunities in the ever-changing economic landscape.

Sustainable financing

Our pursuit of sustainable financing commenced in 2014 when we developed our first Environmental and Social Management (ESM) procedure to guide transaction screening against environmental and social risks. In 2019, we became the first bank in East and Central Africa to be accredited to the Green Climate Fund (GCF) as Tanzania's sole National Direct Access Accredited Entity (DAE). The accreditation has significantly enhanced the Bank's capacity to mobilise finance for multiple large-scale climate change adaptation and mitigation projects with a high impact on Tanzania's social and economic development.

In 2021, CRDB Bank made history by becoming the first commercial bank in Africa to receive approval from the GCF for a total funding value of US\$100 million from CRDB Bank. This funding includes GCF US\$100 million and an additional co-financing of US\$100 million. This significant funding will enable the bank to launch innovative financial products that aim to support local agribusiness and address the pressing issue of climate adaptation.

This program is designed to benefit over 6.1 million people directly and indirectly. Its goal is to improve the country's climate financing processes by focusing on affordable climate adaptation technologies in the agriculture sector. This will help to enhance

the resilience of the agricultural sector and boost food security, benefiting smallholder farmers and improving the overall quality of life for citizens.

Portfolio Decarbonization pathway

The Group is committed to reducing scope 3 emissions through sustainable financing. To achieve this goal, we will fund projects prioritising environmental sustainability and social responsibility. These projects align with our Green, Social, and Sustainability Bond framework and contribute to a sustainable future for all.

Furthermore, the Group will reduce the carbon footprint of our existing portfolio to achieve a green asset ratio of 15% by 2030 and 30% by 2050, starting from our current baseline of 7% through communicating our sustainability initiatives and engaging with stakeholders to transition towards reduced carbon emissions.

Our people

We place great value and importance on the individuals who make up the backbone of our bank. We strongly believe that the development and growth of all our employees is crucial, and we have made it our commitment to promote this growth. Our Bank's focus on "People Development and Support" is one of our core values and is an integral part of our sustainability agenda.

We understand that the competence and expertise of our workforce are key to our continued growth and success. With a team of over 3,000 employees, we strive to be a responsible employer that offers our staff talents and leadership development programs that enhance their capabilities and promote their well-being. We aim to create a work environment that fosters personal and professional growth opportunities for our employees, allowing them to achieve their full potential.

Instilling Gender diversity and inclusion

The Group strives for diversity, which we believe creates a positive work environment that promotes equality and leads to better outcomes by encouraging the generation of innovative ideas. A diverse and inclusive workplace ensures that everyone, regardless of their identity or role in the Bank, feels equally involved and supported in all aspects of the workplace. As of 2023, the gender diversity ratio between males and females is 56:44. The goal is to achieve a 50:50 ratio by 2027.

Enhancing Community Welfare

We have made significant progress in our sustainability efforts. In 2023, we invested TZS 2.8 billion in corporate social initiatives focused on health,



education, environment, women's and youth empowerment, and other corporate social investment (CSI) initiatives. These sectors are crucial to our corporate social investment approach and policy. We aim to improve people's lives, benefit our stakeholders, and enhance our bank's reputation. By supporting the community through financial and in-kind aid, we strive to create a more sustainable impact on the community we serve.

Customer relationship management

We value and take our customers' feedback seriously, collecting it from multiple channels to meet their needs. We understand the importance of maintaining their trust and safety, so we greatly protect them from any risk. To prevent the misuse of their personal and sensitive information, we continuously improve the integrity and robustness of our cybersecurity infrastructure.

Our Bank has a well-defined complaint-handling mechanism that adheres to Board-approved policies and is governed through Board oversight and reporting. We offer several channels for customers to lodge complaints, including branches, call centres, and digital channels. We maintain transparency and consistency in recording, tracking and managing complaints to ensure end-to-end resolution, prevent recurrence, and improve customer experience.

We will continue to focus on retaining and growing our market share while driving the business in the region through strategic partnerships and innovative digital solutions. Customer needs and preferences are continuously evolving, and the Bank's ability to respond with robust offerings will determine critical success in the market. The Bank shall continue to focus on delivering its digital strategy, enabling process optimisation, enhancing customer experience, and ensuring ease of use.

Focusing on future

Sustainability is an ongoing journey, and we remain committed to continuous improvement. Our sustainability journey is characterised by our ability to hold ourselves accountable, work towards meaningful change within our Group, and inspire the broader community to join us in creating a more sustainable community. We believe working together can positively impact and contribute to building a better, more sustainable future for all.

I would like to extend my heartfelt gratitude to all our stakeholders for their support in our journey towards creating a sustainable future. Your invaluable contributions and unwavering commitment to sustainability have been instrumental in driving our progress towards a better tomorrow. We are truly grateful for your continued support and dedication to this journey.

Abdulmajid Mussa Nsekela

Message from Group Chief Financial Officer



“

We aim to report on our sustainability performance regularly, not just to monitor our progress towards our sustainability goals but also to identify areas for improvement.

”



We are dedicated to conducting business in a way that is mindful of its impact on the environment and society. We understand the significance of sustainability reporting as a tool to track and enhance our sustainability practices while ensuring that we remain financially sustainable.

We aim to report on our sustainability performance regularly, not just to monitor our progress towards our sustainability goals but also to

identify areas for improvement. Sustainability reporting is essential for maintaining transparency and accountability in our sustainability efforts. Through these reports, we can communicate our sustainability initiatives and progress to our stakeholders.

We are excited to present our 2023 Sustainability Report, which provides an overview of our sustainability efforts. The report outlines our measures to promote sustainability across our

operations, including initiatives to reduce our carbon footprint.

Our commitment to sustainability benefits the environment and society as well as our business. By adopting sustainable practices, we can reduce costs, enhance our reputation, and create long-term value for our stakeholders.

Frederick Bayona Nshekanabo



Message from Group Chief Commercial Officer



“

We believe that by doing so, we can not only reduce our carbon footprint and minimize our impact on the environment but also create a more resilient and sustainable business for the future.

”



I firmly believe that our success and growth as a business are intricately tied to the well-being of our community and the environment. To achieve this, we have remained steadfastly committed to enhancing our responsible business practices, which focus on integrating sustainability into every aspect of our business. By prioritizing sustainable practices, we aim to create lasting value for all our stakeholders - including customers- while ensuring that

our growth is not at the expense of our planet or the people who call it home.

I understand that our business impacts the world around us, and we take this responsibility very seriously. That's why we strive to incorporate sustainable practices into everything we do. We believe that by doing so, we can not only reduce our carbon footprint and minimize our impact on the environment but also create a more resilient and sustainable business for the future.

Ultimately, our goal is to be a force for good in the world that drives positive change and contributes to a brighter, more sustainable future for all. We believe that by remaining committed to our responsible business practices and prioritizing sustainability, we can achieve this goal while delivering value to our stakeholders and driving long-term growth and success for our business.

Boma Raballa



Message from Group Chief Operations Officer



“

We believe that sustainability is essential for our continued success and for safeguarding the future of our planet and future generations.

”



I acknowledge that the challenges we face today, especially climate change and change in technology that may have significant impact to our operations, require urgent attention. I understand that sustainability is critical, and it is our responsibility to implement sustainable practices across our operations. We believe that sustainability is essential for our continued success and for safeguarding the future of our planet and future generations.

To achieve sustainability, we are actively working to integrate

sustainable practices into our operations. We recognize that this is a continuous process and requires ongoing commitment. For this reason, we continuously review and evaluate our processes and practices to ensure they align with our sustainability initiatives.

We are committed to reducing our environmental impact and promoting sustainable practices throughout our value chain. This involves managing our resources responsibly, reducing our carbon footprint, minimizing waste, and investing in renewable energy.

We believe that by taking these steps, we can contribute to a healthier planet, a more resilient economy, and a better quality of life for all. We are committed to being a responsible and sustainable business, and we will continue to work towards achieving our sustainability goals.

Bruce Mwile Mwasenga



2023 Sustainability Highlights



Planet



TZS 813.7bn
(1,182 Projects)

Disbursement to green projects
(Potentially green portfolio as reviewed
by Climate Bond Initiative (CBI) in 2022)



50,293

Quantity of waste recycled in kgs



Preliminary results indicate green building compliance with EDGE certification standards



7%

Green asset ratio



Raised TZS 172bn
Oversubscribed by 429.6%


Issuance of Green Bond




5%

Reduction in paper usage




 **87%**
Employee satisfaction survey score

 **56:44**
Gender Diversity (Male: Female)


 **98%**
Employee satisfaction survey participation


 **3,338**
Number of staff trained

 **42**
women promoted to middle and senior management level


 **2.7%**
Staff turnover


 **TZS 2.8Bbn**
CSR Investment


 **57%**
Increase the Usage of digital channels.


 **53%**
Customers Net Promoters Score

 **Over 4 millions,**
YoY growth of 29%
Number of customers

 **34,627, YoY growth of 23%**
Number of Agents Banking

 **648**
Number of ATMs

 **245**
Number of branches

 **Financing TZS 99bn**
Deposits 103bn
Number of customers 112,621
Islamic Banking (Al Barakah Banking)

Partnership

Strategic Partners



Other Partners



Corporate Governance



“ Our strong governance systems are essential for our successful and sustainable business, enabling us to fulfil our purpose and positively impact society and the planet ”



Those Charged with Governance

Mr. John Baptiste Rugambo
Company Secretary
Tanzanian

Mr. Martin Steven Warioba
Independent Non- Executive Director
Tanzanian

Eng. Boniface Charles Muhegi
Non – Executive Director
Tanzanian

Prof. Neema Munisi Mori
Independent Non-Executive
Director and Board Vice Chair
Tanzanian

Mr. Abdulmajid Mussa Nsekela
Group CEO & Managing Director
Tanzanian

Mr. Hosea Ezekiel Kashimba
Non – Executive Director
Tanzanian

Prof. Faustine Karrani Bee
Non – Executive Director
Tanzanian

Mr. Abdul Ally Mohamed
Non – Executive Director
Tanzanian

Mr. Royal John Lyanga
Non- Executive Director
Tanzanian

Dr. Fred Msemwa
Non- Executive Director
Tanzanian

Mr. Gerald P Kasaato
Non- Executive Director
Ugandan

Dr. Ally Hussein Laay
Group Chairman
Tanzanian

Ms. Miranda Naiman Mpogolo
Independent Non- Executive Director
Tanzanian

Mr. Jes Klausby
Non- Executive Director
Danish

Our Group Strategy

For the Group to create long-term sustainable value, we recognise the need for an appropriate strategy, focused leadership, healthy corporate values, and timely response to shareholder's needs. In the long term, the Group's primary objective is to attain undisputed market leadership.

2023 was the first year of implementation of the new five-year business strategy of the Bank for 2023-

2027 themed EVOLVE. We are confident that we will continue to respond effectively to the industry's challenges, and most importantly, the Group has re-imagined itself to improve its competitiveness and secure its sustainability for decades to come. We have continued prioritising efficiency, innovation, competitiveness, and our focus on sustainability to deliver our 2027 ambitions and fulfil our purpose.

Sustainable Governance practices

The Group's approach to corporate governance is comprehensive and designed to uphold the highest standards of accountability, transparency, and ethical practices. Our primary objective is to optimise performance, minimise risks, and protect the interests of our shareholders and other stakeholders. To achieve this, we have established robust governance frameworks, policies, and procedures beyond regulatory requirements.

We have a Board of Directors that comprises highly experienced and knowledgeable individuals who bring diverse perspectives and skills to the table. The Board provides strategic oversight, sets the tone from the top, and ensures that our actions align with our core values and mission. We have also established various committees, including an Audit, Risk, and Compliance Committee, to provide

independent oversight and guidance on key areas of our operations. These committees are composed of experts in their respective fields and are responsible for ensuring that our policies and practices are aligned with best practices.

Furthermore, we have implemented a robust risk management framework that enables us to identify, assess, and mitigate risks effectively. We prioritise transparency and accountability by regularly reporting to our shareholders and stakeholders on our performance, risks, and governance practices. At the heart of our corporate governance approach is a commitment to ethical practices, integrity, and social responsibility. We believe that our success is measured by financial performance and our positive impact on our communities and the environment.



Board Composition and Diversity

As a bank, our culture encourages an inclusive workplace that allows diversity to exist and thrive. Our practices align with our policies, and we ensure equity by providing a level playing field for every employee. We value individuality and cherish that every employee is different and brings unique value.

Our Group considers board diversity a critical factor in ensuring that we remain committed to transforming

lives through financial sector innovation and intuitive action. We strongly believe embracing gender, race and ethnic diversity can improve operational and commercial performance. As part of our long-term strategy, we are committed to promoting diversity at the Board level. We prioritise diversity and inclusion in our Board selection process, striving to create a Board that overcomes biases and stereotypes.

Board diversity	2023	2022
Gender diversity (Male: Female ratio)	83%:17%	83%:17%
Nationality (Foreigners: Tanzanians ratio)	8%:92%	8%:92%
Age (<50years:>50years)	42%:58%	42%:58%
Independent Non-executive Directors: Total Non-executive Directors	3:12	3:12

The Group ensures that the Board has an appropriate balance of skills, experience, and diversity of perspectives. The Board determines the required composition of skills in response to the rapidly changing environment and shifts in CRDB Bank's long-term strategy. Having the appropriate mix of skills and experience ensures that the Board is well-

equipped to guide and drive the bank's strategy into the future, thereby creating value.

Our Board members possess various skills, including International Business, Accounting and Finance, Business Administration, Engineering, Mathematics, Economics, Investments, Information Technology, and Audit.

Training and development

Each new Board member is required to participate in an induction program. It is tailored to effectively orient the member to the Bank's business and organisation structure, including subsidiaries, roles/responsibilities of the Board and its various committees, strategy, objectives, policies, procedures, operations, senior management, and the business environment.

The induction package also includes all the necessary information required by a member for effective performance on the Board (including all policies, charters, recent financial reports and governing laws and regulations). They receive comprehensive guidance from the Company Secretary on the Group's corporate governance framework. The Board members are also introduced to their fiduciary duties and responsibilities and any other aspects unique to the business. Therefore, the primary purpose of the training is to ensure Board members have a clear understanding of their role in corporate governance

and can exercise sound and objective judgment about the affairs of the Bank. The Board must ensure adequate training and development of the members through continuous training to keep them well informed on critical information pertinent to the business and corporate governance environment.

It is the Board's responsibility to conduct an annual review to identify training needs for each member regularly and facilitate upskilling and continuous development of each member. Non-executive directors also develop and refresh their skills and knowledge through periodic interactions and briefings with senior management of the Group's business functions, changes in laws and regulations, policies, and practices. All non-executive directors have access to independent professional advice/ external specialists to enable them to discharge their duties more effectively when the needed expertise is not possessed by existing directors or staff within the Group.

Training and development implemented during the year

Training Type	Period	Trainer
Role of Governance, Nomination and Human Resources Committee in driving efficiency in Human Resources, Board Compensation, Evaluation and Succession planning philosophies and practices, Senior executives' compensation, succession and Performance Management philosophies and practices, Talent, Culture and Diversity management practices and Subsidiary governance and Boards score cards.	14th – 16th August, 2023	External
Structured facilities and Project Finance, Overview of Basel III, Syndicated Lending and Principles of Board oversight of Credit.	31st July – 3rd August, 2023	External
The Institute of Internal Auditors 2023 International Conference	10th – 12th July, 2023	External
Digital Banking, Social Protection, Governance & Regulatory Environment, Sustainable & Combined Finance and Agri-Value Chain Financing	25th – 29th September, 2023	External

Board succession planning

The Group has in place a succession plan for those charged with governance of all critical skills, which is being reviewed regularly. The governing body bears ultimate responsibility for the succession plan. This is through the Board governance and Human resources committee. The committee plays a key role in devising criteria for governing body membership and governing body positions and possibly, with the assistance of external advisors, to identify specific individuals for nomination.

The succession discussion features on the Board governance and Human resources committee agenda as often as necessary for the committee to fulfil its duties. This allows the succession plan to take

account of the changing dynamics of the business, making the Bank more agile and enhancing its ability to satisfactorily react to any sudden changes that may occur. The committee maintains a profile of desired skills, competencies, and skills gaps that need to be filled by potential candidates.

In some cases, the committee may consult external resources (for example external search firms) to identify appropriate individuals to fill vacant positions.

The Group also rotates board members between committees to ensure continuity of experience and knowledge and to introduce people to new ideas and expertise.

Board Independence

Director's independence is critical to effective corporate governance, and providing objective, independent judgment that represents the interests of all shareholders is at the core of the board's oversight function. Accordingly, a substantial majority of the board's directors should be independent,

according to applicable rules and regulations and as determined by the board. An independent director should not have any relationships that may impair or appear to impair the director's ability to exercise independent judgment.

Code of Conduct



We are committed to acting professionally, fairly, and with integrity in all our dealings. We have established effective policies and frameworks encouraging employees to act by the highest professional and ethical standards. Regular

communication and training of employees is undertaken regarding our code of conduct including information security, anti-money laundering, anti-bribery and anti-corruption, fraud, and other issues.

Bank's Core Principles

This Code has been drawn following 8 core principles

Service Excellence

- Provide excellent service to clients, partners, and colleagues.
- Value strong and long-term relationships with clients, partners, and colleagues
- Strive to understand the need of clients, partners, and colleagues.

Accountability

- Understand one's responsibilities and decisions and assume them without trying to avoid them.
- Report any relevant misconduct using the proper escalation and clearance protocol.

Professional behaviour

- Comply with professional standards and applicable laws and regulations
- Avoid any action that may discredit the Bank.

Objectivity

- Be objective in providing services and advice to our customers.
- Address differences of opinion and handle them constructively and professionally.

Integrity

- Earn trust by straightforward and honest behaviour in professional and business relationships.
- Be truthful about the services provided, the knowledge possessed, and the experience gained.

Confidentiality

- Respect the confidentiality of information.
- Do not misuse information of the Bank, clients or colleagues for personal advantage or for the benefit of third parties.

Fair business practices

- Be committed to fair business practices and "arm's length" transactions.
- Respect competitors and do not compete unfairly.

Respect & Diversity

- Treat all colleagues with respect, courtesy, and fairness.
- Encourage and value the diverse mix of people, opinions, and experiences.
- Promote equal opportunity for all.

Anti-Corruption and fraud risk

Our governance practices are based on ethics, transparency, and integrity. We are constantly conducting business in compliance with all regulatory and legal obligations. Specific guidelines and stringent control measures have been laid down to avoid and prevent malpractices, the consequences of which are also well-defined.

We have a zero-tolerance approach to bribery and corruption, and we are committed to acting professionally, fairly and with integrity in all our business dealings and relationships in implementing and enforcing effective systems to counter bribery.

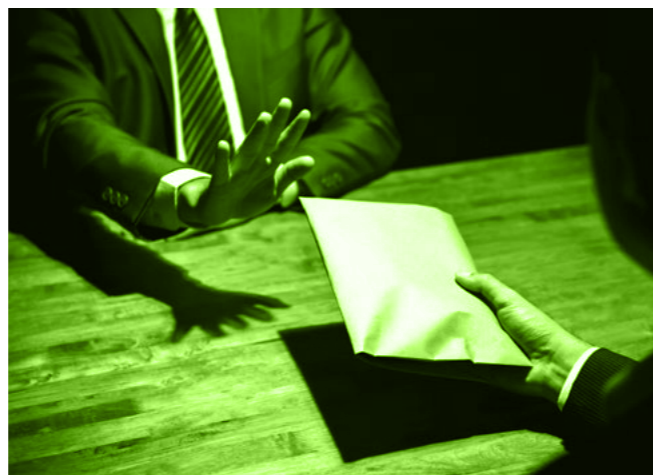
We have put robust policies and processes in place to mitigate fraud risk and is committed to continuously improving these measures. The Bank takes several measures to raise awareness of fraud risk among customers and employees. This includes:

- Email communication
- internet banking alerts
- SMS alerts
- Social media communications
- Training to our employees
- Fraud monitoring processes and monitoring to prevent the risk of fraud.

Among the policies we have an Anti-Corruption and Fraud Risk Policy in place which provides a coordinated approach towards managing fraud and corruption risk as one of the key elements in our overall business risk management practices.

On an ongoing basis, the Bank takes measures to prevent, detect, and respond to incidents to protect and minimise fraud by sharpening detection through learnings from incidents and initiating proactive control measures and other early detection systems. Fraud has an independent oversight within the operational framework. Our Risk Department, which directly reports to the Managing Director and has complete independence in its functioning, is also responsible for identifying and mitigating fraud risks.

As a financial institution, fraud detection and mitigation are an organisational priority, and we make every effort to maintain a secure, 'least vulnerable to fraud' environment driven from the highest level by our Board of Directors.



Anti-Money Laundering

CRDB Group is strictly committed to continued compliance with all laws, regulations, and standards of Anti-Money Laundering (AML), Counter-Terror Financing (CFT) and Sanctions. The Group has an AML policy aimed at combating money laundering within the bank during its business while ensuring sanctions compliance. Money Laundering (ML), Terrorism Financing (TF), and Proliferation Financing (PF) are criminal offences that the Bank is required to combat by ensuring compliance with respective laws and regulations. The bank is committed to high standards of Sanctions, AML& CFT compliance and requires management and all other staff to adhere to the following standards:

Comply with the sanctioned laws and protect itself from regulatory fines and penalties.

- Prevent the use of its products/services for organised crime, terrorism, and proliferation.
- Protect the reputation of the bank.

Every year, all staff are required to attend an Anti-Money Laundering Mandatory Course to ensure we remain updated with the requirements established under the regulations and policy. The training program enhances our knowledge and skills around AML, Sanctions, Counter-terrorism and proliferation financing. The program aims to enhance staff capability to identify, manage and report elements associated with money laundering, Terrorism Financing and Proliferation Financing activities.

Whistle-blowing

The Group has strong whistle-blowing policies and procedures with the primary objective of promoting a framework within the Bank where staff are encouraged and feel confident to reveal and report any fraudulent, immoral, unethical, or malicious activity or conduct of fellow employees, management, those charged with governance, clients, consultants, vendors, contractors, and any other parties with a business relationship with the Bank which in their opinion may cause financial or reputational loss to the Bank. The policy is essential for maintaining a positive compliance culture in which employees adhere to all internal bank policies and respect the country's applicable laws and regulations.

The Bank is committed to maintaining the highest possible standards of ethical and legal conduct within all its projects, programs, and businesses. In line with this commitment and to enhance good governance and transparency, this policy provides an avenue for raising concerns related to fraud, corruption, or any other misconduct and assuring that persons who disclose information about these misdeeds will be protected from retaliation. The policy sets out the mechanism for employees and non-employees to report any concerns or suspicions regarding possible violations of laws, rules or regulations or suspected wrongdoing of internal Bank policies, standards, or procedures.

The whistle-blower and Witness Protection Act of 2015 makes it illegal for employers to retaliate against whistle-blowers. Staff are periodically trained as part of induction and ongoing development, encouraging staff and other stakeholders to bring out information helpful in enforcing good corporate governance practices. The whistle-blower section is

also found on the bank's website, where customers and other stakeholders are advised to raise concerns on misconduct through either internal or external - Independent third-party channels. The whistle-blowers have options of whether to reveal their identity or remain anonymous.

Issues that may be reported through the Bank whistleblowing channels include:

- Breaches of group policies and procedures ,,
- Abuse of power or authority
- Fraud, theft, bribery or corruption
- Incidence of noncompliance with laws and regulations ,,
- Human rights abuses
- Sexual misconduct
- Discrimination and harassment
- Danger to the health and safety of others



All received whistle-blowing cases were kept confidential and anonymous, and they were all addressed.



Data Privacy and Cybersecurity

Cyber security – preventing financial crime.

CRDB Bank is committed to maintaining a robust and adaptive cybersecurity posture that aligns with the dynamic and evolving nature of cyber threats. Our high-level cybersecurity is centred around the following principles: proactiveness, defense, continuous improvement and comprehensive risk management. This aims to ensure our digital assets' security, integrity, and availability while fostering a culture of cybersecurity awareness and responsibility across the Group.



The Bank's cybersecurity architecture has been meticulously designed and implemented to align with the regulatory landscape. Below is an overview of the key regulations impacting the cybersecurity of the Banking Industry in Tanzania.

1. Electronic Transactions Act, 2015, the Group cybersecurity architecture incorporates robust encryption and secure communication protocol to ensure the confidentiality and integrity of electronic transactions. By adhering to these standards, we maintain the legal recognition and validity of electronic transactions and digital signatures stipulated in the Act.
2. Personal Data Protection Act, 2019, the Group recognize the importance of protecting personal data by the Data Protection Act. Our Cybersecurity architecture includes data classification and access controls, ensuring that personal data is processed lawfully and securely.
3. Cybercrimes Act 2015: Our cybersecurity architecture aligns with the Cybersecurity Act by implementing strict security measures to prevent unauthorized access, data interference and other cyber-crimes.
4. The National Payment System Act, 2015. This Act provides the legal framework for payment systems in Tanzania, ensuring payment systems' efficiency, safety and stability. Our architecture ensures the security and integrity of our payment systems in line with the Payment System Act. We have implemented strong encryption and security controls to protect financial transactions, prevent fraud and maintain stability of the national payment system.
5. Anti-Money Laundering Act 2006 aims to prevent money laundering and combat the financing of terrorism within the financial sector. Our cybersecurity architecture contributes to anti-money laundering efforts by implementing robust customer due diligence processes.

We have been investing in building resilience and responding effectively to cyber-attacks. The Bank has put in place a dedicated information/cybersecurity governance framework. Our teams regularly undergo training to stay updated with the latest procedures and systems to ensure data security.

We recognise our responsibilities towards financial crime prevention. We are committed to conducting our businesses professionally and ethically and by all applicable laws and regulations and our customers' expectations. This commitment is embodied in our Code of Conduct.

We take the following measures to prevent financial crime:

- Continually strengthen our governance framework to safeguard our businesses and customers against financial crime. Our governance framework covers training our people on Anti-money laundering (AML), combating the Financing of Terrorism (CFT), Proliferation financing, sanctions, fraud, bribery, and corruption.
- The Bank has established robust controls and procedures for preventing and detecting money

laundering, terrorist financing, fraud and bribery. These are embedded in our business processes, with the support of effective risk management governance processes and controls. Our risk management framework encompasses customer due diligence, enterprise-wide risk assessment, customer screening, transaction screening and monitoring, suspicious activity reporting, and ongoing training. For example, The Bank has established robust fraud management tools/ systems.

- Our Risk Committee regularly reviews reports on financial crime to ensure that financial crime risks are identified and sufficiently mitigated. Material issues are escalated to the Board risk committee.
- We continually equip our employees with the knowledge to identify cybercrime risks and enable them to take the necessary actions to prevent financial crimes. In this regard:
- All staff must complete mandatory training on AML, Anti-Fraud, Anti-Bribery & Corruption, and Code of Conduct.

All employees must also acknowledge their understanding of the Group Code of Conduct.



Tech-enabled Cyber-risk Prevention

The following are the primary digital tools that have been put in place to mitigate cyber risks and financial crimes effectively:

DATA PROTECTION

Digital tool	Use of the tool
Cyber threat intelligence (CTI)	Collecting cyber threats from different angles of cyberspace globally, with associated impacts and remedial actions.
Network access control	Ensuring access to the internal network is properly authorised with compliance with security controls on the devices connecting to the internal network.
Antimalware and EDR	Blocking and preventing different types of viruses and other malware, from basic to sophisticated ones.
Firewalls and IDPS	Firewalls act as our perimeter defence control against malicious network traffic, while Intrusion Detection and Prevention Solutions (IDPS) block attempted attacks from entering the network.
Data Classification and Loss Prevention	Ensuring tagging and labelling of sensitive information for enhanced security protection against accidental and intentional leakage.
User access management	Controlling access levels and permissions of users to IT systems, from regular to privileged users.
Security vulnerability scanners	As cyber risk evolves daily, vulnerability scanners identify all the available security risks exposed by IT systems, which should be mitigated before becoming threats.
Security Information and Events Management (SIEM)	Collect, analyse, aggregate, and report malicious security events that turn into incidents for quicker and more effective remediation.
Computers disk encryption	Encountering data loss or leakage from lost or stolen computers containing sensitive information.
IT assets management	Being the cornerstone of security controls, the identification and management of sensitive IT assets is appropriately prioritised, where the application of relevant controls follows the prioritisation.
Other tools include:	<ul style="list-style-type: none"> • Data leakage prevention (set of tools and processes to ensure that sensitive data is not lost, misused, or accessed by unauthorised users.) • Bit locker (set of tools and processes to ensure that sensitive data is not lost, misused, or accessed by unauthorised users.) • AIP (set of tools and processes to ensure that sensitive data is not lost, misused, or accessed by unauthorised users.) • Intune (It manages user access to organisational resources and simplifies app and device management across your many devices, including mobile devices, desktop computers, and virtual endpoints) • Multi-factor solutions (a multi-step account login process that requires users to enter more information than just a password.)

The Bank has obtained the following certifications about cybersecurity and data privacy systems and procedures:

- ISO27001 – Information Security Management System
- PCI DSS – Payment Card Industry Data Security Standard

Resilience and vulnerability tests:

The Bank regularly carries out resilience and vulnerability tests to assess the effectiveness of the Bank's system in the prevention of cyber threats and fraud. During the year, the following tests were carried out:

Details of the test	The outcome of the test
Disaster Recovery tests of critical security systems. This involves operating systems interchangeable from primary and secondary data centres to assess disaster recovery readiness.	Successful
Data backup and restoration tests: The backed-up data was tested for restoration in this case.	Successful

Regular communications and reminders:

Regular communications and reminders are sent to employees and customers on the importance of adhering to the bank's measures to mitigate cyber risks and fraud and protect against unauthorised access to confidential data. For example, Monthly security awareness alerts are sent through SMS to all customers and through regular awareness messages through the Bank's social media accounts.



Data privacy

We continue to strengthen our overall data governance capabilities to ensure that data with us is safe and secure, stay attuned to regulatory requirements on data privacy, and ensure our use of data is ethical and responsible. We are committed to using data to forge trusted relationships with our customers and improve their quality of life.

To uphold this commitment, we use data in a way that is consistent with consumers' expectations and per all relevant laws and regulations. Our data privacy policy lays the foundations of how we collect, use, and protect data personal data in line with local regulations and customers' expectations. We take the following measures to ensure data security:

- Continuously strengthen our data protection capabilities, data access controls, and dialling up data surveillance to reduce the risk of data leakage and misuse.
- Rigorously protect the privacy and confidentiality of data to keep it safe.
- Ensure fair, ethical, and responsible use of data by continuously enhancing our data governance processes and controls. We also invest in training our people and participate in industry initiatives to improve data privacy.

Raising awareness through continual training:

At CRDB, we acknowledge that a critical component in driving better data governance and responsible data usage is ensuring that our people know what needs to be done and how to do it. To support this, we continued to invest in training and providing awareness. Cybersecurity awareness aims to remind us of different ways we can apply to maintain a high-security posture in all we do. The awareness is created for all staff. As an initiative to ensure cybersecurity in the Bank, a phishing simulation is often conducted to measure awareness of common security attacks and measure response.

The Group conducted a cyber security assessment in the year 2020, rated 2.4 according to KPMG's Cyber Maturity Assessment (CMA) methodology. This was followed by implementing a cyber security roadmap, which enabled the bank to reach a rating of 3.43 in 2022 and 3.70 in 2023, mainly due to implementing a fully equipped Security Operating Centre (SOC). The target rating by the end of 2024 is 4.0, which will be the highest in the region.

The bank is certified with ISO 27001: 2013 (Information security management system) international standards by the British Standard International (BSI). The certificate indicates the secure management of financial products and services, information processing and storing facilities, databases, clients' data, and the Bank's financial information in core banking operations in the Bank.

The Bank has also been certified as compliant with the Payment Card Industry Data Security Standard (PCI-DSS), which applies to any company that accepts, stores, processes or transmits cardholder data. The certification was presented to the Bank following an in-depth assessment by Qualified Security Assessor (QSA) - Advantio Limited and after the Bank was found to have met all standards requirements. This compliance helps the Bank protect its payment systems from cardholder data breaches and theft.

THE BANK'S SYSTEMS AND PROCESSES COMPLY WITH INTERNATIONAL INFORMATION SECURITY AND QUALITY MANAGEMENT STANDARDS.

The bank has obtained several certifications, as highlighted below:

ADVANTIO
CERTIFICATE OF
COMPLIANCE WITH PCI DSS
AWARDED TO
CRDB Bank PLC

ASSESSED BY ADVANTIO LTD AND FOUND TO BE COMPLIANT WITH
PCI DATA SECURITY STANDARD 3.2.1

WEBSITE: <https://crdbbank.co.tz/>
CATEGORY: Level 1 Service Provider
ASSESSMENT: CRDB Bank PLC

Alessandro Amalfitano
PAYMENTS COMPLIANCE PRACTICE MANAGER

COMPLIANCE DATE: 25 May, 2023
EXPIRATION DATE: 24 May, 2024

Certificate ID: AutS9BLkyMIYg4r
ADVANTIO.COM

PCI DSS is a standard designed to reduce payment card fraud by increasing security controls around cardholder data.

bsi.
Certificate of Registration
INFORMATION SECURITY MANAGEMENT SYSTEM - ISO/IEC 27001:2013

This is to certify that:
CRDB Bank PLC
Head Office
Ab Hassan Mwinyi Road
Dar Es Salaam
268
Tanzania

Holds Certificate No: **IS 642956**
and operates an Information Security Management System which complies with the requirements of ISO/IEC 27001:2013 for the following scope:
The management of the information security management system of the information and communication technology and alternative banking channels of CRDB Bank in relation to the delivery of services of SIM banking, Internet banking, and cards management to support the business functions of mobile banking, cards management transactions, and Internet banking in accordance with the statement of applicability CRDB-REC-004_v7.0.
Previous certificate expires on 14/01/2022
Recertification audit ended 13/01/2022

For and on behalf of BSI:
Andrew Lunn, EMEA Systems Certification Director

Original Registration Date: 2019-01-15 Effective Date: 2023-01-15
Latest Revision Date: 2022-02-01 Expiry Date: 2025-01-14
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ISO 27001 - international standard for information security

bsi.
Certificate of Registration
IT SERVICE MANAGEMENT SYSTEM - ISO/IEC 20000-1:2018

This is to certify that:
CRDB Bank PLC
Head Office
Ab Hassan Mwinyi Road
Dar Es Salaam
268
Tanzania

Holds Certificate No: **ITMS 740717**
and operates an IT Service Management System which complies with the requirements of ISO/IEC 20000-1:2018 for the following scope:
The Service Management System (SMS) of CRDB Bank ICT Department that delivers ICT Services to CRDB Bank end users of ICT services. Applies to SIM banking, Internet banking, Cards management in line with Service Catalogue V2, dated in July 2023.

For and on behalf of BSI:
Theuns Kotze, Managing Director Assurance - IMETA

Original Registration Date: 2023-10-20 Effective Date: 2023-10-20
Latest Revision Date: 2023-10-20 Expiry Date: 2026-10-19
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ISO 20000 - International standard for IT service management

bsi.
Certificate of Registration
BUSINESS CONTINUITY MANAGEMENT SYSTEM - ISO 22301:2019

This is to certify that:
CRDB Bank PLC
Head Office
Ab Hassan Mwinyi Road
Dar Es Salaam
268
Tanzania

Holds Certificate No: **BCMS 765122**
and operates a Business Continuity Management System which complies with the requirements of ISO 22301:2019 for the following scope:
The management of the resilience of the time critical activities in relation to the delivery of banking services at the Head Office.

For and on behalf of BSI:
Andrew Lunn, EMEA Systems Certification Director

Original Registration Date: 2022-03-17 Effective Date: 2022-03-17
Latest Revision Date: 2022-03-17 Expiry Date: 2025-03-16
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ISO 9001 - International Standard for Quality Service Management



Tax and Social security contributions

At CRDB, we recognise the criticality of transparency and disclosures as part of a robust corporate governance structure. We endeavour to maintain an ethical and transparent relationship with all our stakeholders so that they can make informed decisions on their engagement with us. In this regard:

- We have adopted ethical and professional business practices and ensure our tax risk management complies with laws and regulations.
- Putting in place strong tax governance and transparency.

- Take part in key industry discussions on tax regulations and policies to enhance compliance and transparency.

As responsible members of society, we believe we must pay the appropriate amount of tax in the jurisdictions where we operate. Our tax approach is founded on these principles, which our tax strategy reinforces. We do not condone any tax evasion and will not knowingly facilitate it, as it is a financial crime.

As shown below, our total tax and Social contribution in 2023 was TZS 505bn, compared to TZS 421bn collected in 2022.

Taxes paid during the year	2023	2022	% change
Corporate taxes	195bn	157bn	24%
Other type of taxes*	131bn	104bn	26%

*Other taxes comprise withholding taxes, Government levies, Skills and Development levies (SDL), and Stamp duty and service levies.

In addition to the taxes we pay, we also collect and administer taxes and social security contributions on behalf of governments.

	2023	2022	% change
Taxes collected/administered on behalf of the Government [Value added taxes (VAT) and pay as you Earn (PAYE)]	151bn	134bn	13%
Social security contributions	28bn	26bn	8%



Our Risk Management

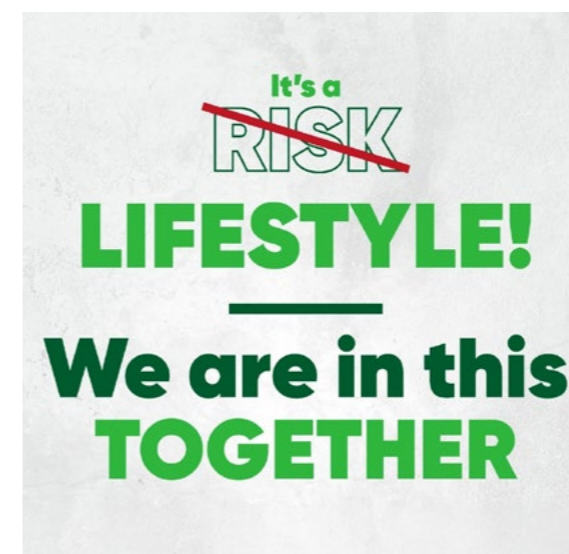
The Group considers management of risk as one of its core functions and a key factor for business continuity and providing stable and good return to our shareholders. The Group has developed policies, procedures and tools that spell out the risk appetite commensurate to the risk taken and expected return. In this process, the Group strives to match the best practices in risk management and ensure that risks are adequately managed throughout the group.

The Group is committed to meeting stakeholders' expectations in mitigating risks through a robust enterprise-wide risk management framework. The framework identifies, quantifies, manages, and monitors risks to achieve an optimal risk-reward profile. Our enterprise risk management framework has well-defined internal structures, adequate processes, systems, and policies, which monitor and help to mitigate existing and prospective risks or threats of damage, injury, liability, loss, and any other negative occurrence that may arise from external or internal vulnerabilities, and which may be avoided through preventive action.

We strongly believe that preventing risks enhances shareholder value because it allows us to manage risks proactively and intelligently, which maximises the Group's potential for earnings, ensures stability and takes measures to protect the business against unexpected losses. Primarily, our risk management aims to preserve solvency by preserving high asset quality, efficient operations, and prudent capital

management, resulting in sustained earnings that augment core capital, enable regulatory compliance, and enhance market reputation and stakeholder support.

The Board of Directors is responsible for the overall risk management approach and for approving the risk management strategies and principles.



“It’s not a risk, it’s a lifestyle” aimed at shifting the perception of risk management within the bank, highlighting its collective responsibility across all departments rather than solely relying on Risk and Compliance. It also promoted proactive engagement from all employees, emphasizing the significance of individual accountability in risk mitigation through cultivating a culture of active participation within the overall objective of safeguarding the bank from potential losses and upholding stakeholder interests.

Sustainable Finance

“

Channelling funds where it matters

”



We are committed to fostering innovative solutions that help facilitate the transition towards a low-carbon economy. To achieve this, we have adopted a strategic approach that involves channeling resources towards initiatives prioritising sustainability, environmental preservation, and eco-friendly practices. Our initiatives are carefully designed to manage and minimise the environmental and social impacts of financial activities. Our primary objective is to promote a net positive societal effect by encouraging responsible financial practices.

Recognizing the urgent need to address the impending climate crisis, in 2023, our Bank took a

proactive measure to issue the Green Bond, branded as “Kijani Bond”. This financial instrument aims to finance sustainable and green projects that align with the Bank’s mission to support environmentally friendly initiatives. We are proud to be at the forefront of this transition towards a more sustainable future, and we will continue to explore new ways to impact society and the environment positively.

The Bank’s commitment to sustainability attracted new environmentally conscious customers and investors through Kijani Bond to partner with us in our journey towards creating a sustainable future.



Approach towards Sustainable Lending

As a responsible bank, we strive to ensure that our banking practices promote positive outcomes to safeguard the planet and community we serve. We assess credit risks by integrating environmental and social management systems (ESMS) into our credit processes to ensure that our lending is done responsibly. Doing so, we better manage risks and capitalize on opportunities in the changing economic environment.

Environmental and social sustainability are fundamental to achieving desired outcomes and

are consistent with our long-term growth strategy. Our credit policy gives priority to projects that foster environmental and social sustainability. We apply international best practices (including IFC Performance Standards) and adhere to international treaties and conventions, which the respective governments have ratified in our markets of operation. We aspire to become a sustainability champion in the region with an enduring commitment to climate action.

Environmental and Social Management Systems:

CRDB Bank has robust Environmental and Social Management Systems (ESMS). The bank has developed a set of policies, procedures, tools, and a dedicated unit equipped with knowledge for the implementation of the ESMS and experience of applying local and national environmental and social laws and regulations as well as international standards.

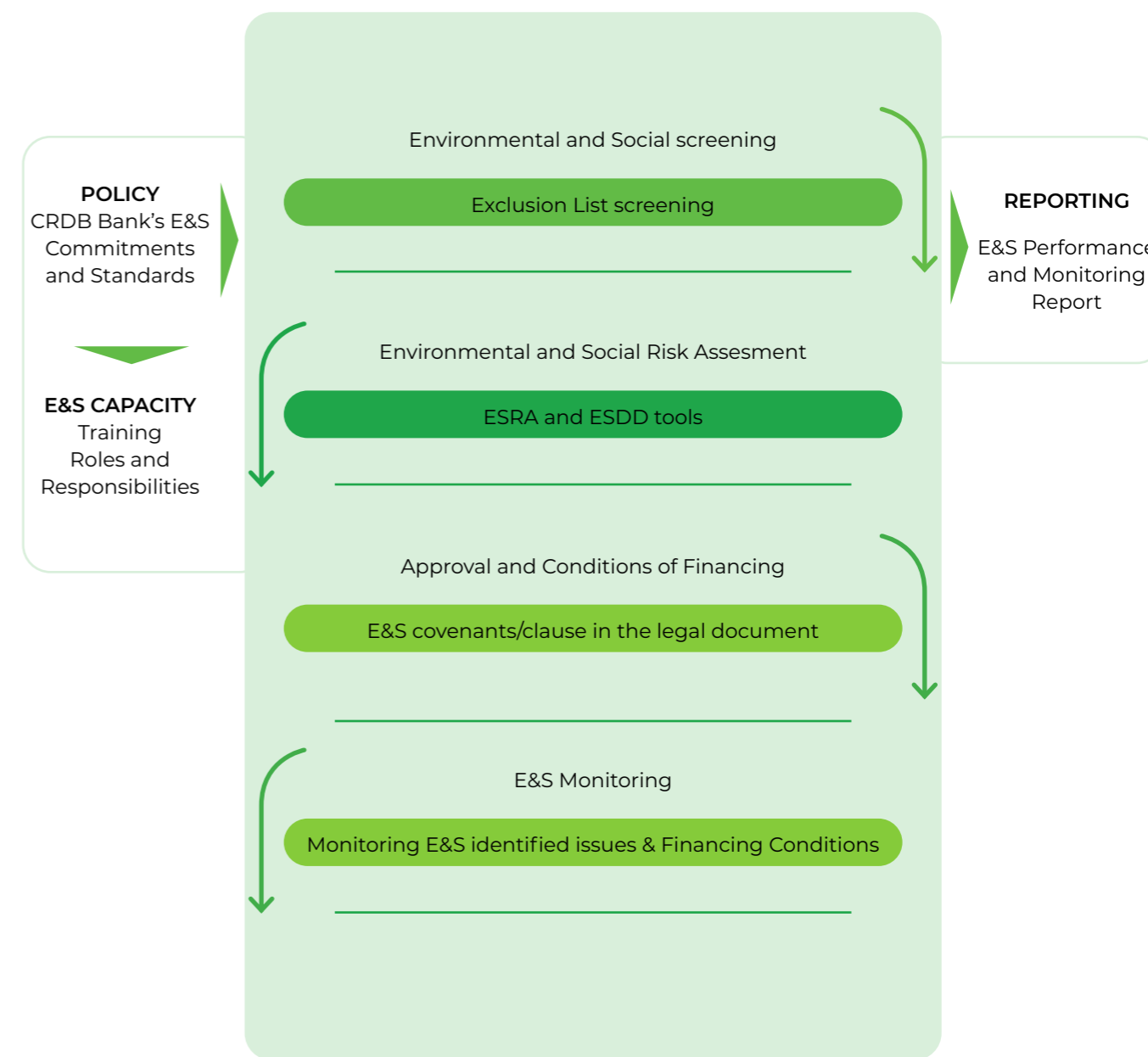
The bank is also in charge of innovating and formulating transformative ideas that will lead to the implementation of green and sustainability projects based on the bank's credit policies, environmental and social policies and procedures, as well as adhering to international treaties and standards. Our environmental and social policies and procedures are guided by the Tanzania Environmental Management

Act (2004) and its specific regulations and guidelines, as amended and issued from time to time, and the best international practices, including the Performance Standards issued by the International Finance Corporation (IFC) Performance Standards.

The bank's Environmental and Social Impact Assessment (ESIA) and monitoring process for the projects being financed by the bank forms part of the Bank's Environmental and Social Management (ESM) procedure while also adhering to the Environmental and Social (E&S) policy, the Credit Operating Manual, and the Credit Policy. The bank has an internally developed Environmental and Social Due Diligence (ESDD) template and tool that is used in the assessment of environmental and social risks of projects



CRDB Bank's Environmental and Social Management System (ESMS)



Integrating environmental and Social risk assessment into our lending process

The group has integrated environmental and social risk assessment into our credit process and appraisals to minimize the negative impact of our lending to the community we serve. The ESMS ensures that our lending activities comply with accepted social and environmental risk assessment procedures

and standards. It helps us to proactively avoid and manage any social and ecological risks likely to arise from a project or activity for which we grant a loan by conducting social and environmental due diligence before loan approval and disbursement.

Reflections from our Head of Policy Advisory & Climate Finance



Kenneth Kasigila
Head of Policy Advisory and Climate Finance

The primary focus of the Policy Advisory and Climate Finance role includes formulation of comprehensive policies and procedures to attract green financing and meet the criteria of various funders, investors, and regulators. The bank has long upheld a policy aligned with the Paris Agreement and broader Environmental, Social, and Governance (ESG) principles for risk management and identifying business opportunities as the world transits to a Net Zero trajectory. We are committed to prioritising integrating ESG factors into our daily banking operations.

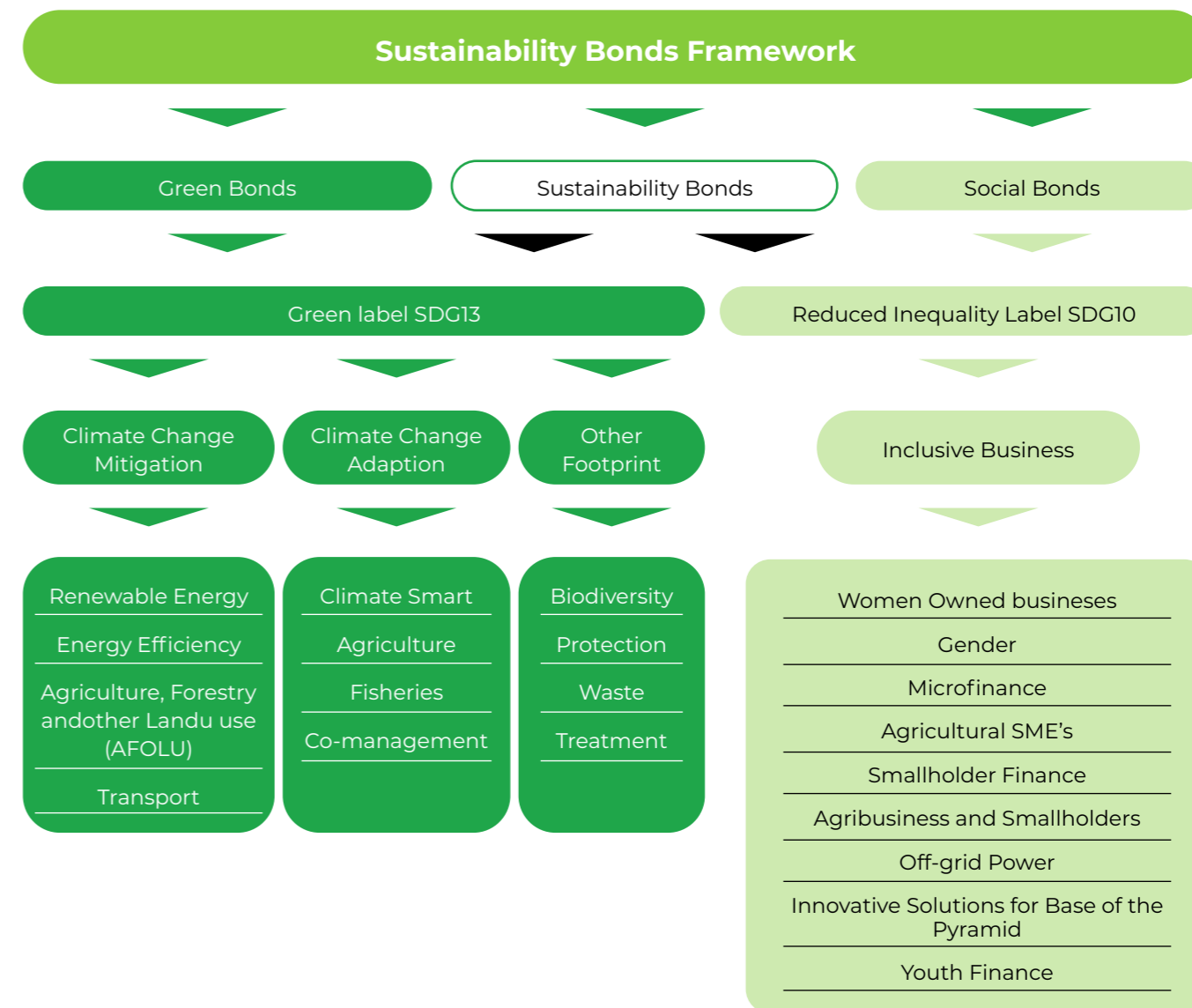
Through our robust Environmental, Social, and Management System (ESMS), our Bank achieved the distinction of being the first commercial bank in East & Central Africa to receive accreditation from the Green Climate Fund (GCF).

We have reinforced our Environmental and Social Management System (ESMS) and implemented structural changes to strengthen our risk management capabilities. This has further advanced our commitment to climate action. Additionally, we have successfully developed a framework for Green Social and Sustainability Bonds, aligning with our strategic objectives for sustainable development which facilitated the issuance of Green bond branded as "Kijani Bond".

Green, Social and Sustainability Bond Framework

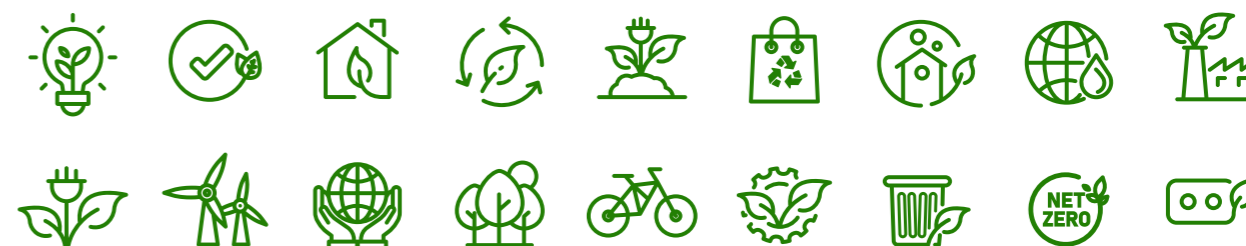
The framework has been established to facilitate the issuance of Green, Social and Sustainability Bonds to finance and refinance "Green Loans" and "Social Loans" and "Sustainability Loans" and provide guidance on the following:

- Use of Proceeds.
- Process for project evaluation and selection.
- Management of Proceeds.
- Reporting; and
- External Review



CRDB's sustainability financing landscape – Key highlights and achievements

- Institutionalised the Environmental and Social Management System (ESMS)
- First Commercial Bank to be accredited by GCF in East, Central and Southern Africa
- First Commercial Bank in Africa to get funding proposal approved by GCF.
- Green Social and Sustainability Bond Framework: Issued the first Green Bond in Tanzania, valued at US\$300 million, the most significant green bond not only in Tanzania but across Sub-Saharan Africa; the first tranche was oversubscribed by 429.6%.
- Tanzania's largest lender to the agriculture sector (Finances more than 40% of all credits to agriculture borrowers in the country) with an agriculture climate adaptation portfolio.



The issuance of our Green Bond



Recognizing the urgent need to address the impact of climate change, in 2023, we issued the Green Bond branded as “Kijani Bond.” This financial instrument aims to finance sustainable and green projects that align with the Bank’s mission to support environmentally friendly initiatives. We are proud to be at the forefront of this transition towards a more sustainable future, and we will continue to explore new ways to positively impact society and the environment.

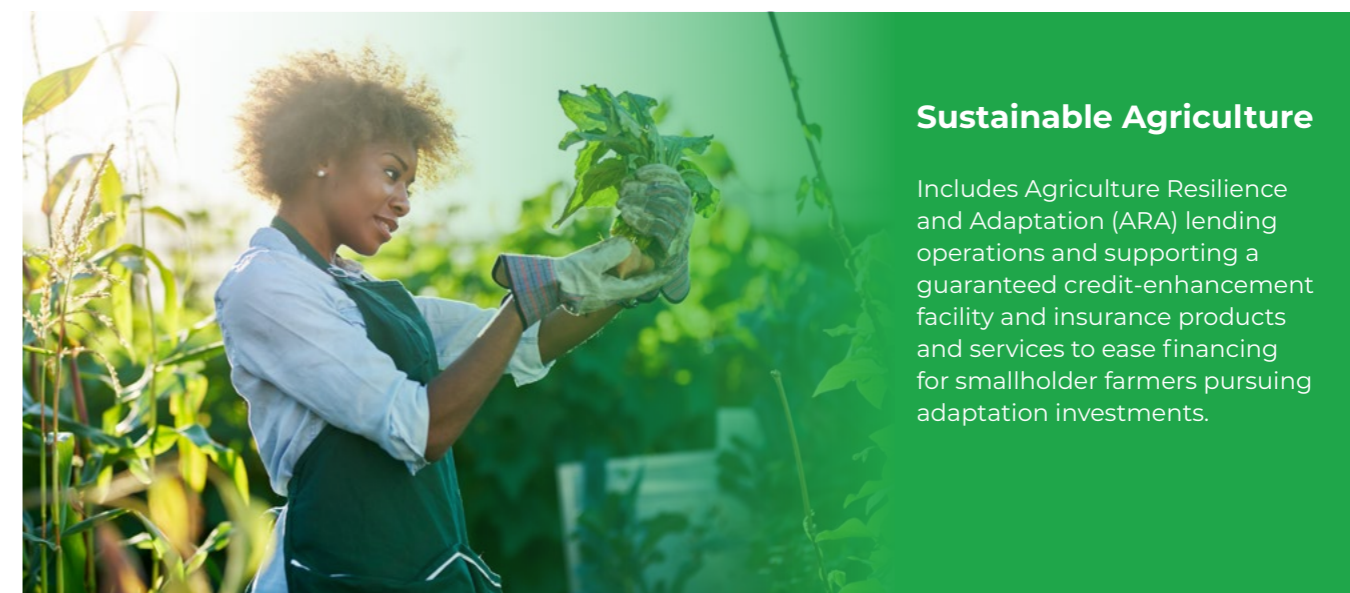
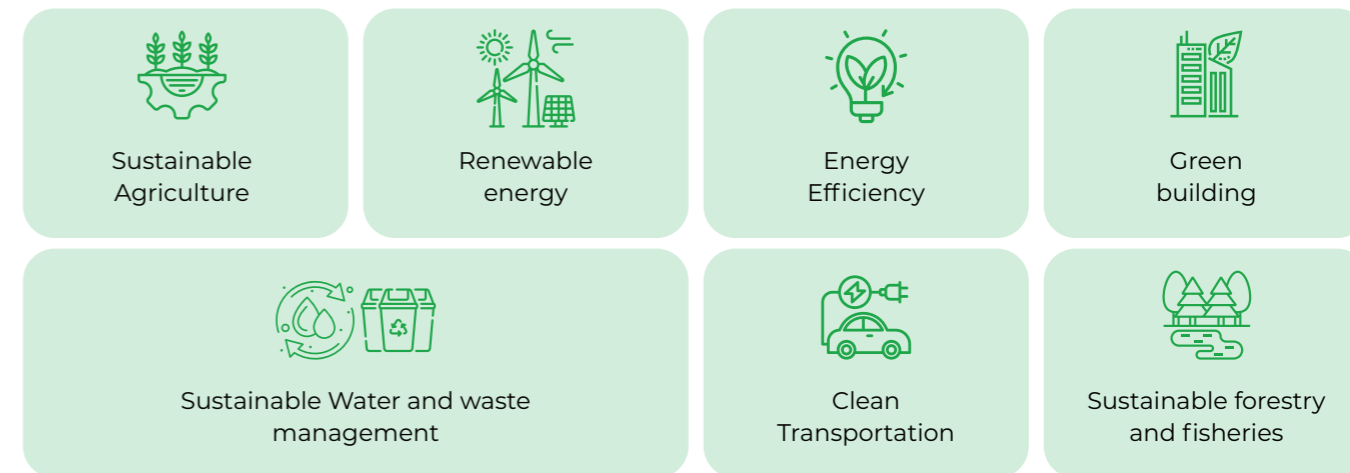
This Medium-Term Note Programme (MTN) worth TZS 780 billion, equivalent to US\$300 million, becomes the first bond with green, social and sustainability components to be issued in Tanzania and the largest in Sub-Saharan Africa by a corporation listed on a stock exchange. The objective of the MTN is to raise funds that will be used to finance eligible Green, Social and Sustainability projects under the bank’s

sustainability bond framework and in line with the principles and recommendations of the International Capital Markets Association (ICMA).

The MTN will be issued in tranches. The first tranche was issued in 2023, and TZS171.8bn was raised and oversubscribed by 429.6%, which evidenced investors’ confidence in the Bank’s ability to promote a sustainable economy. Kijani Bond is listed at DSE.



Proceeds from the issuance of the Kijani bond will be used in the following projects/activities:



Sustainable Agriculture

Includes Agriculture Resilience and Adaptation (ARA) lending operations and supporting a guaranteed credit-enhancement facility and insurance products and services to ease financing for smallholder farmers pursuing adaptation investments.

Eligible technologies and practices may include:

- Greening farming Infrastructures: Shading house, Storage facilities for crop protection (including post-harvest to reduce waste) and Water storage facilities.
- Crop Productivity and soil/water management: Crop shifting, nature-based methods of harvesting, protected cultivation solutions, rainwater harvesting, solar pumps, etc
- Post-harvest waste solutions: Transformation of agricultural products using energy-efficient and renewable solutions.
- Reduced energy use in traction (e.g., efficient tillage), irrigation, and other agriculture processes.
- Rehabilitation of degraded lands (including reforestation/afforestation, agroforestry).

Environmental/social benefits:

- GHG emissions reduction (CO₂ tons equivalent)
- Number of most vulnerable people and communities positively impacted through improved health and well-being and food and water security.
- Increased lending to the agricultural sector; Investments in adaptation and resilience measures to address climate risks in the agriculture sector (cropping sector) in the face of climate variability.



Renewable Energy

Renewable energy generation and efficiency projects.

Eligible assets for the acquisition, conception, construction, operation, development, and installation of renewable energy generation sources and facilities with associated transmission and grid infrastructure, including:

- Wind projects, including onshore and offshore wind energy projects.
- Solar photovoltaic and Concentrated Solar Power
- Hydropower facilities/hydroelectric projects

Environmental/Social benefits :

- GHG emissions reduction (tons CO₂ equivalent)



Energy efficiency

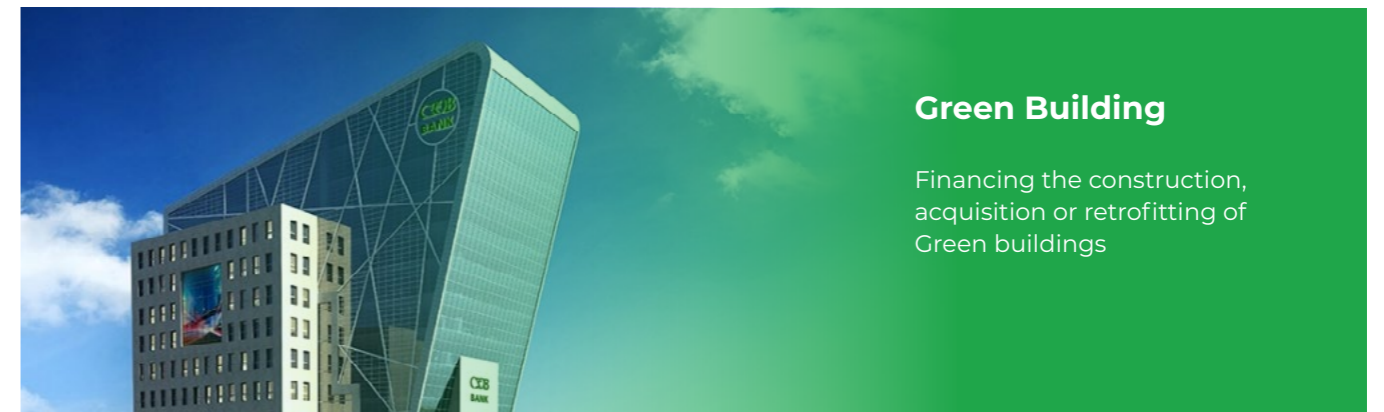
Financing clean and efficient manufacturing and other industrial processes

Eligible Assets to support customers involved in the development, manufacture, repair, maintenance or installation of energy efficiency technologies, products, and systems including:

- Bio-based products that are certified by the Roundtable on Sustainable Biomaterials (RSB)
- Industrial energy-efficiency improvements through the installation of more efficient equipment.
- More efficient replacement of older facilities, including sensors, automatic switches, and energy-star-certified lights and utilities. Improvement in utility-scale energy efficiency through efficient energy use, and loss reduction
- Waste-to-energy projects/facilities that follow the waste hierarchy to ensure that as much of the waste as possible is reused and recycled before being converted to energy.

Environmental/Social benefits

- GHG emissions reduction (tons CO₂ equivalent)
- Reduced waste to landfill (tonnes/year)



Green Building

Financing the construction, acquisition or retrofitting of Green buildings

Eligible assets for the construction, acquisition or retrofitting of Green buildings which meet the regional/national/internationally recognized standards or certification as per below:

- Green buildings with certification from EDGE certified, EDGE Advanced, EDGE Zero carbon, LEED Gold

Environmental/Social benefits :

- GHG emissions reduction (tons CO₂ equivalent)
- Energy saved - materials.
- Water saved



Sustainable water and waste management

Financing sustainable infrastructure for clean and drinking water, wastewater treatment, sustainable urban drainage systems and other forms of flooding mitigation.

Eligible Assets to support the construction, extension, renewal, upgrade or operation of sustainable water and wastewater facilities, including:

- sustainable infrastructure for clean and drinking water, wastewater treatment, sustainable urban drainage systems and other forms of flooding mitigation.
- Eligibility excludes wastewater treatment from fossil fuel operations.

Environmental/Social benefits

- Water saved (m³)
- Waste and water treated (m³)
- Access to clean water and sanitation



Clean Transportation

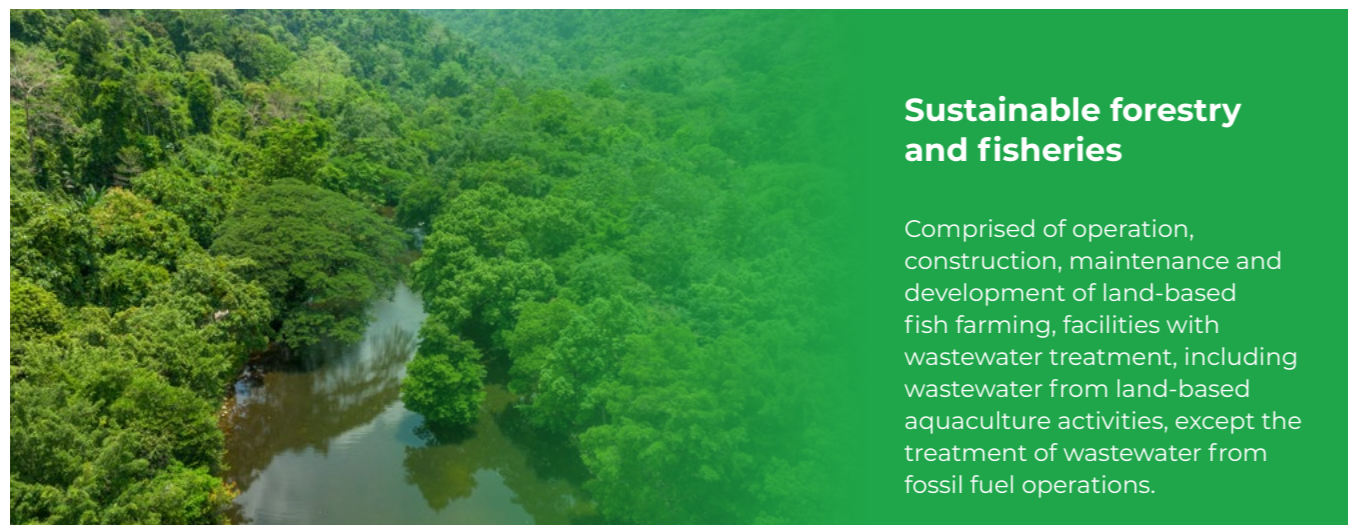
Financing Clean transportation to support the transition to low-carbon transportation.

Eligible Assets supporting the transition low carbon transportation of people and materials, including for the development, sale, operation, and upgrade of infrastructure projects, including for:

- Sustainable transportation solutions, i.e., Electric power trains and vehicles
- Green transport modes rely on renewable energy sources such as wind and solar energy, hydroelectricity, and biomass.

Environmental/Social benefits :

- GHG emissions reduction (tons CO₂ equivalent)



Sustainable forestry and fisheries

Comprised of operation, construction, maintenance and development of land-based fish farming, facilities with wastewater treatment, including wastewater from land-based aquaculture activities, except the treatment of wastewater from fossil fuel operations.

- Sustainably Managed Forestry that increases carbon stocks
- Biosphere conservation projects targeting reducing emissions from the deforestation or degradation of ecosystems.
- Sustainable aquaculture comprises the operation, construction, maintenance, and development of land-based fish farming.

Environmental/Social benefits

- Protected or restored habitats
- Forest / native vegetation restoration
- GHG emissions reduction (tons CO₂ equivalent)

Green Climate Fund (GCF) Accreditation:

In 2021, CRDB Bank became the first commercial Bank in Africa approved by GCF, with a total funding value of US\$200 million [GCF US\$100 million ((70mn Senior Loans + 10mn Guarantees + 20mnGrants) and Co-financing US\$100 million)]. Using these concessional resources, the Bank will launch three new financial products to support local agribusiness:

- A dedicated credit line for climate adaptation technologies and practices.
- A credit guarantee facility to expand access to new borrowers.
- A weather-indexed insurance product to help protect against losses from climate-related events.

This program aims to reach more than 6.1 million direct and indirect beneficiaries by transforming the country's climate financing processes to address

affordable climate adaptation technologies in the agriculture sector. This will ultimately lead to boosting food security and enhancing the resilience of the agricultural sector, including smallholder farmers, thereby improving our citizens' livelihoods and quality of life.

The loan is disbursed in tranches within a program implementation period of 5 years. In 2023, the Bank received the first tranche of USD 35mn out of USD 70 million as an adaptation credit facility for the execution of a lending program titled Tanzania Agriculture Climate Adaptation Technology Deployment Programme (TACATDP). The program is expected to support farmers in Tanzania to access loans that will enable them to acquire climate adaptation technologies to increase resilience in farming activities to combat the effects of climate change in agriculture.



Examples of Crops to be financed

Sunflower, sesame, maize, avocado, soya, horticulture, paddy, and potatoes

Examples of Climate Change Adaptation Technologies to be Financed with GCF approved programmes

- Net Shading/Greenhouse purchase/Installation
- Post-harvest storage/warehouse construction/improvement
- Water harvest and storage
- Drip irrigation
- Organic Manure production, purchase, and application
- Solar pump purchase and or installation for drip irrigation farming
- Mulching to increase soil moisture
- Contour farming to reduce water runoff on steep slopes
- Shifting cultivation
- Production or purchase of biological or organic pesticides
- Aquaculture
- Crop rotation
- Index-based Climate Insurance
- Slow-forming Terraces
- Conservation Tillage
- Drought resistance seeds/crops
- Seed and Grain Storage
- Mixed Farming
- Agro-forestry

Expected impacts

Enhancing adaptation capacities, improved food security, increase soil fertility, increase water use efficiency

Participation in Global Climate Dialogue

Our bank has taken a strong stance in the fight against climate change and has emerged as a leading voice in addressing this global challenge. In November 2023, we participated in the COP28 summit held in Dubai, where we brought together public and private sector representatives to mobilise the transition towards a net-zero global economy. During the summit, we presented a well-researched and insightful paper titled "The Role of

Financial Institutions in Climate Change Resilience and Environmental Management", highlighting financial institutions' importance in the fight against climate change. Additionally, we have also actively participated in the COP26, COP27 and COP28 summits held in 2021, 2022 and 2023 respectively, where we have contributed our expertise and insights towards the common goal of mitigating the impact of climate change.

Green Assets Finance Commitments

Our Bank is strongly committed to managing environmental and social risks associated with lending and is deeply dedicated to this cause. The bank's primary objective is to provide financing rooted in green principles, thus ensuring that our customers and clients have access to environmentally sustainable funding. By implementing these principles, we aim to lead in promoting a sustainable environment and a low-carbon global economy.

As part of this commitment, we pledged to transform our lending practices to create a greener future. The bank is actively working to align our green asset ratios with global sustainability goals, which will help support the transition towards a more sustainable world. Through these efforts, CRDB Bank is important in promoting environmental sustainability and driving positive change towards a more sustainable future.



Our Green Asset finance commitments are highlighted below:

	Baseline 2022	2030	2050
Green asset ratio*	7%	15%	30%

*The portfolio review for 2022 to identify green assets was done by the Climate Bonds Initiative (CBI) using MDB principles, ICMA principles and EU and CBI Taxonomy.



Our Sustainability Agenda



At CRDB Bank, our sustainability agenda is driven by two key areas of focus: ESG and climate finance. ESG (Environmental, Social and governance) are the three pillars of sustainability that illustrate how effectively our organization operates in the present without compromising the ability of future generations to meet their needs. In Climate Finance, the bank focuses on mobilising financial flows and implementing projects and programmes addressing climate change's causes and consequences.



To implement this agenda and meet our aspiration, the bank has identified five key strategic objectives:

- Reduce environmental and carbon footprint across our portfolio in all markets of operation.
- Enhance our Green Asset Ratio from 7% to 15% in 2030 and 30 % in 2050.
- Promote economic development and social well-being.
- Mainstream sustainability across the Group.
- Enhance our communication on sustainability practices to stakeholders.

Policy Statement on Environmental, Social, and Climate Risk Management



“CRDB Bank is committed to promoting environmentally sound and sustainable development in its credit products. The Bank believes that environmental, social, and climate sustainability is a fundamental aspect of achieving outcomes consistent with its credit policy and recognises that projects that foster environmental, social, and climate resilience rank among the highest priorities of its activities.

CRDB Bank will finance projects and businesses that manage their social and environmental impact responsibly based on the Tanzanian National Environmental Management Act (EMA

2004), Environmental Impact Assessment (EIA), and Audit Regulations of 2005, their revised EIA and Audit-Amend Regulations of 2018, Tanzania's National Climate Change Response Strategy (NCCRS) 2021- 2026, Bank of Tanzania Guidelines on Climate-Related Financial Risks Management, 2022, and Dar es Salaam Stock Exchange (DSE) Public Limited Company Rules, 2022.

CRDB Bank will also apply adopted international best practices, particularly the IFC Performance Standards, to assess and manage environmental and social impacts on projects with high risks or effects”.

Approach to Sustainability

“Embedding ‘sustainability’ in everything we do”.

We aim to deliver sustainable, long-term business performance by creating excellent value for our stakeholders. Understanding the impact of our business is vital for realizing how we live our purpose. At CRDB, our commitment to embed sustainability into our business is strategically centered around the following four pillars: the 4Ps.

Our sustainability approach



Our Planet



Our People



Our Prosperity



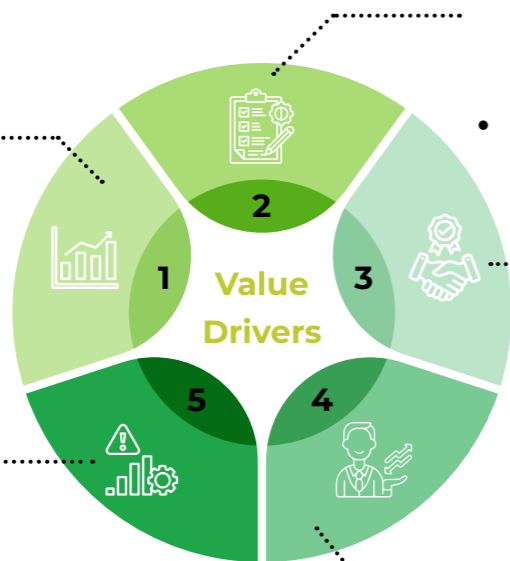
Our Partnerships

Governance and Risk Management

Unlocking value through our focus on sustainability:

New market opportunities and value creation:

- Market share growth
- Product offering for the financing of climate projects.
- Supporting our customers' shift towards sustainability



Regulatory requirements:

- Compliance with existing and emerging laws and regulations requiring the bank to align with the global sustainability agenda.
- Financing projects that meet the Country's sustainability targets

Reputation and trust:

- Position ourselves as the leading bank for tackling climate change in the region.
- Transparency on how we manage sustainability risks and opportunities to build trust in our society.

Manage risks:

- Benefit from the lower cost of risks of green assets financing
- Sustainable use of our capital
- Protect the Bank's balance sheet from uncertainty.
- Deeper understanding of our customers and support them to meet their net zero commitments.

Alignment with the needs of our strategic investors:

- Responding to investors shifting needs and attitude with regards to how we manage climate change.



Sustainability Governance

The responsibility for overseeing sustainability and ESG matters rests with Those charged with Governance. They ensure that sustainability initiatives are integrated into decision-making and long-term growth strategies. Management provides quarterly updates to those in charge of governance about sustainability-related risks and opportunities that impact the Group, our customers, and key stakeholders. Our governance structure is detailed below:

Board Level Governance

Risk Committee

[Considers current and potential future sustainability risk exposures]

Audit Committee

[Considers financial and non-financial disclosures and receives assurance regarding the robustness of controls supporting these disclosures]

Governance and HR Committee

[To align the Bank's HR processes with green principles]

Credit Committee

[Oversees the Bank's lending strategy and ensure alignment with the Group's sustainability goals]

Executive level

Group CEO — Oversees the identification of climate risks and mitigation strategy across the group working with the Group Director of Risk and Compliance

The Executive Team

The Risk Committee

The Sustainability Unit

Business and functional units

Retail Banking

Corporate banking

Credit

Risk and compliance

Human Resources

ICT

Procurement

Finance

Internal Audit

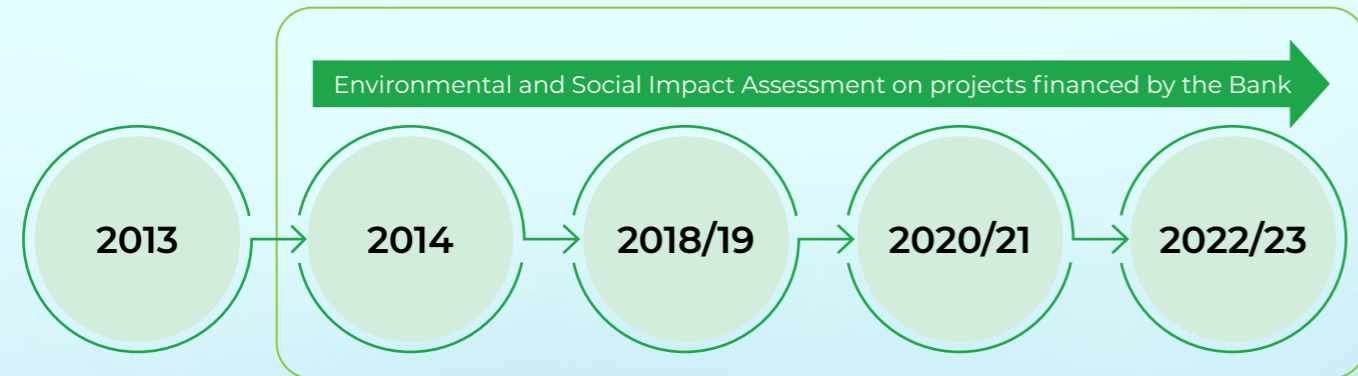
Business Transformation

Corporate Affairs

Treasury and Capital Markets

Banking Operations

Sustainability Journey



Introduction of ESMS in Financial Institutions.

- Developed ESM procedure.
- Developed ESDD tool / template.
- Acquired training from IFC/CDC on the adoption of IFC PSS.
- Reviewed and improved ESM procedure to accommodate GCF requirements.
- Introduced ESM procedure of the GRM & Information Disclosure section for the public sections for GCF-funded projects.
- First Commercial Bank to be accredited by GCF in East, Central and Southern Africa.
- Established a dedicated unit for sustainable financing.
- Developed E&S policy.
- First Commercial Bank in Africa to have GCF Concept Note approval to support smallholder farmers.
- First Commercial Bank in Africa to have GCF Funding Proposal approval to support smallholder farmers.
- ESMS enforcement.
- Enforcement of Sustainability Framework.
- Initiated ESG adoption initiatives.
- Structure changes to enhance risks management and business opportunities to drive climate action.
- Green Social and Sustainability Bond Framework: Issued the first Green Bond in Tanzania, value at US\$300 million, the largest green bond not only in Tanzania but across Sub-Saharan Africa, the first tranche was oversubscribed by 429.6%.

Key:

- ESMS = Environmental and Social Management System
- AfDB = African Development Bank
- GCF = Green Climate Fund
- GRM = Grievance Redressal Mechanism
- ESM = Environmental and Social Management
- ESS = Environmental and Social Safeguards
- ESDD = Environmental and Social Due Diligence
- ESIA= Environmental and Social Impact Assessment



Assessing Materiality

Four-step approach for assessing material topics:

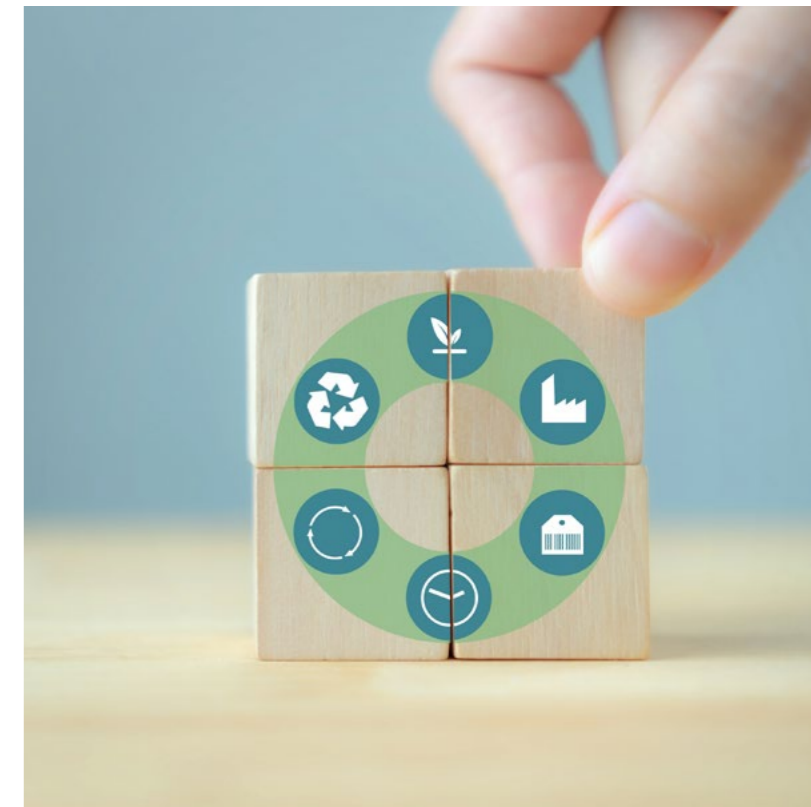


In 2023, we undertook a comprehensive materiality assessment to determine the most significant issues to report from an ESG (Environmental, Social, and Governance) perspective. We aimed to identify the areas where we could make a real difference and provide a meaningful impact to our stakeholders.

Our sustainability commitments and approach are aligned with the local and global frameworks and directives, including the following:

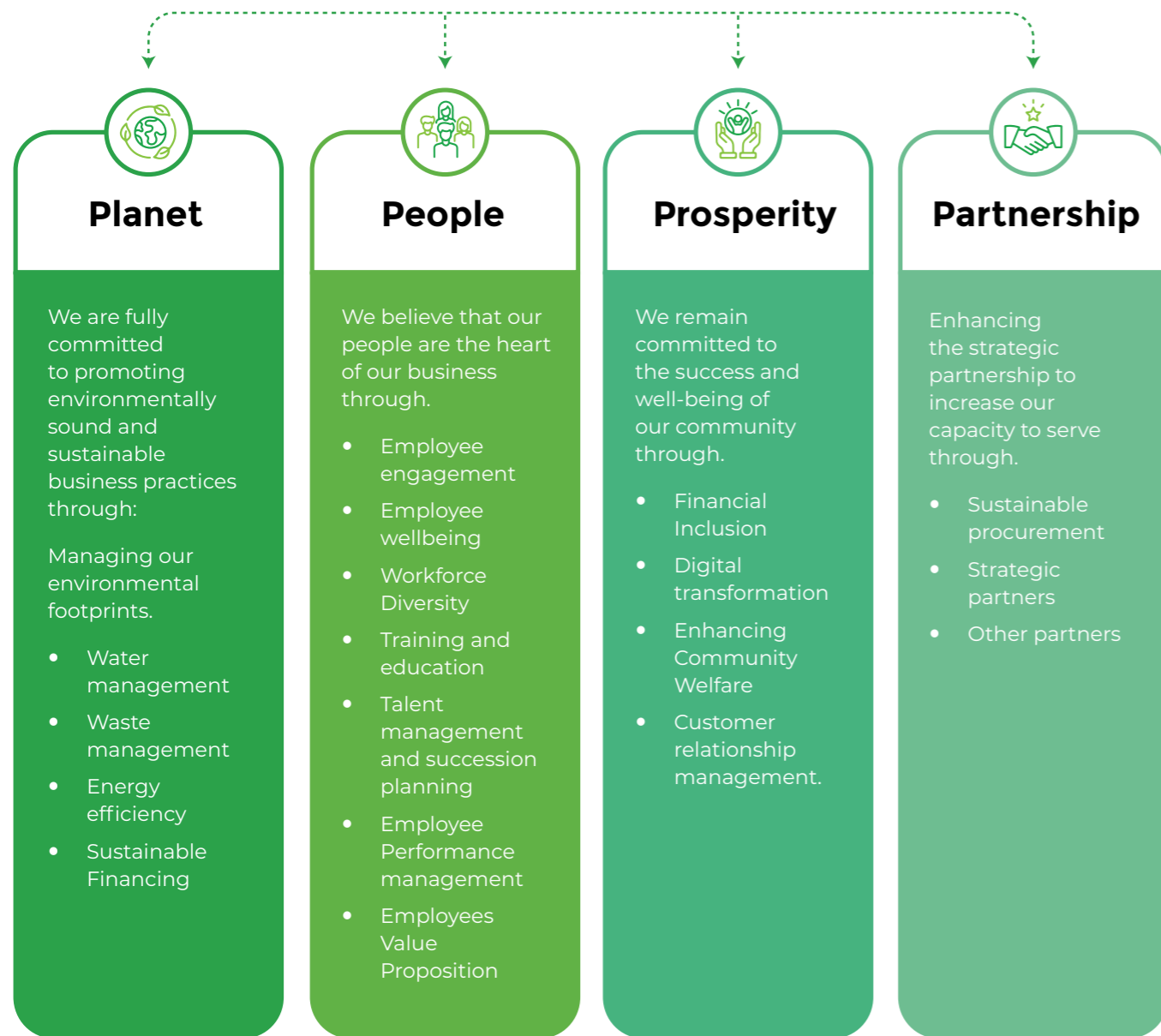
- UNFCCC
- UN Sustainable Development Goals (UN SDGs)
- IFC
- DSE and Bank of Tanzania guidelines
- Paris agreement

To reach the material topics, we utilized a “double materiality” approach in our assessment, which allowed us to understand the risks and opportunities to our Group and the potential impacts on external stakeholders. This approach enabled us to take a holistic view of our operations and understand how we contribute positively to society and the environment.



Material topics

The material Sustainability topics we identified in this assessment guide our sustainability priorities based on our 4 Ps: Planet, People, Prosperity, and Partnership. We believe that focusing on these areas can make a meaningful impact and contribute to a more sustainable future for all.



Stakeholders' Engagement

We recognize the crucial role that our stakeholders play in our business growth and development. Therefore, we believe it's essential to understand their concerns and issues consistently. We value our reciprocal relationship with all our stakeholders, as we know that when they succeed, we also succeed. By actively listening and engaging with them, we gain valuable insights that help us improve outcomes for our customers, society, and the environment.

We aim to proactively nurture all our stakeholder relationships and build trusted, long-lasting connections with them to adequately meet their needs and expectations. We want to work closely with key stakeholders to create value and provide an exceptional experience. Through collaboration and partnership, we can create a sustainable future and drive positive change in our community.

Stakeholder Group	Modes of engagement	Frequency	Key Concerns and Expectations	Response/ Mitigation
Shareholders / Investors	<ul style="list-style-type: none"> • Annual General Meeting (AGM) • The annual report • Shareholder's seminar • Quarterly meetings with strategic investors. • Publication of Quarterly performance reports 	Continuously	<ul style="list-style-type: none"> • Return on investment. • Compliance • Governance and ethical practices • Sustainability practices 	<ul style="list-style-type: none"> • Continuous engagement. • Robust risk management and Internal control processes. • Continuous improvements in business performance and sustainability practices
Employees	<ul style="list-style-type: none"> • Annual performance appraisal. • Employee engagement initiatives • Employee annual feedback survey • Staff townhall meetings 	Continuously / Annual and semi-annual performance review.	<ul style="list-style-type: none"> • Fair remuneration. • Effective performance management and recognition. • Career development. • A safe and healthy work environment. 	<ul style="list-style-type: none"> • Employee engagement. • Health and wellness programs • Continuous training. • Embracing equity, diversity, and inclusiveness.



Stakeholder Group	Modes of engagement	Frequency	Key Concerns and Expectations	Response/ Mitigation
Customers	<ul style="list-style-type: none"> Customer visits. A call centre is there to ensure constant engagement. CRDB website and other social media platforms. Customer satisfaction survey 	Continuously	<ul style="list-style-type: none"> Innovative financial solutions and services Convenient access to banking services through digital channels. Excellence in client service. Strong cyber risk management Sustainable products and services 	<ul style="list-style-type: none"> Awareness of data security and privacy Improvement of products and services to cater their financial goals Work on the feedback obtained from the survey. Focus on designing sustainable products.
Suppliers	<ul style="list-style-type: none"> Regular meetings with suppliers. Phone calls and surveys. 	Continuously	<ul style="list-style-type: none"> Fair bidding and timely payments Governance and ethical practices. Feedback on the delivery of goods and services Timely settlement of the invoice 	<ul style="list-style-type: none"> Ensure timely payments for services. Whistle-blower policy to ensure good practices. Continuous engagement through meetings Focus on sustainable procurements
Community / Society	Regular meetings	Continuously	<ul style="list-style-type: none"> Financial literacy. Financial inclusion Digital transformation 	<ul style="list-style-type: none"> Providing support to our communities and access to financing to address societal needs Partnering with the community to address common social and environmental issues to build a thriving society

Aligning material topics to our stakeholders

Our material sustainability topics:w	Key stakeholders					
	Shareholders / Investors	Employees	Customers	Suppliers	Government and Regulators	Community / Society
Planet						
Managing our environmental footprints	✓	✓	✓	✓	✓	✓
Water management	✓	✓			✓	✓
Waste management	✓	✓			✓	✓
Energy efficiency	✓	✓			✓	✓
Sustainable financing	✓				✓	✓
People						
Employee engagement	✓	✓				
Employee wellbeing	✓	✓				
Workforce diversity		✓				
Training and development	✓	✓				
Talent management and succession planning			✓	✓	✓	✓
Employee performance management		✓				
Employee value proposition		✓				



Key stakeholders						
Our material sustainability topics:w	Shareholders / Investors	Employees	Customers	Suppliers	Government and Regulators	Community / Society
Prosperity						
Financial Inclusion	✓	✓	✓		✓	✓
Digital transformation	✓	✓	✓	✓		✓
Enhancing community welfare	✓				✓	✓
Customer relationship management	✓	✓	✓			✓
Partnership						
Sustainable procurement	✓			✓	✓	✓
Strategic partners	✓	✓	✓	✓	✓	✓

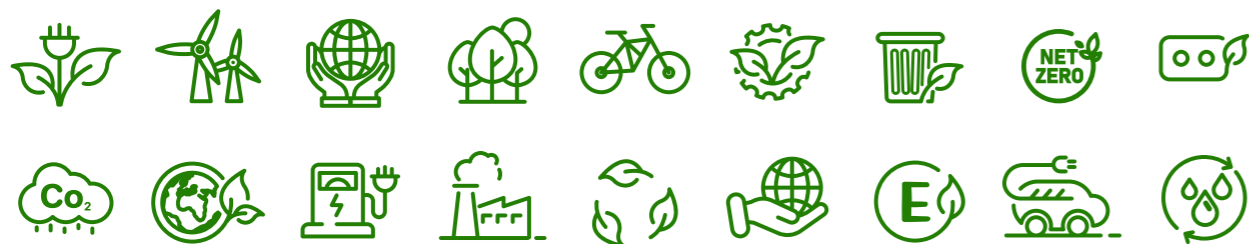


Aligning with Sustainable Development Goals



As a responsible Bank in Tanzania, with a growing presence in East African markets, we acknowledge our impact on the communities in which we operate. We strive to support our communities comprehensively while safeguarding the environment and improving our business performance. We recognise that our business plays a vital role in achieving the UN's SDG objectives. In line with this, we have identified SDG targets to which we can make the most significant contributions.

Priority Goals		Related SDG's
	We support green and climate finance initiatives, deploying environmental best practices that we incorporate into our investment and credit processes through a comprehensive Environmental and Social Management System (ESMS). The bank collaborates with different climate practitioners to mobilize financial resources and develop climate change mitigation and adaptation projects with the aim of meeting climate ambition targets.	
	CRDB Bank supports customers and small businesses with essential products and services. We make significant contributions to economic growth through various innovative financial products, including personal and business loans, working capital provisions, guarantees, financial advice, periodic trainings, awareness-raising, and capacity-building on financial literacy for small and medium-sized entrepreneurs.	
	The bank contributes to ensuring sustainability in the community's access to quality health care and well-being for all, at all ages, by supporting both private sector and public health investments to promote balanced lives and invest in communities to promote long-term mental and physical health and well-being. The bank has a corporate and social investment policy with four components; health and well-being are two of the imperative pillars.	
	The Bank is keen to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. The bank is committed to creating good and attractive infrastructure and a conducive study environment for both private and public institutions at all levels, including primary schools, high schools, medium colleges, and higher learning institutions across our operating region communities.	



Priority Goals		Related SDG's
	We endeavour to support the advancement of women in business and the economy by identifying and removing gender barriers. In assisting our customers in empowering women and girls, CRDB Bank has established unique financial products for business and women's financial inclusion, including a special account called the Malkia Account, where women can set up a savings plan and access loans from their savings at a very special and concessional rate.	
	CRDB Bank collaborates with different stakeholders and partners in the fulfilment of its various investment ambition targets, including SDGs.	



UN SDG's

Our material topics:	1 poverty	2 zero hunger	3 good health and well-being	4 quality education	5 gender equality	6 clean water and sanitation	7 affordable and clean energy	8 decent work and economic growth	9 industry, innovation and infrastructure	10 reduced inequalities	11 sustainable cities and communities	12 responsible consumption and production	13 climate action	14 life below water	15 life on land	16 peace, justice and strong institutions	17 partnerships for the goals
Planet																	
Managing our environmental footprints			✓			✓			✓				✓	✓			
Water management			✓			✓											
Waste management												✓	✓				
Energy efficiency							✓										
Sustainable financing			✓				✓				✓	✓	✓	✓			✓
People																	
Employee engagement								✓				✓					✓
Employee wellbeing								✓				✓					
Workforce diversity					✓												
Training and development				✓													

UN SDG's

Our material topics:	1 poverty	2 zero hunger	3 good health and well-being	4 quality education	5 gender equality	6 clean water and sanitation	7 affordable and clean energy	8 decent work and economic growth	9 industry, innovation and infrastructure	10 reduced inequalities	11 sustainable cities and communities	12 responsible consumption and production	13 climate action	14 life below water	15 life on land	16 peace, justice and strong institutions	17 partnerships for the goals
Prosperity																	
Talent management and succession planning								✓		✓							
Employee performance management								✓				✓					
Employees Value Proposition													✓				
Partnership																	
Financial Inclusion	✓				✓			✓		✓							✓
Digital transformation																	
Enhancing community welfare	✓				✓					✓			✓	✓			✓
Customer relationship management																	✓
Partnership																	
Sustainable procurement												✓	✓				✓
Strategic partners												✓	✓				✓
Other partners												✓	✓				✓

Planet



Managing our environmental footprint

Our Group places great importance on integrating environmental and social sustainability into our operations to achieve our desired outcomes. As part of our dedication to promoting environmentally sound and sustainable development, we incorporate measures for environmental and social sustainability into our day-to-day activities.



Material Topic	Sustainability Goals and targets
Manage our environmental Footprint (Scope 1 and 2 emissions)	<ul style="list-style-type: none"> Reduce our carbon emissions by 10% by 2030. Reduce paper usage by 20% by 2025 Invest in digital tools – roll out BIO tools to all our Branches by 2030 Source 20% of our electricity from renewable sources by 2030 and 40% by 2050. Reduce water consumption by 25% by 2030 Roll out of LED lights and sensor lights to all our outlets by 2030 Reduce waste generation through reduction, recycling and reuse.

Our group is committed to reducing scope 3 emissions by focusing on sustainable financing. We place a high priority on funding projects that support environmental sustainability and social responsibility, in line with the Green, Social, and Sustainability bond framework. Our aim is to contribute to a sustainable future for all.

In addition, the Group will decarbonise our existing portfolio to achieve a green asset ratio of 15% by the year 2030 and 30% by the year 2050 from the baseline of 7% through communicating the Group sustainability initiatives and engaging our stakeholders on the transition pathways towards reduction of their carbon emissions.

Commitment to pioneering sustainability at CRDB Bank Group

Commitment to pioneering sustainability in our bank is crucial in today's world, where environmental and social issues are becoming increasingly important. We understand that as a commercial bank we can play a significant role in the economy by providing climate friendly financing and investment opportunities to businesses and individuals. By incorporating sustainability practices into our operations, we can help drive positive change and contribute to a more sustainable future.

We are thrilled to share our dedication to integrating sustainability into our daily business operations by adopting five essential habits that will continue to reduce our environmental carbon footprint. These habits are a testament to our unwavering commitment to environmental responsibility and encompass the following:

- Enhancing automation to minimize paper usage and reduce carbon footprint.
- Proactively ensuring that lights are turned off and appliances are unplugged when not in use to conserve energy.
- Making conscious efforts to optimize water consumption for both operational and facility purposes.
- Encouraging the consistent use of reusable, eco-friendly bottles to reduce single-use plastic waste.
- Engaging in tree planting initiatives to contribute to global reforestation efforts.

We firmly believe that balancing development with broader environmental sustainability goals lies at the heart of our approach and that the wider benefits of our sustainability efforts can be distributed more equitably across the group.

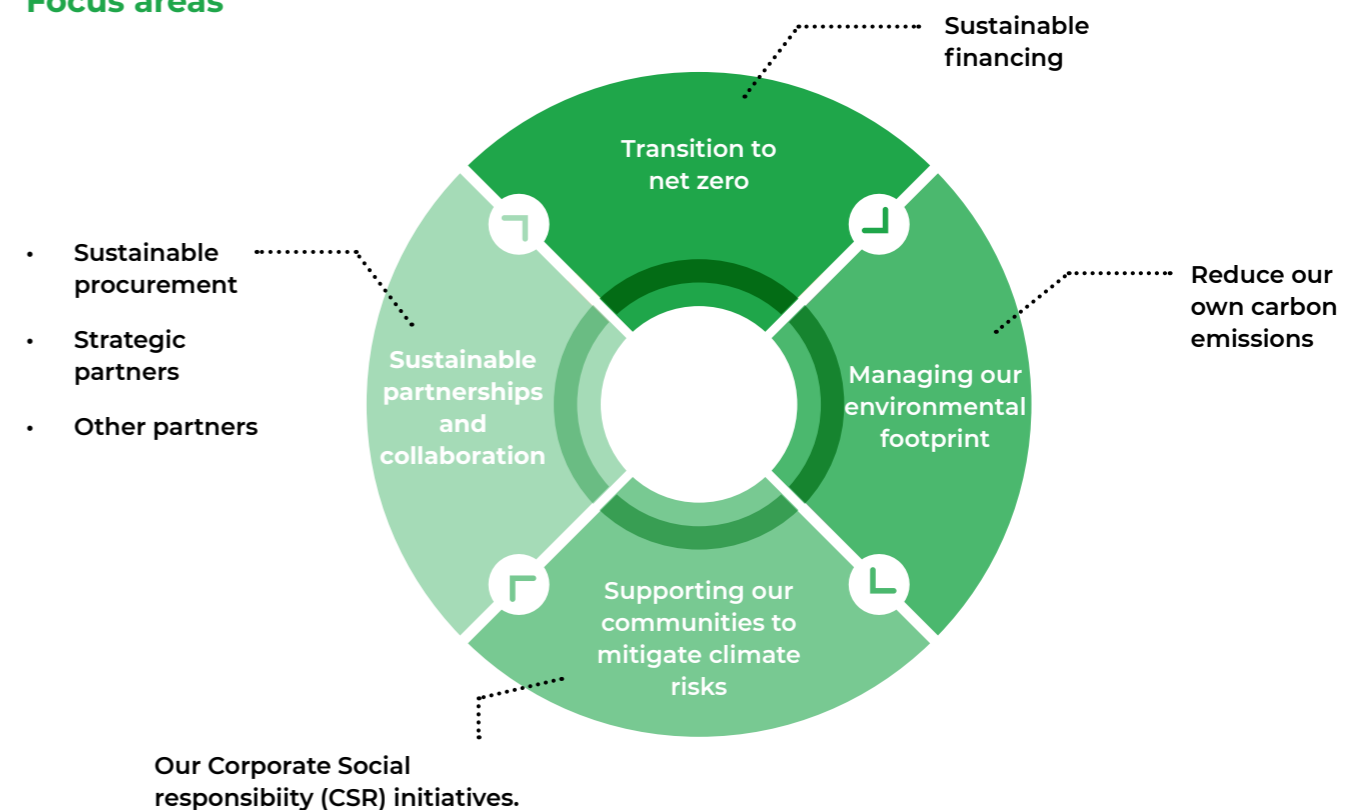


Ramla Msuya – Head of Sustainability Programmes.

The following information details the various sectors and the respective portfolio amounts held within the Group susceptible to the transition risk associated with a shift towards a low-carbon economy. From the high-level review, the potential transition risk amounts to 32.5% of the total loan portfolio.

2023	Power and Utilities	Manufacturing	Building and Construction	Mining and Quarry	Oil and gas	Transportation and communication	Agriculture
Exposure to the sector as a % of total loans and advances	0.95%	7.13%	4.71%	0.67%	0.17%	2.56%	16.30%
Exposure to sector (TZS) million	78,235	589,774	389,116	55,749	14,363	212,025	1,347,603
Sector weight as a proportion of high transition risk sectors %	2.91%	21.95%	14.48%	2.07%	0.53%	7.89%	50.16%

Focus areas



We evaluate climate-related risks as part of our comprehensive risk management. This approach ensures that the bank's risk management includes the increasing risks associated with climate change. Through this evaluation, we identify potential risks in the current risk structure and take proactive measures to mitigate or manage these risks through our ESMS.

Risks	Opportunities
Adverse impact on future creditworthiness of customers due to climate change.	<ul style="list-style-type: none"> Financing sustainable projects Investment in eco-friendly technology The issue of sustainable Bonds
Increased likelihood and potential impact of business disruption events and those arising from new and changing policy standards.	
Fines and penalties because of non-compliance	
Effects on Probability of the default (PD) and losses in the event of default (LGD)	
Stranded assets which impair the value of the collateral pledged.	

Our response

- We apply international best practices (including IFC Performance Standards) and adhere to national international treaties and conventions
- The bank has developed a specific environmental and social policy which guides how we manage the environmental and social risks and impacts. Through this policy, the bank commits to:
 - Examine the environmental and social issues and concerns associated with potential business activities proposed for financing or being financed.
 - Identify, evaluate, and manage the environmental and social risks and the associated financial implications of these issues and concerns.
 - Where avoidance is impossible, mitigate adverse impacts to people and the environment.



Climate Action Initiatives

As part of our overall Group strategy, we are creating structures and procedures to help us manage and govern climate risks across our organisation. We are enhancing our reporting processes to ensure transparency for our customers, shareholders, regulators, and other stakeholders. During 2023, we have taken measures to integrate climate and other ESG risks into our lending processes and other business activities.

While we recognise the advantages of positive climate actions and alignment with the global sustainable development agenda, we are fully committed to steering our business in an ESG-aligned direction. Consequently, we are taking deliberate

measures and initiatives to meet our climate targets, including:

- Developing appropriate risk assessment tools and procedures that also cover ESG risks.
- Creating a climate risk dashboard to keep track of our climate targets and performance.
- Continuing to prioritise climate risks and ESG in our credit risk assessment.
- Strengthening our governance processes and overall risk frameworks.
- Building the capacity of our staff on climate and ESG-related matters.

Water Management Practices

We aim to reduce our water use by 20% by 2030. To achieve this, we have deployed several water efficiency measures throughout our head office, and the plan is to roll them out in our branches. These measures include the installation of low-flow fixtures and water sensors. We remain committed to reducing our water usage and increasing our sustainability efforts as we work towards a more environmentally friendly future.

6%

Our total water consumption in litres in 2023 decreased by 6% to 259 Million litres from 276 Million litres in 2022.

Roll-out filtration and purification solutions:

Our Bank has implemented water filtration and purification solutions at our headquarters, which can accommodate more than 1,300 people. This initiative is a part of our sustainability and green campaign to eliminate the use of harmful plastic bottles. The project's first phase was completed in 2023, and we plan to roll out this initiative to other bank outlets by 2025.

Waste Management Practices

Our Group maintains effective systems to ensure responsible waste collection, recycling and disposal. We have implemented a waste disposal mechanism in alignment with local and national regulations. We follow a structured methodology for the disposal of dry and wet waste generated in our operations.



We have a contract with company "The Recycler" Waste management and Recycling.

The Company offers waste management and recycling solution for waste stream in Tanzania. They are specialized in separating all kinds of recyclable waste to process and trade to domestic and international markets.

Quantity of wastes recycled in 2023 (In Kilograms):

Waste categories	Paper	Cardboard	Plastic	Glass	Food waste	Others (Nylon, Cans, Tins)	Total waste
Wastes recycled in (Kgs)	10,884	3,264	1,435	654	9,145	137	25,519

Recycling Facts



All Cardboard and white paper went to a local manufacturer that turns it into toilet paper rolls and brown envelopes.

Paper products omit serious amounts of methane when placed in a landfill to decay.



Plastic bottles were given to local traders who process them into flakes and then export them to India. These are then used to make new plastic bottles, plastic chairs or even shirts or jackets.

1 recycled plastic bottle saves enough energy to power a 60-watt light bulb for three hours.



Cans went to a local company that will melt it down into new metal products like steel frames and bars

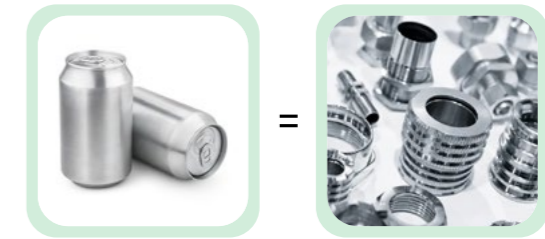
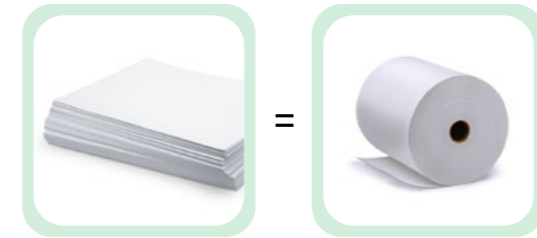
- One recycled can saves enough energy to power a television for 3 hours.
- Aluminum cans can be recycled and ready to use in just 6 weeks.



Glass went to a local manufacturer that crushes the glass and reheats it to make new bottles.

- Glass is 100% recyclable and can be used again and again
- Glass that ends up in landfills will never decompose

Where does it go



At our Bank, we are committed to taking concrete steps towards reducing the amount of waste that ends up in landfills and incinerators. We recognize that waste reduction is a crucial aspect of environmental sustainability, and we are actively promoting the reuse and recycling of materials as part of our efforts to create a cleaner and healthier environment for everyone.

Through our initiatives to promote material reuse and recycling, we aim to conserve natural resources and reduce greenhouse gas emissions. By diverting waste from landfills and incinerators, we are also contributing to the reduction of pollution and the

conservation of energy. We recognize that waste management is a complex issue, and we are continually seeking innovative ways to minimize our environmental impact and promote sustainable practices.

We believe that it is our responsibility to lead by example and encourage others to join us in our efforts to create a more sustainable future. We are committed to working with our stakeholders to develop and implement sustainable waste management practices that benefit our communities and the planet as a whole.



Recycling Impact

From June 2021 to 2023, CRDB has recycled 50,293 kgs of waste!



Recycling the equivalent of
80,379
one-liter plastic bottles

Recycling the equivalent of
over 743
cans



Recycling of white paper and cardboard has saved
277 trees!



Recycling the equivalent of
2,971 glass
wine bottles



Recycling has saved the equivalent of
148 tons
of CO2



Recycling plastic has saved the equivalent of
220 barrels
of oil



Recycling has saved
431,703 liters
of water!



Recycling has saved
282 cubic
meters of landfill space

Reduce Usage of Paper

The Group is taking various measures to reduce its environmental footprint. One of these measures includes migrating customer communications to paperless modes. The bank now communicates with customers through multiple alternative channels, such as emails, SMS, phone calls, Simbanking, and Internet banking and provision of e-statements to our customers.

The bank also encourages customers to use its digital banking platforms to reduce emissions associated with travel and running large branches. The bank has also selectively initiated the e-KYC process, replacing the earlier physical KYC, resulting in significant savings in paper.

Additionally, the Bank Implemented paperless solutions "OPTIMA" and "IPV", which allow the voucher Initiator to upload the intended financial transaction with supporting documents on a user-friendly digital screen. The transaction, including the attached documents, will pass through the required authorisations to the posting Unit without involving the printing of papers and manual voucher delivery.

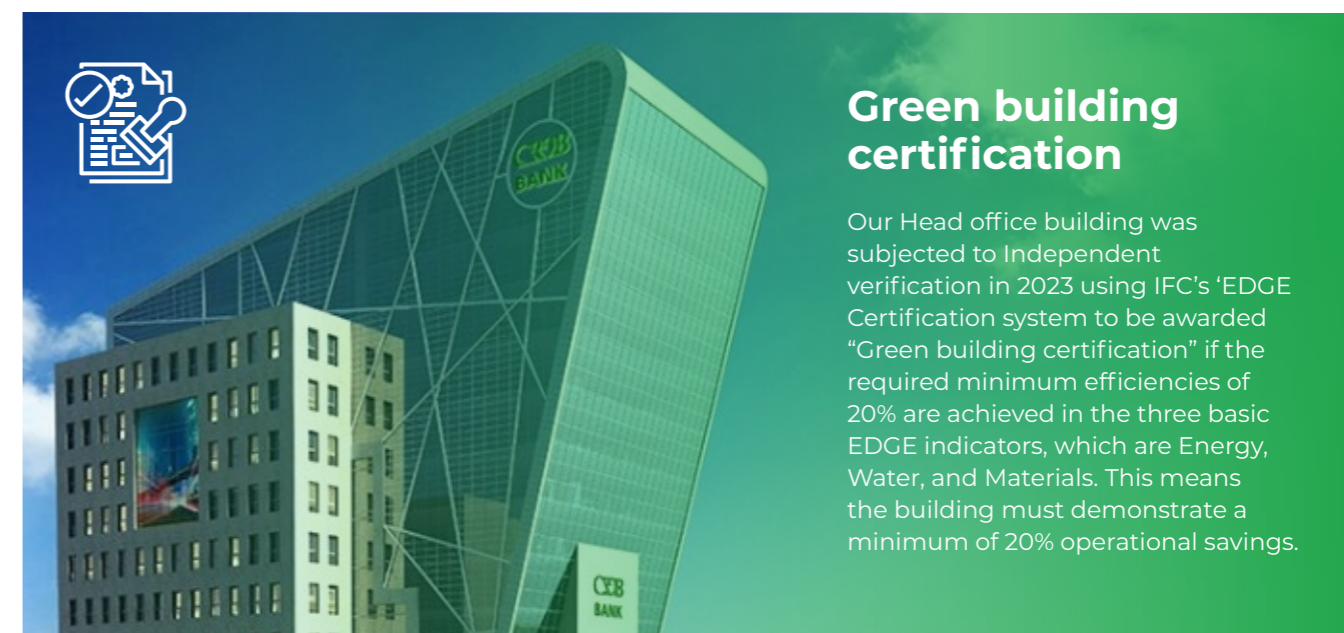
The total rim of paper used in 2023 decreased by 5%. This was mainly driven by the increase in online platforms and digital banking solutions.



Energy efficiency

Our greenhouse gas emissions are mainly caused by the consumption of purchased electricity, diesel, and petrol used in our standby generators. We are significantly reducing our energy consumption across all our operations. This includes using energy-efficient LED lights, inverters, and motion sensor lighting. We believe these initiatives will complement our efforts to reduce energy consumption and help to reduce our carbon footprint.

Our headquarters building has been designed to meet sustainability requirements and standards. Much of it has been constructed using glass, which helps reflect light and significantly reduces carbon emissions from energy use. This, in turn, reduces the need for power and utilities during the day, making energy use more efficient.



Green building certification

Our Head office building was subjected to Independent verification in 2023 using IFC's 'EDGE Certification system to be awarded "Green building certification" if the required minimum efficiencies of 20% are achieved in the three basic EDGE indicators, which are Energy, Water, and Materials. This means the building must demonstrate a minimum of 20% operational savings.



People



Our Group places immense value and importance on individuals who form the backbone of our Bank. We are committed to promoting the development and growth of all our employees. Our focus on “People Development and Support” is a key aspect of our core values and is an integral part of our sustainability agenda.

We firmly believe that the competence and expertise of our workforce are critical to our success and continued growth. With a team of over 3,000 employees, we strive to be a responsible employer

that offers our staff, talents, and leaders development programs that enhance their capabilities and promote their well-being.

We are dedicated to creating a work environment that fosters personal and professional growth opportunities, enabling our employees to achieve their full potential. At CRDB, we are committed to supporting our workforce and providing them with the necessary tools to excel in their roles and elevate their careers.

	Material Topics	Goals	Performance
1	Employee satisfaction survey score	>80%	87% from 70% from the last survey
2	Employee satisfaction survey participation	>90%	98% from 78% from the last survey
3	Number of staff trained	>2000	3,338 from 1,142 in 2022
4	Staff turnover	< 3%	2%

Gender diversity (Male: Female) target is 50:50 in 2027 from the current baseline of 56:44

Focus areas



Empowering Human Capital



Employee Engagement

The Group believes Employee engagement is the foundation that supports several positive business outcomes, such as productivity, profitability, growth, customer experience, employee retention, and safety. At CRDB, employees are engaged at three levels: physical, emotional, and cognitive. These are not only to ensure full commitment from the employees but also create passionate and motivated workers who strive hard to work towards the Bank's vision and personal goals. By focusing on employee engagement at multiple levels and providing opportunities for growth, recognition, and well-being, CRDB aims to create a motivated and committed workforce that can contribute to the bank's success and deliver exceptional customer experiences.

In addition to work-related activities, CRDB also organises sports events such as the CRDB Super Cup

and supports young talents through the UniTalent Sponsorship program. These initiatives contribute to employee engagement by promoting teamwork, friendship, and personal development outside the regular work environment.



Fundamentally, people want to be recognised and appreciated for their efforts. To emphasise this, in 2020, the Bank formally launched an award named "CEO Awards", aiming to recognise excellence in the workplace, which is conducted annually. The awards were structured in line with our strategic themes to recognize key drivers of change within the Bank. As a future-oriented employer, we believe in rewarding excellence among our staff as a motivating factor and a noble action.



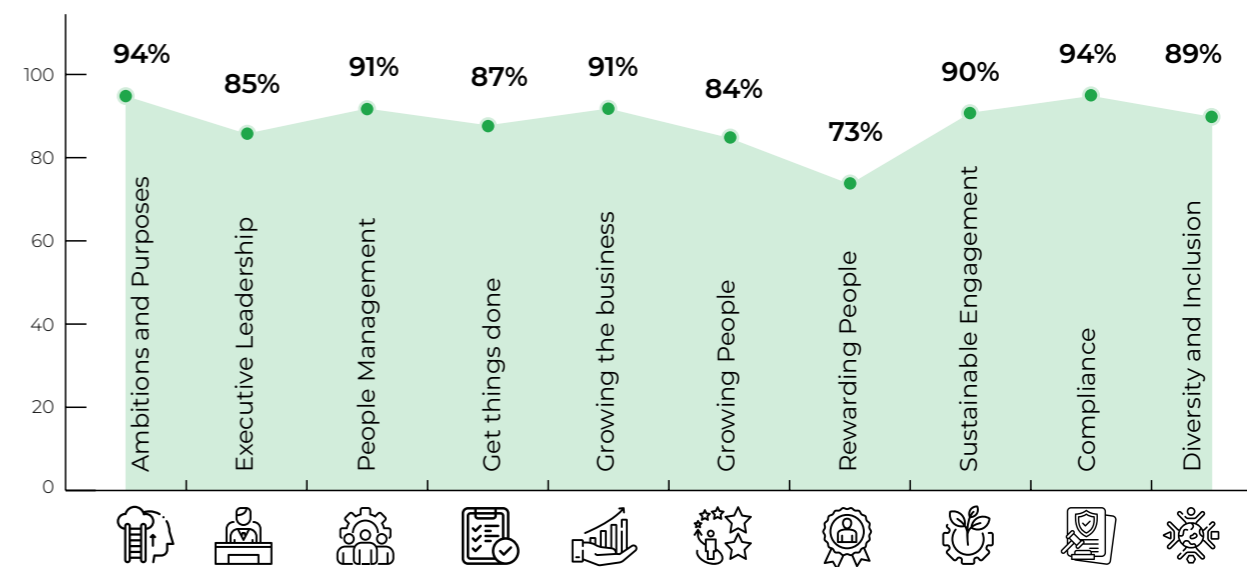
Employee Satisfaction Survey

In 2023, the Bank undertook an employee satisfaction survey for the year 2022 with an average response rate of 98% (2020: 78%). Overall employee satisfaction survey remains healthy at 87% (2020: 70%)

Employee survey data	2022	2020
Total eligible employees	3,712	3,282
Participation (no of employees)	3,623	2,560
Participation rate (%)	98%	78%

Employee satisfaction survey highlights:

2022 EES: Overall Satisfaction



Employee wellbeing

As a Bank, we believe employee wellness is essential to our overall employee value proposition. We prioritize the value of 'Care' and constantly seek ways to provide the best possible customer experience. We recognise that a happy and engaged workforce is critical to achieving this goal. To achieve this, we prioritise health and well-being. We understand that a sedentary lifestyle, poor posture, and stress are the primary health concerns in the workplace. To address these issues, we conduct regular medical check-ups, promote best health practices, and provide

counselling services through a dedicated helpline to help our employees deal with mental health issues. Additionally, we offer medical coverage to all our employees and have a specialised maternity care program to support our female employees on the path to motherhood.

We also understand the importance of nutrition, physical fitness, and stress reduction. Our bank firmly believes that quality health is essential for our organisation's success and promoting our staff's well-being.



In 2021, we launched well-being services focused on empowering our colleagues and eligible dependents to address challenges related to physical and social well-being.

The services offered include:

- Professional telephone counselling in Swahili and English: Counselling for psychosocial problems, substance abuse and addiction, relationship problems, financial management, health, personal, or work-related problems, and all mental disorders.
- Professional face-to-face Counselling: Psychological, relationship, medical stress, financial problems, marital and prenatal counselling, trauma-focused counselling, teenage counselling, family therapy, individual and corporate coaching, fitness, nutrition, and lifestyle management.
- Managerial Consultation for stress management, crisis management, assistance in managing risk cases, cultural diversity, or performance management of employees.
- Psychiatric care arrangement: outpatient assessment and care through an accredited Psychiatrist.
- Emergency response critical incident stress debriefing (CISD): Worksite counselling and stress management support such as armed robbery, death, or disaster at a worksite.

- Education Support and awareness: Conduct an awareness program across the network to equip employees on key psychological threats/signs periodically.
- HR, in collaboration with OSHA, annually carries out fitness-to-work and medical examinations for all staff. The bank has an occupational health and safety policy to ensure occupational health and safety (OHS) for all staff, customers, and premises. The policy specifies the control requirements and guidelines concerning Occupational Health and Safety. It provides obligations and responsibilities to staff, the board of directors, and management to ensure they consistently meet regulatory requirements and this policy.



Men's Talk

During the year, the Bank had a session for its male employees to enhance their capabilities in psychology, physical, and social aspects. The session, facilitated by doctors and psychologists, took place at the bank's headquarters, with the rest of the employees from across the country following up online. Apart from empowering employees to manage their personal affairs effectively, the session aimed to boost their work morale to eventually enable them to increase their efficiency and enhance service delivery when serving our esteemed customers, ensuring they meet their needs and expectations. The session provides an opportunity for men to discuss personal development as well as that of their families and seek solutions to the challenges they face. The Bank values the contribution of all employees and always ensures that there is a conducive working



“The following numbers represent the number of people who received counselling through various sessions.”

Session	2023	2022
Face to Face sessions	318	274
Telephonic session	298	275
Managerial Consultation	69	20
Training	1,679	745
Total	2,364	1,314



Workforce Diversity

“Instilling Gender diversity and inclusion.”

Diversity, Inclusion, Equity and Belonging create a positive work environment for all, leading to better ideas and helping foster a positive work environment that promotes equality and delivers results. A diverse and inclusive workplace makes everyone, regardless of who they are or what they do for the business, feel equally involved in and supported in all workplace areas.

With over 3,500 employees in multiple countries, a key focus point for the bank is to recruit, develop and retain a diverse workforce. By actively seeking and including diverse ideas, perspectives and approaches, the bank can better reflect, understand and connect with customers; foster creativity and innovation; solve complex problems; improve the quality of business decisions; and boost employee engagement and morale. Our leaders are committed to providing opportunities for all employees to reach their full potential.

We are committed to supporting and valuing the diversity of the people, organisations, and communities we serve by recognising and respecting human differences and similarities. The Bank strives to create an environment responsive to different cultures and groups in all our interactions with employees, customers, visitors, suppliers, contractors, shareholders, investors and the communities in which we operate. We believe that, by employing people with different cultural experiences and perspectives, we can eliminate these blind spots in developing solutions to customer problems.

We believe that by enhancing our understanding of how people with different points of view receive messaging, products, and services, we gain a competitive edge to respond to the market's needs appropriately. Diversity is an integral source of our strength because it fosters innovation and problem-solving by pushing everyone to look at things differently.



Women empowerment

The Bank introduced the She Initiatives program as one of the initiatives aiming at empowering women through training, coaching, and mentoring. This program provides training, coaching, and mentoring opportunities to support women's professional growth and development. The She Initiatives program offers women various resources and support systems to enhance their skills, knowledge, and confidence. Training sessions are designed to equip women with the necessary tools and expertise to excel in their careers. These sessions may cover various topics, including leadership development, communication skills, financial literacy, and other relevant areas.

Through Coaching and mentoring, women participants are paired with experienced professionals who can provide guidance, advice, and support based on their expertise and experiences. This mentorship helps women navigate challenges, set goals, and make informed decisions about their career paths. By implementing the She Initiatives program, the Bank aims to create a more inclusive and supportive environment for women, enabling them to thrive professionally. The program seeks to empower women through training, coaching, and mentoring by equipping them with the necessary skills and knowledge to succeed in their chosen fields.

The Bank continued to focus on driving women's agenda through special sessions aimed at inspiring

and empowering more women to draw unique leadership qualities that would enable them to rise to the highest levels of leadership.

To achieve a 50/50 gender balance, the Bank is also implementing various initiatives in collaboration with other stakeholders to reduce the gender gap.

In 2019, IFC and CRDB co-sponsored a leadership training program that prepared women for senior positions. The objective of the training was to enhance CRDB's pipeline of future women leaders and encourage more women to apply for senior roles.



The bank also in collaboration with Association of Tanzania Employers (ATE) conduct the Female Future Programme aims to strengthen gender equality in the workplace, improve women's representation in management decision making processes as well as draw women to the top positions.

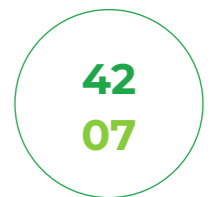
The programme is delivered in three modules: Leadership, Rhetoric and Board Competence.

Through these modules the ladies benefit and connect strategically to improve their performance, personal and organisational success and at the same time they have self-growth, self-awareness and skills development.

Each year the Bank sponsor women employees to attend the programme. In 2023 15 women employees was sponsored.



Women Promoted



No. of women promoted to senior management level

■ 2023 ■ 2022

Equal opportunities for all

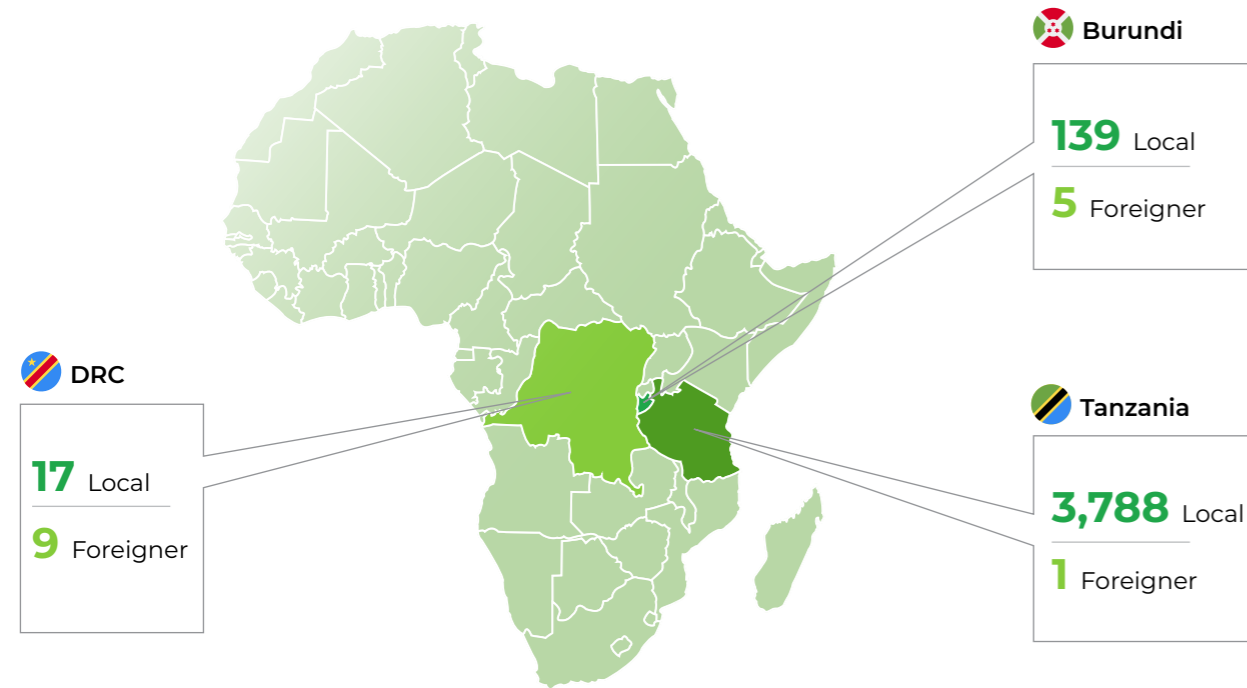
The Group maintains a transparent hiring policy, offering equal employment opportunities regardless of gender. We ensure fair access to employment, free from discrimination based on race, colour, religion, sex, nationality, age, disability, social origin, political opinion, pregnancy, marital status, HIV/AIDS status, or any factor that doesn't impact one's ability to perform their duties. The majority of employees are recruited from the local.

No. employees by gender	2023	2022
All employees	3,961	3,728
Male	56%	56%
Female	44%	44%

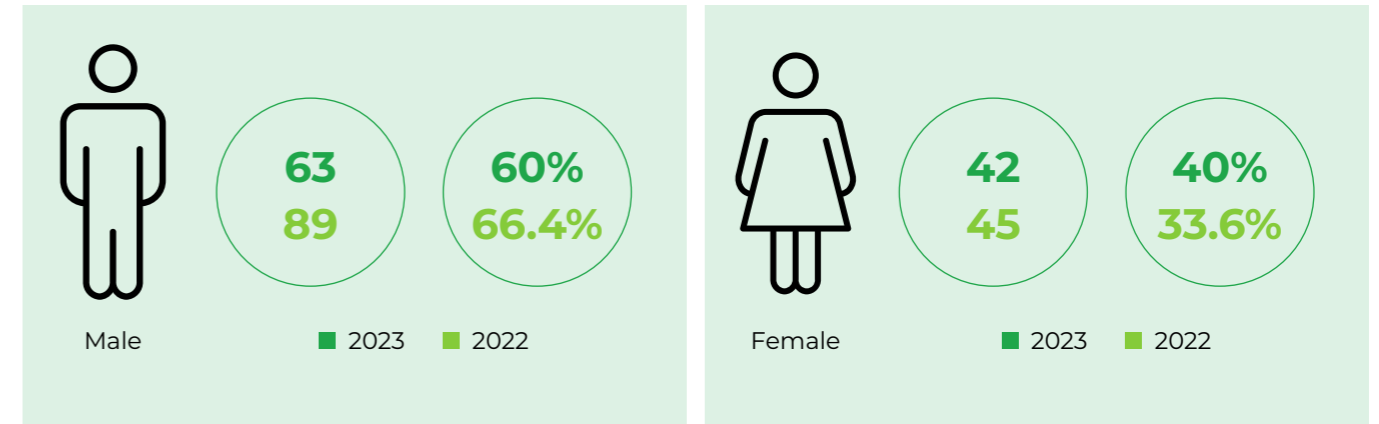
The Group continues to balance Gender by encouraging more women to apply for new vacancies and are given high priorities for all opened vacancies.

New hires	2023		2022	
	Number	%	Number	%
Total new hires	334		195	
By gender				
Male	182	54%	105	54%
Female	152	46%	90	46%

Number of employees by country



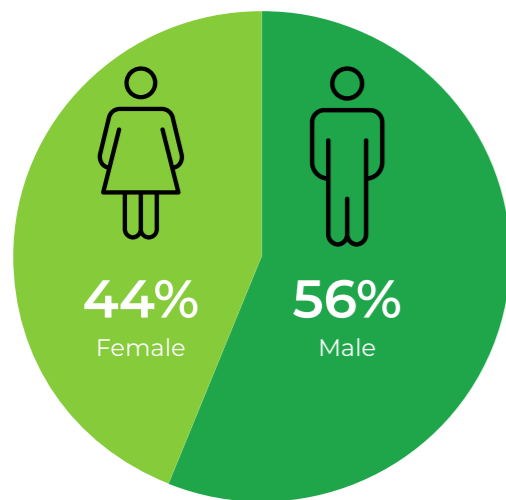
Employee turnover by gender



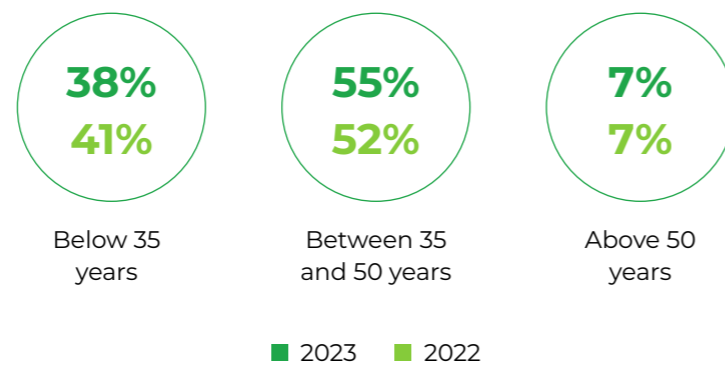
Tenure



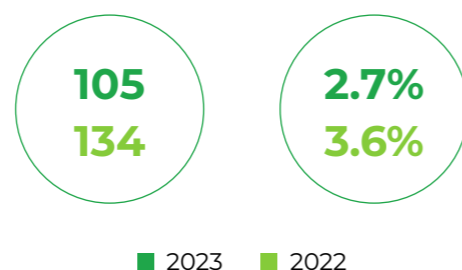
Gender Diversity



% of employees by age



Employee turnover



Persons with Disabilities

It is the Group's policy to employ disabled persons wherever practicable. The Group has always considered this policy whenever it recruits. As of 31 December 2023, two (2) persons with disabilities were employees of the Bank.

We practise a non-discrimination policy against qualified individuals with disabilities in job application procedures, hiring, firing, promotion, compensation, job training, and other areas of employment.

In the event of any employee becoming physically challenged in the course of employment, the bank can arrange training to ensure the continuous employment of such a person without subjecting

him/her to any disadvantage in his/her career development.

If an employee has a disability, the Group make reasonable adjustments to accommodate individual requirements. Where possible, a range of training options, such as e-learning and regional seminars, will be used to ensure that everyone has equal access to training irrespective of disability, location, or work hours.

Training materials will aim to reflect, in the language and images, the diversity of our employees and customers.

Employee Training and Development

The role of training is to improve performance on the job, develop skills, and prepare individuals for other roles and responsibilities. As with promotion and career development, decisions about who is trained and how that training will be facilitated will be based on individual development needs and not on age, disability, gender, socioeconomic status, ethnicity, or religion.

The Bank considers its employees the most valuable asset and is committed to their learning, development, and growth. The Bank realises that to fulfil its objectives, it needs to have trained and skilled personnel to maintain a well-balanced organisation and a management team capable of properly performing the bank's duties. The Bank trains and develops its employees through various development programs to meet its present and future human capital demands. The Bank encourages its employees to train and develop themselves to acquire skills, knowledge and competencies necessary for their productivity, efficiency, and career development plan.

The Bank has adopted a 70-20-10 model, which reveals that individuals tend to learn 70% of their

knowledge from challenging experiences and assignments (On the job), 20% from developmental relationships, and 10% from coursework and training.

The Group continued to take advantage of the training centre's modern facilities to develop its workforce. The Group used different learning methodologies to offer these trainings, which included blended learning through different facilities like Video Conferencing, which allowed facilitators from one point to interact with different business units; web-based learning (eLearning) whereby one could learn at their own pace; Distance Learning Programs for Professional Banking Qualification; and face to face training sessions which were conducted within and outside the Group.

All employees of the Group have access to more than one learning option and are encouraged to use the opportunity to up-skill themselves in their specialised area of work and personal development to enable them to discharge their duties effectively.

Online Learning Platform

We have put in place fit-for-purpose technical training and learning platforms that enable employees to grow their careers and professions and deliver on the expectations of the customers and the business at large. The online learning platform

is accessible to all employees. The Bank uses the LinkedIn learning platform. Through LinkedIn Learning, all employees have access to a vast library of courses covering topics such as leadership, soft skills, technology and technical courses

Talent Management and Succession Planning

Succession Planning

The Bank endeavours to minimise the risk of key man dependence by creating a succession pool. Successor's development plans are established in preparation for their readiness. The succession pool provides talent sourcing in the event of attrition in a critical position. The Succession planning process in the Bank is mainly built to address the following main objectives:

- Identify high-potential employees capable of rapid advancement to positions of higher responsibility than those they presently occupy,

- Ensure the systematic and long-term development of individuals to replace critical job incumbents as the need arises,
- Provide a continuous flow of talented people to meet the bank's management needs.

Succession planning reduces the risk or time it takes to fill a critical role if someone leaves.

Our Succession Pipelines

Our talent pool and succession pipeline constitute a significant group of employees that the Bank identifies and develops for resilience and sustainability. In 2023, successors (Internal and external) were identified to cover all critical positions across the business. A robust methodology established a talent pool that earmarks talents by considering their consistent performance and

potential. We implemented various development initiatives for the talent pool and succession bench. More than 50% of all the identified employees participated in development initiatives that had been identified to accelerate them. In addition, we enhanced our performance management process to ensure that all employees contribute to the overall Bank strategy.

Talent Management

At CRDB, we take measures to identify, develop, and retain talented employees. We have implemented a talent management framework, which provides guidelines for identifying talent and linking performance to potential. To ensure competitiveness, we carry out strategic activities and ensure the long-term supply of required skills and expertise for business development and sustainability. It is in the

bank's best interests to develop staff prepared to assume different leadership levels rather than merely specific positions.

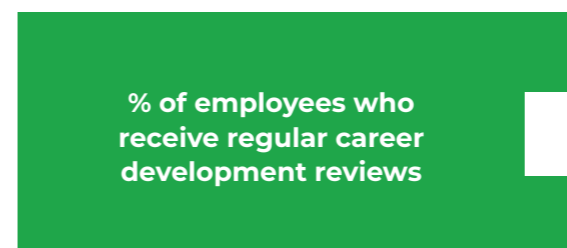
Talent Management and development is a model developed to ensure a knowledgeable labour supply exists within the Bank to replace personnel leaving the organisation regardless of the reason.

Employees Performance Management

The bank uses a performance management system to evaluate employees' performance against set and agreed objectives. The system forms the basis for providing employees with performance feedback, recognition, development, and corrective action plans to promote effective performance.

The Performance Management System is an integrated process with the full participation of managers and staff in setting and reviewing

performance objectives. The Bank uses the Balanced Scorecard and Competencies Framework to assess its employees' performance. The Balanced Score Card Performance review is conducted semi-annually, where the Line Manager and the subordinate meet to review the performance of that ending period and as a session for giving feedback. The Performance assessment results form a valuable component of one's reward.



Reward and recognition

We offer competitive salaries based on our remuneration policy, which includes ensuring that new joiners receive competitive wages within the industry. Annual salary reviews are aligned with performance evaluations where applicable to ensure

that employees are paid fairly and correctly for their positions. Other forms of employee recognition exist across our businesses to identify and reward individuals for their contributions.

Employee Code of Conduct Policy

Our code of conduct guides the Group in establishing and maintaining a standard for professional conduct for all employees. It serves as a reminder of the expectations from employees and highlights the importance of aligning their actions with the values and principles of the business. The primary goal is to safeguard the reputation of the Bank and its employees by ensuring that all behaviours are consistent with the organisation's ethos.

The code outlines specific behaviours that are crucial for achieving success or could adversely affect the

objectives or reputation of the Bank. The Bank has put in place compliance mechanisms, disciplinary procedures, and grievance actions that are appropriate if employees fail to comply with the Code. Any employee who violates or fails to support an actual or suspected breach of the Code will be subject to corrective and disciplinary action. Depending on the severity of the breach, corrective or disciplinary action may range from reprimands to termination of employment.



Human rights

As a socially responsible Bank, we closely monitor the human rights elements of the markets we operate and strive to ensure human rights-related matters are suitably addressed across our operations and by the third parties we work with.

Our human rights practices have been embedded within all our operations. This includes:

- Fostering a work environment free from all forms of harassment, bullying, and discrimination
- Combating financial crime and corruption (including bribery and money laundering)
- Robust due diligence on our suppliers, customers, and business partners to ensure compliance with ethical code of conduct.

- All existing employees are required to complete mandatory refresher training on AML annually. They must also acknowledge that they understand our Code of Conduct, including our stance on anti-corruption.

We require all employees to report alleged or suspected human rights violations through the available reporting channels or our whistleblowing procedures. The Bank takes any reported incidence of human rights abuses seriously.



Employee Grievance Redressal Mechanism

The Bank recognised the value and importance of having a harmonious environment at the workplace and tried to ensure any reported complaints and grievances were expeditiously handled. We have implemented a Grievance Redress Mechanism that ensures effective handling of all environmental and social complaints that may arise during the project implementation process.

We understand the importance of transparency and accessibility, especially concerning complaints from vulnerable communities and the project's affected parties. Therefore, we constantly improve our complaints register and case management systems to provide maximum transparency and accessibility to all parties involved. We aim to ensure that everyone's voices are heard and that we can work together to resolve any issues that may arise in a fair and timely manner.

Employee Value Proposition

During the year 2023, the Group paid total employee benefits amounting to TZS 338 billion (2022: TZS 323 billion) as detailed below:

Type of Employee Benefit (In Mn)	Group		Bank	
	2023	2022	2023	2022
Salaries and wages	217,931	202,480	207,686	196,539
Bonus	24,104	17,381	23,140	16,703
Social security contributions	27,719	25,958	27,037	25,717
Gratuity	5,388	4,397	4,487	3,877
Training and development	6,576	4,388	6,040	4,084
Employee separation costs	2,215	225	2,215	225
Leave allowance	16,740	15,500	15,890	15,220
Medical expenses	8,906	8,161	8,746	8,120
Staff Welfare	11,068	9,865	10,706	9,566
Skills & Development Levy	8,072	8,553	8,022	8,553
Group Personal Accident	639	892	617	891
Staff Transfers	1,983	1,624	1,864	1,539
Staff award	2,871	2,659	2,871	2,659
Staff uniforms	210	21	205	15
Workman's compensation	996	1,036	988	1,035
Retirement benefits	1,389	1,491	1,389	1,491
Other staff costs*	1,436	239	738	212
Total employee benefits	338,243	304,870	322,641	296,446



Annual leave

Every employee is entitled to 30 calendar days of annual paid leave once per calendar year. All staff are eligible for 13th cheques.



Pension Schemes

We are a registered Public Service Social Security Fund member, in which the employee and the employer make monthly contributions according to the law. The Bank and employees contribute 15% and 5% of the employees' basic salaries, respectively.

All our employees are registered with PSSF. During the year 2023, the Group made pension contributions to PSSF on behalf of employees amounting to TZS 27.7bn (2022: TZS25.9 bn)

Financial Assistance to staff / Staff loan scheme

The Bank offers staff loans to enable its employees to acquire capital goods and property, effect improvements to their properties, meet educational expenses for themselves or dependents and meet unforeseen financial commitments. Staff loans are

guided by the Bank's Credit Policy and Credit Manual. Loans are available to all confirmed employees depending on assessing the need and circumstances and if it aligns with the Human Resources and Credit Policies.

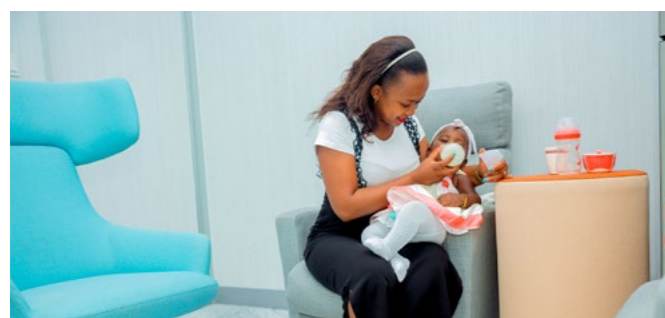
	2023 TZS (Mill)	2022 TZS (Mill)
Total outstanding loan facilities provided to the Bank's staff at subsidised rates	346,507	305,025
No of staff who benefited	3,529	3,402

Breast feeding

The Group prioritize and support the needs of our female employees who have recently returned from maternity leave. We acknowledge that breastfeeding is an essential and critical aspect of newborn care, and we extend a break of up to two hours during the working day for nursing mothers to attend to the needs of their child. This benefit is available for a continuous period of six months, so mothers can give their new-borns the best care and attention possible.

We understand that providing nursing mothers with

a comfortable and private environment is crucial. That's why we've designed our new headquarters building with a lactation room accessible to all employees, free of charge. The lactation room offers a safe and calm space for mothers to breastfeed or express milk for their babies, ensuring their comfort and privacy during this essential time. We believe that this facility helps employees balance their work and family commitments quickly and conveniently, promoting a supportive and inclusive workplace culture.



Examination leave

The bank places great importance on having a highly skilled and diverse workforce comprising individuals with varied expertise and disciplines. To this end, the bank encourages employees to undertake various professional examinations and pursue professional programs to enhance their knowledge and skills. Employees who wish to pursue a particular professional course or part-time studies are granted examination leave to support their efforts. However, such employees must first seek approval from the

relevant authority and submit the examination timetable. It is important to note that the maximum period for examination leave is two weeks (14 days) per year, and the days granted will not be deducted from the employee's annual leave entitlement. This policy ensures that the bank's employees can continue to develop their professional skills and knowledge while still fulfilling their duties and responsibilities to the Bank.

Medical benefits

The Bank is committed to ensuring the well-being of its employees and their families. As part of this commitment, the Bank provides comprehensive medical benefits to all eligible employees, their spouses, and a maximum of four dependents. These benefits are offered non-contributory, meaning the employee does not have to pay for them.

To ensure that every family has access to the medical care they need, the Bank provides an annual utilization limit based on the family size. In cases where one family member has exhausted their benefits, the Bank allows for cross-subsidization. This means that the unused benefits of another family member can be used to pay for the medical care of the family member who has exceeded their limit.

Flexible Working Hours

Employees can adjust their daily schedule by starting and finishing work earlier or working different hours each day. They may take a longer break if they make up the extra time. They may also work from home on

a short-term or long-term basis or have a mix of office and homework. For example, they can work in the office three days per week and work from home two days per week these to ensure work life balance.

New HR Platform

To address staff concerns effectively and promptly, the Bank introduced the HR Helpdesk Platform to provide centralised support and assistance to employees who encounter technical issues, have questions, or need guidance on any matter.

Safety & Fire Hazard Prevention

As the largest bank with over 3,500 employees and a network of over 240 branches spread across the country, fire safety and fire prevention remain a crucial focus for us. We have a dedicated safety and security team focusing on all aspects of fire safety and fire prevention at the workplace. The team ensures the mitigation of threats, risks and vulnerabilities. We also conduct fire safety drills and checks at all branches and head offices. All personnel providing physical security at the Bank's branches and offices are regularly trained in fire safety and security. Fire evacuation drills and fire system checks are conducted for the Head office and all branches, and fire marshals are nominated at each location.

All branches and offices are equipped with Fire Extinguishers (FE). FEs' lives are closely tracked and refilled promptly upon expiration. Employees receive training on the use of fire extinguishers and are instructed on essential emergency protocols to be followed.

- All employees participated in fire and evacuation drill programmes during the year.
- During the year, there were no reported cases of injury/work-related hazards.
- During 2023, the bank conducted 3 training on occupational health and safety (2022: 3 training). The training was attended by all employees, and it covered key health and safety matters that employees need to be aware of at workplaces.
- As required by the Occupational Safety and Health Authority (OSHA) Act in Tanzania, the Bank carries out pre-employment and annual medical examinations of all employees.
- The bank has compliance certificates from the Occupational Safety and Health Authority (OSHA) for all its 250 workplaces in Tanzania. The certificates signify compliance with the safety and health regulations of the country.

Business Continuity Management System

As a responsible Bank in Tanzania, we found it imperative to be at the forefront of improving our business resilience by benchmarking our practices against the best management system/standards in the market. In this regard, we have been certified by the British Standards Institute (BSI) as ISO22301:2019 BCMS certified. ISO 22301 is the international standard for Business Continuity Management (BCM), and it provides a practical framework for setting and managing a business continuity management

system, aiming to prevent, prepare for, respond to, and recover from unexpected and disruptive incidents.

This demonstrates commitment towards maintaining uninterrupted banking services and thus safeguarding the interest of our stakeholders in the event of disaster or disruption that may affect our operations and premises, thereby enhancing customer satisfaction and achieving the Group's strategic objectives.



Prosperity



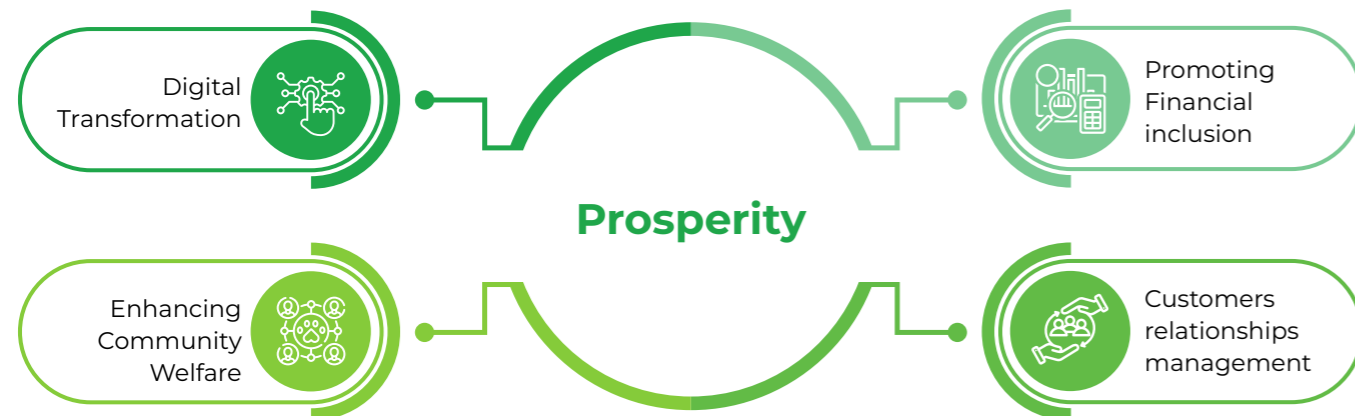
Our unwavering commitment to the prosperity and welfare of our community is at the forefront of everything we do. We are dedicated to expanding our banking activities to facilitate a smooth transition towards a low-carbon economy, thereby minimising our environmental footprint while promoting fairness and community well-being.

As a responsible community member, we strive to cultivate a social responsibility mindset among our employees through community investment and other community development initiatives focusing on the environment, health, and education. We believe that our efforts can significantly impact building a sustainable future for our community, and we remain committed to driving positive change and promoting a better quality of life for everyone.



Material topics	Goals	Performance in 2023
CSR Investment	1% of net profit	TZS 2.8Bbn
Increase the Usage of digital channels.	> 50%	57% increase compared to 2022
Customers Net Promoters Score	>45%	53% compared to 45% in 2022
Number of Agents Banking	>26,000	34,627
Number of customers.	>3,000,000	4,008,232, YoY growth of 29%
Islamic Banking (Al barakah Banking)	<ul style="list-style-type: none"> Financing TZS 66bn Deposits TZS 78 bn Number of customers 100,000+ 	<ul style="list-style-type: none"> Financing TZS 99 bn Deposits TZS 103 bn Number of customers 112,621

We continue to support women, children, youths, and underprivileged members of our community through various initiatives to improve their livelihood and reduce inequality within our economy. We aim to achieve this through the following key focus areas:



Financial inclusion

We are dedicated to fostering financial inclusion by ensuring our community can access affordable and convenient financial products and services, regardless of location, background, or financial status. Our brand propositions and offerings have been designed to cater to our customer's diverse and evolving needs. We have invested significantly in the latest technologies and innovative delivery channels to ensure our services are accessible to everyone. We are committed to providing a level playing field for our customers, especially those in underserved and remote areas, to help them achieve their financial goals and aspirations.

The Bank has seen a significant increase in its customer base, which has grown to 4.0 million from 3.1 million in 2022. This growth has been attributed to the expansion of our agency banking services, which have played a crucial role in providing access to financial services. We have grown our agency network to 34,627 from 28,241 in 2022, highlighting our commitment to delivering services to the unserved population. Furthermore, the bank has seen an increase in online transactions by 57% through our various digital channels.

Creating an enabling banking environment for everyone

Promoting financial inclusion involves increasing accessibility of our financial products by the low-income earners group. Through our various digital solutions, we have managed to increase the accessibility of our banking products by the underbanked community. We believe that digital transformation to reduce the cost of access is crucial towards greater financial inclusion. We have carried out several initiatives to provide communities with

affordable products and services to elevate their financial well-being. The Bank has entered into several agreements with international agencies to secure funds to facilitate the provision of affordable loans to women and youth.

Through such funding arrangements, the Bank has provided affordable loans to women and youth borrowers, particularly in the education & health sectors, MSMEs, and the informal sectors in Tanzania.

Outstanding Loan balances in TZS' Million	2023	2022
Loan to SMEs	967,739	711,832
Loan to women	1,596,883	1,818,545
Loan to small farmers	49,493	40,073
Loan to Government workers	2,450,807	1,743,239
Total	5,064,922	4,313,689

Promoting financial literacy

We believe financial literacy can empower our stakeholders to make better and more informed financial decisions, which will help them gain control of their future. To this end, we implemented a diverse range of initiatives aimed at enhancing financial literacy.

We strongly believe financial literacy is key in empowering our stakeholders to make better and more informed financial decisions. By doing so, they can gain control of their future and achieve their financial goals. To promote financial literacy, we have implemented a diverse range of initiatives that are designed to enhance financial knowledge and awareness. For instance, every year, we organise various seminars, including "Uwekezaji Day" and the AGM, which incorporate topics on financial literacy for our shareholders and other stakeholders. These seminars are facilitated by experts from both within and outside the Bank.

Furthermore, during holidays, we conduct free training sessions on financial literacy for students of all levels. Through these initiatives, we aim to educate and empower students to become more financially savvy and confident in making financial decisions.



Islamic Banking

In 2021, the Group launched Al Barakah Banking (Arabic for "Baraka" in Swahili), an Islamic Banking window with the primary goal of extending product diversity, customer satisfaction and, most importantly, aligning with the government's ongoing agenda of driving financial inclusion for all Tanzanians and ultimately to boost the bank's overall performance. It also means CRDB will continue to offer dynamic solutions in line with the ever-changing customer and market demands. The proposition serves both Retail Banking customers and our Corporate Banking customers.



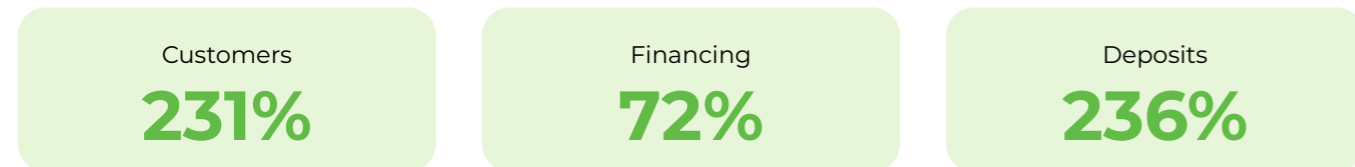
Governance

CRDB AL barakah Banking services are considered alternative solutions that conform to Shariah principles. It has a Shariah Advisory Committee to oversee and guide the Shariah compliance aspects of the products offered through the proposition. The

Advisory Committee meets quarterly to guide the operations and engage with the customers from time to time to increase awareness and boost confidence in our respective customers. The committee has 6 members, including the chairman.

Performance

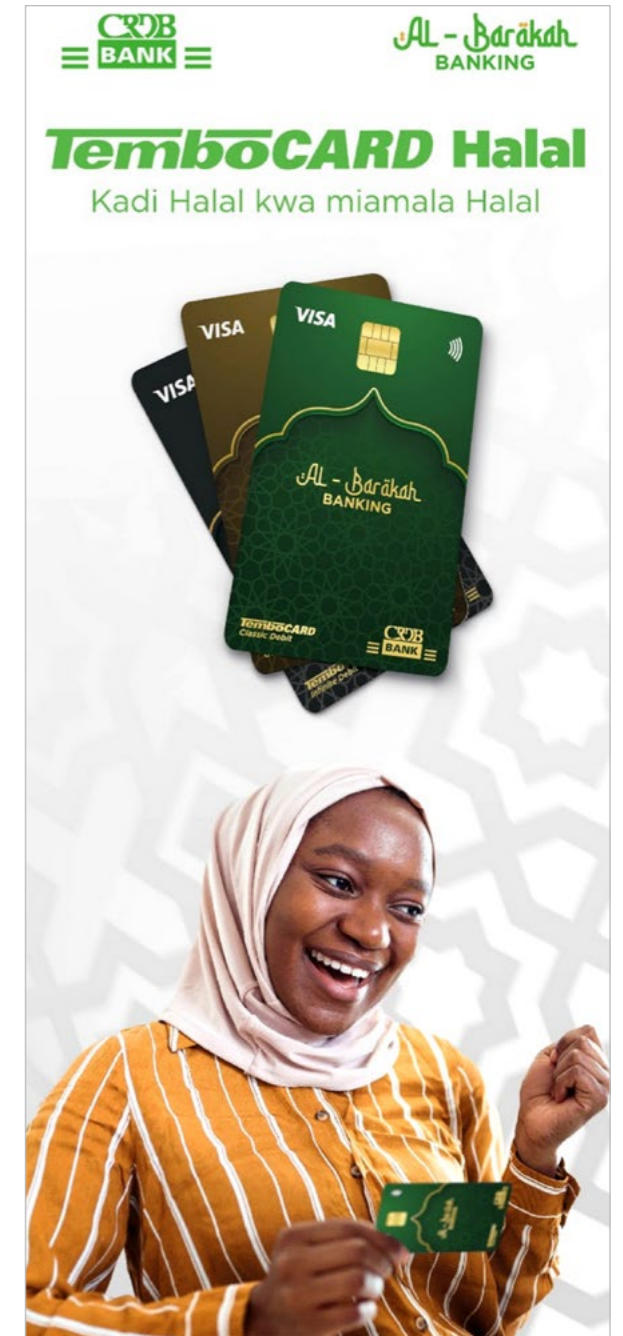
Year	No of customers	Financing 'TZS Bn'	Deposits 'TZS Bn'
2023	112,621	99.8	103.5
2022	34,000	58.1	30.8



Other initiatives

In 2023, CRDB Al Barakah Banking initiated a few strategic solutions for its customers:

- Hajj and Umrah financing solutions that are meant to support customers who have no the financial cashflow capacity to perform the Hajj and Umra pilgrimage however their cashflow is limited for the year. Which means the solution can support them to perform within the year and re pay slowly the service cost to the bank over a specified agreed time.
- Al Barakah Banking also launched special unique ATM debit cards, which have a look and feel aligned with Al Barakah theme, this initiative is meant to promote optimal customer uniqueness and satisfaction.
- Providing Shariah-compliant asset-based financing to new and existing customers
- offering Shariah-compliant financing to salaried employees through memorandums of understanding with employers



Accolades & Recognition



CRDB Bank has become the first bank in the East Africa region to be awarded for banking services that comply with the principles of Sharia law. The award was given by Global Islamic Finance Award (GIFA)

Al Barakah Banking services are inclusion services, which means anyone can access the service regardless of their ethical background or religious beliefs. We strive to be a one-stop shop for financial solutions and inclusion.

CRDB Bank Foundation



Tully Esther Mwambapa
MD CRDB Bank Foundation

I am a passionate advocate for sustainability and take great pride in being involved in an initiative that empowers women and youth towards creating a greener and more sustainable future. By promoting eco-friendly practices and encouraging responsible consumption habits, we are collectively working towards reducing the carbon footprint in our community.

We aim to positively impact the environment while fostering a sense of responsibility and stewardship among women and the younger generation.

I am confident that our efforts will lead to a significant change and contribute towards a more sustainable future.

The CRDB Bank Foundation (CBF) is a special-purpose vehicle of the CRDB Bank Group that aims to contribute towards an all-inclusive Tanzania. CBF extends beyond banking to create a positive societal impact through various initiatives focused on social, economic, and financial inclusion, particularly for youth and women. This represents the private sector's

commitment to transforming Tanzania's social and economic landscape by investing in key sectors that generate economic prosperity for all. It aims to integrate underserved and vulnerable communities into the mainstream economy by driving innovation, enhancing skills, building capacity, and promoting entrepreneurship and financial inclusion.

The principal activities

Entrepreneurship Development and Financial Inclusion (Drive innovation and market creation)

Financial Literacy (Build skills and capacity of low- and moderate-income segments)

Partnership and collaboration (Resource Mobilization and Building an Ecosystem of strategic partnerships and collaboration)

Success Stories



109,722
Capacity building beneficiaries

youth and women unlocking their full potential as agents of economic growth, social change, and sustainable development, leading to more inclusive, equitable, and resilient societies.



71,287
Youth and women included in the financial system

Through expanding their economic opportunities, enhancing their financial capabilities, and promoting their social and economic inclusion in society.



TZS 5.2bn
Facilitated management of TZS 5.2bn in financial services

Link and facilitate youth and women with the formal banking services enabling them to access seed capital funding of TZS 2.4 billion.



838
Beneficiaries of Seed Funding

"Our approach prioritizes innovation, empowerment, and sustainable impact, ensuring we deliver unparalleled value to our community."

Programs implemented during the year

iMBEJU Buni:

is a competitive model that aims to identify outstanding young entrepreneurs with innovative businesses or startups with the potential to grow. The program empowers participants through capacity building on financial literacy, business development, and seed funding. It targets early-stage startups that have been operating for not less than 6 months and not more than 3 years. A total of 51 startups advanced to the acceleration program, receiving tailored training to improve their business operations and enhance their readiness for investment in sectors such as Agriculture, E-commerce, Fintech, Education, Climate Action, Renewable Energy, Entertainment, Insurance, and Tourism.

In addition to training, participants benefited from networking opportunities, access to local market platforms through trade fairs, and international market access facilitated by the CRDB Bank Foundation.

iMBEJU Ng'ara:

The program empowers women entrepreneurs to grow their businesses through training, coaching, and funding. It partners with women-registered groups/associations or clusters that support women entrepreneurs and start-ups.

iMBEJU Kilimo:

operates with the goal of empowering small-scale farmers, particularly the youth and women in Tanzania's underserved demographic. The program uplifts smallholder farmers by increasing their agricultural productivity and promoting sustainable development in food and cash crop value chain production systems. Beneficiaries of the program receive essential resources such as seed capital funding for fertilizers, logistical support, storage solutions, and market access.

Our iMbeju Partnerships, including collaborations with the Tanzania Cooperatives Development Commission (TCDC), Warehouse Receipt Regulatory Board (WRRB), Tanzania Mercantile Exchange (TMX), United Nations Development Program (UNDP), United Nations Population Fund (UNFPA), Care International, GIZ, Tanzania Breweries Ltd (TBL), SUGECO, BUTA, OMTO, Evangelical Lutheran Church of Tanzania (ELCT), Aglow International, and ANZA, have allowed us to broaden the scope and depth of our impact, reaching youth and women and providing significant seed capital funding and financial services penetration.

Serving the youth and women of Tanzania through our iMbeju program

Our CRDB Bank Foundation has empowered individuals with valuable financial literacy training and capacity-building sessions through our dedicated program. These initiatives aim to enhance their business and financial management skills, transforming their lives and bolstering local economies to their fullest potential. In 2023, we reached 109,722 women and youth across Tanzania, further solidifying our commitment to fostering economic empowerment and sustainability within communities.



iMbeju entrepreneur trade fair



In 2023, CRDB Bank launched the iMbeju Entrepreneur trade fair, which is dedicated to showcasing entrepreneurs' innovative products and services, especially women and young individuals. A collaborative effort between the CRDB Foundation and the Ilala District Commissioner's office set a crucial milestone in the Bank's mission to support entrepreneurship in Tanzania, particularly among youth, women, and marginalised communities, to enhance their sources of livelihood. The trade fair also aimed to promote economic inclusivity, create awareness about the IMBEJU program, and encourage support from the local community.

The event featured exhibitions from more than 2000 entrepreneurs who showcased their innovative products and services. During the event, the bank handed over seed capital to women entrepreneurs and motorcycles to our IMBEJU beneficiaries, amounting to more than TZS 250mn.

The beneficiaries were also offered training on various topics, including financial management, competitive business operation, formalising businesses, and taxation, which we believe will help these entrepreneurs excel in their businesses.

Digital Inclusion through The iMBEJU program

The iMBEJU program has accelerated the adoption of digital financial services, including mobile banking and mobile wallets, to 58,268 youth and women. Additionally, the program has empowered beneficiaries by providing opportunities to become digital service providers through agency module in the financial market. This demonstrates a notable uptake of these services among women entrepreneurs, reshaping the landscape of financial transactions to be more convenient, efficient, and accessible to a broader audience.

Access to insurance services

This plays a crucial role in youth and women's financial inclusion by providing them with financial protection for their businesses, crops, access to healthcare and opportunities for future planning and security. Since the inception of the program Mid-2023, more than 71,287 have been financially included and insured. This demonstrates the role of the program in improving financial inclusion among excluded groups specifically youth and women.



CRDB Marathon 2023



The fourth edition of the CRDB Bank Marathon was on 13 August 2023, themed "Kasi Isambazayo Tabasamu". The marathon was inaugurated by the esteemed Zanzibar's First Lady, Mariam Mwinyi, who, with a deep commitment to spreading smiles in the community and contributing to the health sector, aimed to raise TZS 1 billion. The event attracted more than 6,000 participants and raised above TZS 1 billion.

The funds were utilised to construct a maternal health centre in Zanzibar, provide medical support for high-risk pregnancy mothers at CCBRT Hospital, and support surgeries for children with congenital heart defects at the Jakaya Kikwete Cardiac Institute. The marathon also allowed us to humanise the brand, engage with our key stakeholders, ringfencing our business, and create a lasting love mark for our Bank.



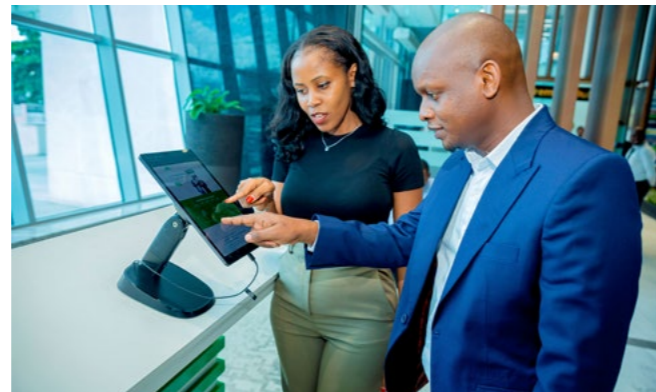
Digital transformation

We aim to revolutionise digital transformation by creating value in interacting with our customers and managing our operations. Our investment in the digital space has allowed us to reach a wider audience, provide personalised services and offer new products and services such as real-time and secured payment options. We deliver better customer service by investing in data, technology, and digitisation. During the year, we have made major investments in digital transformation, which led to efficient operations, including revamping and launching a new SimBanking App and USSD to increase experience and drive usage.

Our progressive digital transformation initiative has allowed us to reduce the use of paper and improve the development of various digital platforms such as Internet banking, POS, Simbanking, ATMs, and mobile wallets. Moreover, it has allowed us to reshape our competitive landscape and drive innovation in our operations and value propositions, ultimately leading to a more efficient customer-centric banking experience. Our digital platform also allows us to improve our ability to reduce carbon emissions.

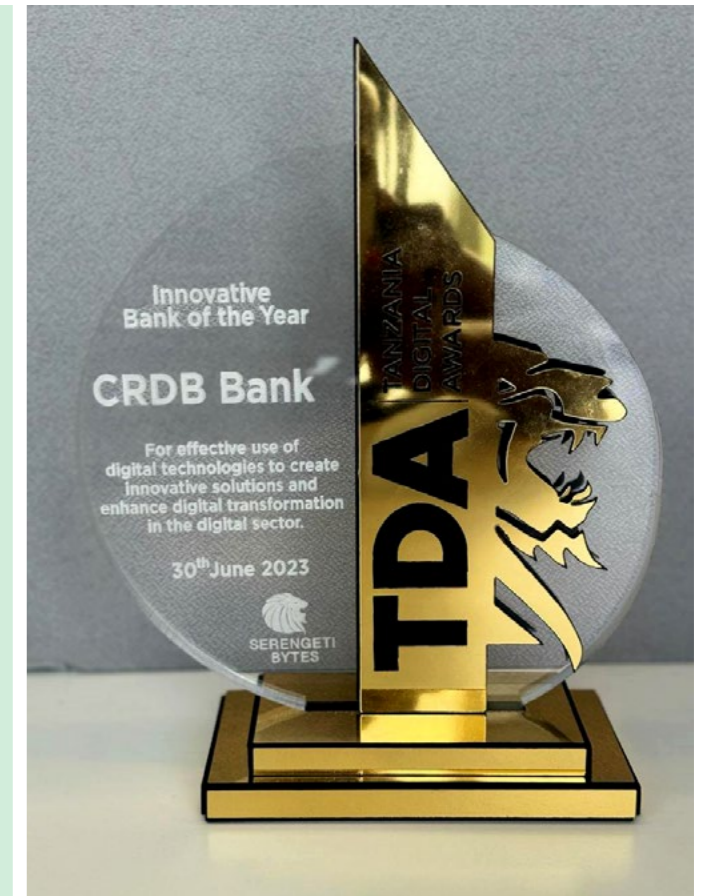
To improve the quality of our offerings to our customers, the bank is taking various initiatives to invest in new technology to ensure effective, secure, and speedy delivery of services to customers. Some of the initiatives being undertaken include the following:

- BIO authentication on SimBanking
- Self-registration on Simbanking
- Bulk deposit ATMs
- Account opening on Simbanking



During the years 2022 and 2023, the Bank won the following awards on digital solutions:

- Innovative bank of the year
- Best Banking App
- CRDB Bank Top innovations in Finance Human resources



Stay ahead of the game

Enjoy the convenience of our **Internet Banking** anywhere, anytime

- Bulk Payment**
Make up to 5,000 payments in a single transaction
- Funds Transfer**
Transfer funds between CRDB Bank accounts, Local Banks, International Transfers and Mobile Wallets.
- Multi-Currency Transfers**
Transfer from local currency to foreign currencies with negotiation rates.
- Bills Payment**
Pay your utility bills, taxes and fees with ease

Sign up today
Download form on website | +255 755 197 700
www.crdbbank.co.tz

Internet Banking

% of online channels and Agency banking fees vs. total commission income	2023	2022
Total	47.90%	42.40%
Simbanking	25.90%	19.80%
Internet banking	4.20%	3.80%
Agency Banking	17.80%	18.70%

% of customers actively using online channels	2023	2022
Totals	84.40%	79.60%
Simbanking	82.30%	77.50%
Internet banking	2.10%	2.10%

The bank is also implementing a TIER III data centre with multiple paths for power and cooling systems to facilitate the installation of updates and maintenance without switching it offline. It has an expected uptime of 99.982% (1.6 hours of downtime annually). The platform has a secure environment with effective encryption.



CRDB Bank

Top Innovations in Finance

HUMAN RESOURCES
CRDB Bank's Tech Talent as a Service Program
Global Finance
Top Innovators Awards, 2023

GLOBAL FINANCE

Joseph D. Giarraputo, President and Publisher

Enhancing Community Welfare

We made progress in our sustainability efforts, and in 2023, we invested TZS 2.8 billion in corporate social initiatives. We focused on health, education, environment, women's and youth empowerment, and other corporate social investment (CSI) initiatives. These sectors are crucial to our corporate social

investment approach and policy. We aim to improve people's lives, benefit our stakeholders, and enhance the Bank's reputation. By supporting the community through financial and in-kind aid, we strive to create a more sustainable impact on the community we serve.



Improving Access to Healthcare

The Bank invested in health-focused CSI programs to improve access to quality health services. In 2023, we extended more than TZS 800 million to the health sector through different initiatives towards improving health infrastructure. The Bank continued its partnership with three premier healthcare centres in the country - JKCI, ORCI and CCBRT to improve access to specialists' health services for the many.

Other initiatives include funding the construction of a Health Centre costing TZS 150 million and supporting preventative health outreach camps in Dar es Salaam, Tanga and Zanzibar, where over 17,000 Tanzanians were reached. The Bank also supported mental health awareness and the provision of counselling services to University of Dar es Salaam students.

Transforming the Educational Landscape

In 2023, the Bank invested over TZS 749 million in improving the learning environment in schools. We have implemented a Keti Jifunze program that provides desks to council-owned schools. The program has reached over 50 schools and provided desks for 5,000 students. We have also partnered with the Mwanamke Initiative Foundation to support schools in Zanzibar with boarding facilities and lunch for day students. We have further identified 2,200

students who needed support and delivered 50 tons of food, 1,200 litres of oil, and 1,881 mattresses to 32 schools.

The Bank also supported the construction of classrooms and special toilets for disabled students, purchased educational equipment, and paid school fees for Taifa Cup Scholarship recipients.



Investing in Environmental Sustainability

It is now more important than ever to address the issue of environmental conservation to combat global warming and climate change. As such, the "Pendezesha Tanzania" ecological campaign was launched in 2020 to support the government's reforestation efforts. CRDB Bank has taken the lead in promoting awareness about climate change and the vital role that tree planting plays in mitigating its effects. The campaign also encourages the wider community to join the initiative and contribute towards creating a more sustainable future.

The Pendezesha Tanzania campaign has been successfully implemented focusing on planting trees in hospitals, schools, and other public areas. The underlying belief is that a healthy environment is essential for society's well-being and people's development. In 2023, TZS 73mn has been allocated to implement an environmental-related initiative.



Youth and Women Empowerment

CRDB Bank invests in youth and women programs, providing them with tools, skills, and resources to grow their businesses and transform their lives. The bank partnered with various organisations to support youth and women, including Shadaka and Zanzibar Maisha Bora Foundation. We have also collaborated with women's groups and associations to improve their livelihoods. In 2023, the bank invested more than TZS 700 million in these initiatives.

Others Community Engagements

The Bank has invested a total of TZS 496 million towards philanthropic activities, apart from our corporate social investment focus areas. These initiatives include financial literacy activities, direct community engagement programs, support for orphanages, and government community-related initiatives. The Bank has also supported various other campaigns, such as Generation Hope, and provided aid to the landslide victims in Hanang.

Customer Relationship Management

Our Motto:
"The Bank that listens"

We listen to our customers carefully and gather feedback from multiple channels to cater to their needs. Maintaining the trust of our customers is of utmost importance to us. Therefore, we take great care to ensure their safety and protection from any risk. To prevent misuse of customers' personal and sensitive information, we continuously enhance the integrity and robustness of our cyber security infrastructure.

Our bank has a robust complaint-handling mechanism for employees and customers. These

mechanisms are defined as per Board-approved policies and are governed through Board oversight and reporting. We offer multiple channels for customers to complain, including the branch, call centre and digital channels. We ensure transparency and consistency in tracking, recording, and managing complaints. All complaints are recorded in a register and tracked for end-to-end resolution.

We monitor and track the trends in complaints to prevent reoccurrence and ultimately improve the bank's overall customer experience.

In 2023, we received 6,966 complaints, of which 6,528 (representing 94% of all complaints) were closed. The average resolution time for complaints was around three days.

The most recent Net Promoter Scores (NPS) results revealed that our NPS had improved from 45% in 2022 to 53% in 2023.



Partnership



We sincerely appreciate the significance of teamwork and close coordination with our business partners and other stakeholders to ensure sustainable progress in the community. Our primary focus is on several critical areas, including fostering robust and lasting relationships with our partners, promoting social and economic development, and maintaining the trust of our stakeholders and partners while enhancing the overall value chain. We understand that integrating our efforts with our partners is crucial in achieving our common goals, and we remain committed to working collaboratively to create a positive impact on the community.

Partnership

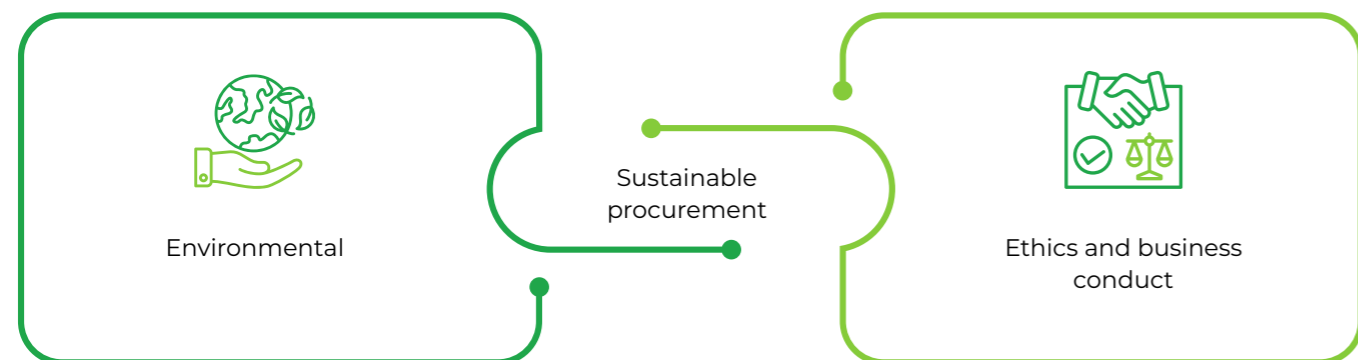


Sustainable Procurement Initiatives

We are committed to ensuring that our procurement practices are sustainable and equitable. As we expand our regional presence, we purchase various goods and services, including office equipment, software, stationeries, consultancy service etc. To ensure that our procurement process is sustainable, we prioritize environmental and social considerations, ethical business practices, and financial factors.

We have a Governance in place which comprises the overall systems and procedural arrangements to ensure that the procurement process applies appropriate levels of control and integrity. In addition, We have Management Tender Committee(MTC) responsible for coordinating and facilitating the procurement governance

Our sustainable procurement approach focuses on the following areas:



Ethics and business conduct

“
Instilling Transparency, Accountability, and Ethics in Procurement
”

We firmly believe that conducting business ethically, fairly, and transparently is of the utmost importance. Therefore, we strive to establish and maintain good relationships with our suppliers while fostering a competitive environment that aligns with our procurement policy.

We continuously monitor their activities to ensure that our suppliers and other business partners comply with our ethical and business standards. We take any incidence of breach of our business conduct seriously, including harassment, human rights abuse,

and corruption/bribery. If any such incidents occur, we reserve the right to take immediate action, which may involve terminating the contract.

Our Group is committed to conducting business aligning with our values, standards, and expectations. We believe this approach benefits our Bank, suppliers, business partners, and the wider community.

Our procurement systems and processes ensure value for money is derived in all procurement of goods and services. All suppliers, contractors, and consultants are treated fairly and given equal opportunities to obtain contracts with the bank. Procurement is done most efficiently, upholding the principles of value for money, transparency, and fairness. All staff involved in the procurement process has to follow an appropriate Code of Ethics.

In all procurement activities, we uphold the highest standards of compliance and integrity. Our commitment to truthfulness and ethical conduct is reflected in every step of the procurement process, ensuring that all transactions are conducted with the utmost transparency and fairness.

We prefer Suppliers/ vendors who have sound environmental, ethical, and social policies in place.

Transparency, accountability, and visibility are essential in CRDB's procurement activities

We uphold the highest standards of compliance and integrity in all procurement activities.

Preferred suppliers

Suppliers are selected through competitive tendering process to acquire preferred Suppliers that meet the below minimum criteria:

- Have sound environmental, ethical and social policies in place
- Able to demonstrate continuity of supply
- Achieve accreditation status through a due diligence exercise
- Supply quality goods and/or services which are 'fit for purpose'
- Provide effective warranties for goods and/or services
- competitively cost effective on a 'total cost of ownership' basis

Supplier relations

We conduct business in an ethical and transparent manner that encourages good Supplier relations within an environment that promotes competition and complies with the procurement policy. We ensure we meet all commitments to our suppliers and also encourage our suppliers to meet all their contractual commitments.

We are committed to fostering economic development within our communities by actively seeking and partnering with local suppliers to procure goods and services. This approach allows us to contribute to local businesses' growth and sustainability while encouraging a thriving and interconnected local economy.

	2023	2022
Total spending on local suppliers (TZS million)	255,515	210,551
Total spending on foreign suppliers (TZS million)	45,732	36,010



In the 2023 Africa Procurement and Supply Chain Awards Ceremony held in Nigeria, the Bank was awarded: Excellence in Procurement Innovation (Banking category)



Strategic partners:

The Bank emphasises building collaborative relationships with strategic partners with the expertise and resources to augment our existing capabilities, allowing us to achieve our strategic goals more efficiently and effectively. The Bank is firmly committed to aligning with the United Nations' Sustainable Development Goals (SDGs) and recognises partnerships' significant role in achieving this shared objective.

has established partnerships with a range of organisations, including IFC, VISA, AFDB, EIB, GCF, PROPARCO, GCPF, INVESTEC, DFC, GUARANTICO, MUFG, AGF, and more. These partnerships aim to achieve the bank's objectives by leveraging the strengths and expertise of each partner. By working together towards sustainable development, the bank aims to make a positive difference and create prosperity for all.

To drive positive change and make a meaningful impact on the global community, the bank

Strategic Partners	Impact
	<p>It aims to support farmers in Tanzania in accessing loans that will enable them to acquire climate adaptation technologies, increase resilience in farming activities, and combat the effects of climate change in agriculture.</p> <p>In partnership with GCF, CRDB will carry out various climate-related projects worth US\$200 million. The total amount of facility secured from GCF is US\$100 million, and CRDB will contribute US\$100 million.</p> <p>The GCF facility is directed towards the following projects/activities: climate adaptation technologies and practices, a credit guarantee to expand access to new borrowers, and weather-indexed insurance products. As of 2023, US\$35 million has been received for executing a lending programme titled Tanzania Agriculture Climate Adaptation Technology Deployment Programme (TACATDP).</p>

Strategic Partners	Impact
	<p>In 2022, the Bank received US\$100 million, aiming to support the Bank's lending programs to eligible customers in response to the COVID-19 pandemic and SME prioritizing women.</p>
	<p>CRDB Bank collaborated with MUFG Bank Project "GAIA" for the Green Climate Fund (GCF) approved full Funding Proposal number 223 with total value US\$1.5 billion to support developing countries sovereign priority climate projects; Tanzania can access up to US\$225 million value of project/s.</p>
	<p>In 2017, the Bank received US\$90 million as a long-term loan facility. The fund was provided for financing infrastructure projects and utilizing at least 25% of the proceeds for lending activities to Small and Medium-sized Enterprises (SMEs) in key economic sectors of the Tanzanian economy, including agriculture, construction, transport, and services.</p> <p>In 2022, the Bank received a subordinated loan of US\$50 million to finance projects in the agriculture, manufacturing, and trade sectors, as well as SMEs and local corporates.</p> <p>During the year, the Bank received a further US\$10 million through a senior credit line to support its initiatives to grow women-owned enterprises.</p>
	<p>In 2022, the Bank received US\$ 50 million aiming at supporting the Bank's initiatives towards Small and Medium Enterprises with a special focus on Micro enterprises, A portfolio guarantee offered to the tune of Euro 26.5 million covering support on the key areas of common interest for the two institutions, Micro Women Businesses and Enterprises as well as Micro, Small, and Medium Enterprises affected by COVID.</p>
	<p>The Bank received a senior credit line of Euro 55 million. These funds were earmarked for Mid-caps and SMEs in the country.</p>
	<p>The Bank received a long-term loan of US\$28 million, which aims to support its short-term and midterm demand for bank operations.</p>
	<p>The bank secured a senior credit line of US\$25 million to finance Green and Climate-related projects. By providing financial support to projects promoting environmental sustainability, the bank received US\$10 million as a first trench in 2023.</p>

Other Partners:

The Bank works closely with key regulatory bodies such as the Central Banks, Revenue Authorities, Dar es Salaam Stock Exchange (DSE), Capital Markets, Security Authority (CMSA) and the Government. This collaboration ensures the Bank fully complies

with all relevant laws and regulations governing its operations. By working together, the Bank and these regulatory bodies create a sustainable working environment that promotes growth, stability, and transparency in the financial sector.

Annexures

Annexure 1: GRI Index

GRI Standard Number	Disclosure number	Description	Section/Subsection Title	Sustainability report	Annual report	
General Disclosures						
GRI 2: General Disclosures	2-1	Organizational details	About CRDB Bank Group	Page 4	Page 10	
	2-2	Entities included in the organization's sustainability reporting	About CRDB Bank Group	Page 4	Page 14	
	2-3	Reporting period, frequency and contact point	About the Report	Page 2	Page 5	
	2-4	Restatements of information	No restatements were made in this report.			
	2-5	External assurance	Report of the independent auditor	-	Page 176	
	2-6		Activities, value chain and other business relationships	About the CRDB Bank Group	Page 4	Page 10 and 21
				Partnership	Page 113	Page 122
	2-7	Employees	People	Page 81	Page 74, 84	
	2-8	Workers who are not employees	Most of our workers are employees	Page 80	-	
	2-9	Governance structure and composition	Corporate Governance	Page 25	Page 99-108	
	2-10	Nomination and selection of the highest governance body	Corporate Governance		Page 149-150	
	2-11	Chair of the highest governance body	Corporate Governance	Page 12	Page 34	
	2-12	Role of the highest governance body in overseeing the management of impacts	Corporate Governance	Page 26	Page 98, 144	
	2-13	Delegation of responsibility for managing impacts	Corporate Governance: Sustainability Governance	Page 57	Page 98,146	
	2-14	Role of the highest governance body in sustainability reporting	Corporate Governance: Sustainable Governance practices	Chapter 26	Page 145	
	2-15	Conflicts of interest	Conflicts of interest	-	Page 148	
	2-16	Communication of critical concerns	Corporate Governance	Page 30-33	Page 150-151	
	2-17	Collective knowledge of the highest governance body	Sustainable Governance practices	Page 26-28	Page 98-108	
	2-18	Evaluation of the performance of the highest governance body	Board and committees' performance revaluation	-	Page 154	
	2-19	Remuneration policies	<ul style="list-style-type: none"> Reward and recognition Board remuneration policies. Directors Remuneration 	Page 93 and 95	Page 156	
	2-20	Process to determine the remuneration	<ul style="list-style-type: none"> Reward and recognition Board remuneration policies. Directors Remuneration 	Page 93 and 95	Page 156	
	2-21	Annual total compensation ratio	<ul style="list-style-type: none"> Employee Value Proposition [SR] Directors' Remuneration [IR] 	Page 95	Page 156	
	2-22		Statement on Sustainable Development Strategy	Leadership Message	Page 9	Page 82,159
				Our sustainability agenda	Page 55	Page 34-80
	2-23	Policy commitments	Corporate Governance: Environmental policy statement	Page 23,53	Page 98	
2-24	Embedding policy commitments	Employee Code of Conduct	Page 29	Page 154		
2-25		Processes to remediate negative impacts	Corporate Governance: Sustainable Governance practices	Page 26	Page 98	
			Our Risk Management	Page 39	Page 86-95	

GRI Standard Number	Disclosure number	Description	Section/Subsection Title	Sustainability report	Annual report
GRI 2: General Disclosures	2-26	Mechanisms for seeking advice and raising concerns	Stakeholders' Engagement	Page 61	Page 129
			Our Governance: Grievance Redressal Mechanism	Page 94	Page 162
	2-27	Compliance with laws and regulations	Governance and Risk Management	Page 56	Page 86,137
	2-28	Membership associations	Strategic partners & Other partners	Page 22, 116-117	Page 163
	2-29	Approach to Stakeholder Engagement	Stakeholders' Engagement	Page 61	Page 129
	2-30	Collective bargaining agreements	-	-	-
GRI 3: Material Topics	3-1	Process labour to determine material topics	Assessing Materiality	Page 59	Page 5
	3-2	List of material topics	<ul style="list-style-type: none"> Aligning material topics to our stakeholders Aligning with Sustainable Development Goals 	Page 63, Page 65	Page 5
	3-3	Management of material topics			
GRI 201 - Economic performance	201-1	Direct economic value generated and distributed	Prosperity	Page 99	Page 20-23
	201-3	Defined benefit plan obligations and other retirement plans	Employee Value Proposition	Page 95	Page 220
GRI 202- Market Presence	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	-	-	-
GRI 203- Indirect Economic Impacts	203-1	Infrastructure investments and services supported	Prosperity	Page 99	Page 70,84
	203-2	Significant indirect economic impacts	Prosperity	Page 99	Page 22,78,84,
GRI 204: Procurement Practices	204-1	Proportion of spending on local suppliers	Supplier relations	Page 115	Page 163
GRI 205: Anti-Corruption	205-1	Operations assessed for risks related to corruption	Corporate Governance	Page 29 -31	Page 98, 154
	205-2	Communication and training about anti-corruption policies and procedures			
	205-3	Confirmed incidents of corruption and actions taken			
GRI 206: Anti-competitive behaviour	206-1	Legal actions for anti-competitive behaviour, antitrust, and monopoly practices			
GRI 302 - Energy	302-1	Energy consumption within the organization	Energy efficiency	Page 79	-
	302-3	Energy intensity			
	302-4	Reduction of energy consumption			
GRI 303 - Water and Effluents	303-1	Interactions with water as a shared resource	Water Management Practices	Page 75	Page 85,164
	303-2	Management of water discharge-related impacts			
	303-3	Total water withdrawal by source			
	303-4	Water discharge			

GRI Standard Number	Disclosure number	Description	Section/Subsection Title	Sustainability report	Annual report
GRI 305 - Emissions	305-1	Direct (Scope 1) GHG emissions	Planet: Managing our environmental footprint	Page 70-79	Page 84-85
	305-2	Energy indirect (Scope 2) GHG emissions			
	305-3	Other indirect (Scope 3) GHG emissions			
	305-4	GHG emissions intensity		Page 71	Page 85
	305-5	Reduction of GHG emissions	Managing our environmental footprint	-	-
	305-7	Nitrogen Oxides (NOX), Sulphur Oxides (SOX), and other significant air emissions	-	-	-
GRI 306 - Waste	306-1	Waste generation and significant waste-related impacts	Planet: Waste Management Practices	Page 75-78	Page 85,163
	306-2	Management of significant waste-related impact			
	306-3	Waste generated			
	306-4	Waste diverted from disposal			
	306-5	Waste directed to disposal			
GRI 308- Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	Sustainable Procurement Initiatives	Page 114	Page 163
	308-2	Negative environmental impacts in the supply chain and actions taken	Managing our environmental footprint	Page 70-79	Page 84-85
GRI 401 Employment	401-1	New employee hires and employee turnover	People: Equal opportunities for al	Page 88-91	Page 74
	401-2	Benefits provided to full-time employees	People: <ul style="list-style-type: none"> Employee Value Proposition Financial Assistance to staff / Staff loan scheme 	Page 95 -97	Page 220
	401-3	Parental leave	-	-	-
GRI 403 - Occupational health and safety	403-1	Occupational health and safety management system	People: Safety & Fire Hazard Prevention	Page 97	Page 121,171
	403-2	Hazard identification, risk assessment, and incident investigation			
	403-3	Occupational health and services			
	403-4	Worker participation, consultation and communication on occupational health and safety	Safety & Fire Hazard Prevention	Page 97	Page 121,171
			Employee Engagement	Page 83	Page 75,114
			Employee Grievance Redressal Mechanism	Page 94	Page 75,114
	403-5	Worker training on occupational health and safety	People: Employee Training and Development	Page 92	Page 121,171
	403-6	Promotion of worker health	People: Employee wellbeing	Page 84	Page 74,170
			People: Medical benefits	Page 97	Page 74,114
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	People <ul style="list-style-type: none"> Safety & Fire Hazard Prevention Business Continuity Management System 	Page 97-98	Page 121,171,158
403-8	Workers covered by an occupational health and safety management system	People: Safety & Fire Hazard Prevention	Page 97	Page 121,171	
403-9	Work-related injuries				
403-10	Work-related health	People: Employee wellbeing	Page 84	Page 74,170	

GRI Standard Number	Disclosure number	Description	Section/Subsection Title	Sustainability report	Annual report
GRI 404- Training and education	404-1	Average hours of training per year per employee	Training and Development /Employee training and development	Page 27,92	Page 75, 170
	404-2	Programs for upgrading employee skills and transition assistance programs	Training and Development /Employee training and development	Page 27, 92	Page 75, 170
	404-3	Percentage of employees receiving regular performance and career development reviews	People: Talent management and Succession Planning	Page 92-93	Page 158,170
GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	Our Governance: Board Composition and Diversity	Page 27,87-91	Page 75
GRI 406: Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	Employee Grievance Redressal Mechanism	Page 94	Page 171
GRI 408: Child Labour	408-1	Operations and suppliers at significant risk for incidents of child labour	Human rights	Page 94	Page 120
GRI 409: Forced or Compulsory Labour	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Human rights	Page 94	Page 120
GRI 413- Local communities	413-1	Operations with local community engagement, impact assessments, and development programs	Prosperity	Page 99	Page 78
	413-2	Operations with significant actual and potential negative impacts on local communities	Managing our environmental footprint	Page 70	Page 84
GRI 414- Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	Sustainable Procurement Initiatives	Page 114	Page 163
	414-2	Negative social impacts in the supply chain and actions taken	Sustainable Procurement Initiatives	Page 114	Page 163
GRI 418: Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Privacy and Cybersecurity	Page 32	Page 158



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HELP US IMPROVE OUR REPORTING

The report presents the Group's sustainability agenda, initiatives, and performance for the financial year 2023. It highlights updates and progress on sustainability initiatives throughout our business operations, creating an eco-friendly environment for future generations while fulfilling our purpose to "improve livelihoods and deliver sustainable impact." We welcome all constructive feedback, which can be shared via email to SUSTAINABLE_FINANCE_UNIT@crdbbank.co.tz.