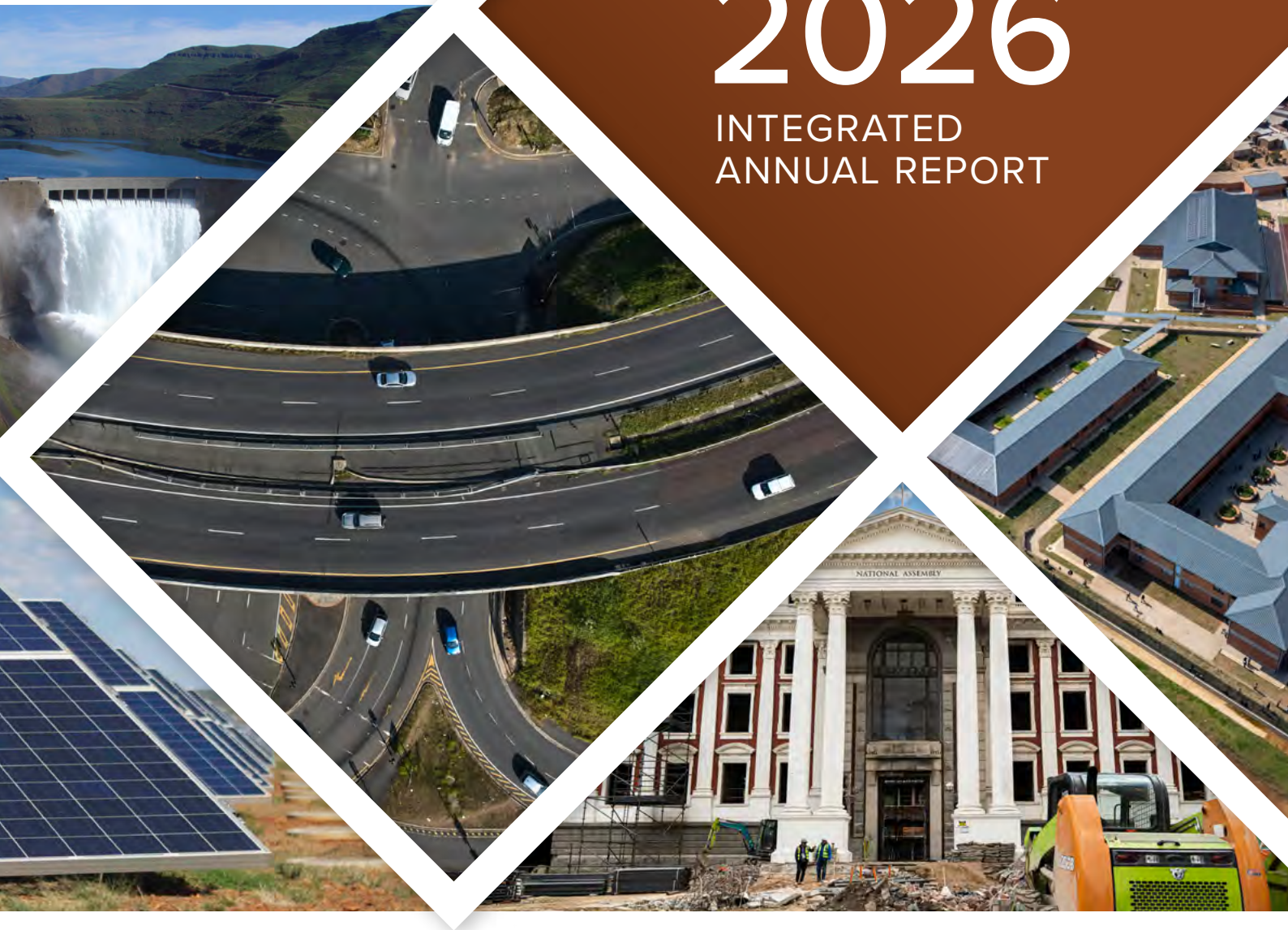


2026

INTEGRATED
ANNUAL REPORT



**DELIVERING IMPACT
IN A CHALLENGING
ENVIRONMENT**

DELIVERING IMPACT IN A CHALLENGING ENVIRONMENT

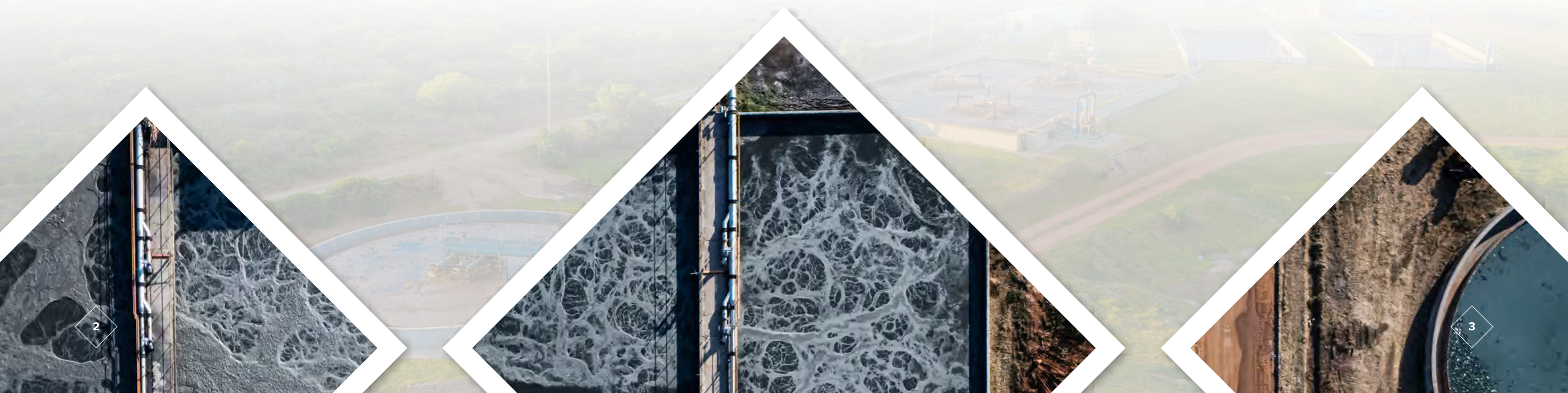
Despite economic pressures, fiscal limitations, and broader socio-political challenges, DBSA continues to deliver meaningful developmental outcomes and sustainable infrastructure impact where it is needed most. This reflects DBSA's resilience, adaptability, and unwavering commitment to its developmental mandate amid a complex and evolving operating environment.

The theme underscores DBSA's role as a resilient and responsive development finance institution that remains steadfast in purpose, agile execution, and commitment to driving growth and development despite challenging circumstances.



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CONTEXT AND LEADERSHIP



NAVIGATION

Our reporting suite for the year ended 31 March 2026 consists of the following three reports:



IAR

The 2026 Integrated Annual Report

The 2026 Integrated Annual Report is our primary stakeholder communication document, providing a view of our strategy, performance, governance and value-creation.



AFS

The 2026 Annual Financial Statements

The 2026 Annual Financial Statements provides a detailed account of our financial performance for the year ended 31 March 2026.



SR

The 2026 Sustainability Review

The 2026 Sustainability Review provides information on our sustainability approach and performance for the year under review.

Throughout the 2026 Integrated Annual Report we use the following icons to connect information on the six capitals, our strategic goals, key stakeholders and links to other relevant information.

OUR CAPITALS

-  Financial capital
-  Social and relationship capital
-  Natural capital
-  Intellectual capital
-  Human capital
-  Manufactured capital

Refer to pages 52 to 53 for further details of the capitals and how we use them to create value for our stakeholders

OUR STRATEGIC GOALS

-  Financial Sustainability
-  Accelerating Development Impact
-  Future-fit DBSA
-  Smart Partnerships

Refer to page 32 for further details on the DBSA's strategic goals.

LINKS

-  Links to other parts of the report.
-  Links to the web for more information.

ABOUT THIS REPORT

The DBSA's 2026 Integrated Annual Report (IAR), for the year ended 31 March 2026, presents an integrated view of how the organisation creates and delivers value to stakeholders. The report is anchored in the DBSA's Decadal Strategy (Corporate Strategy 2024/25–2033/34) and the Bank's material matters.

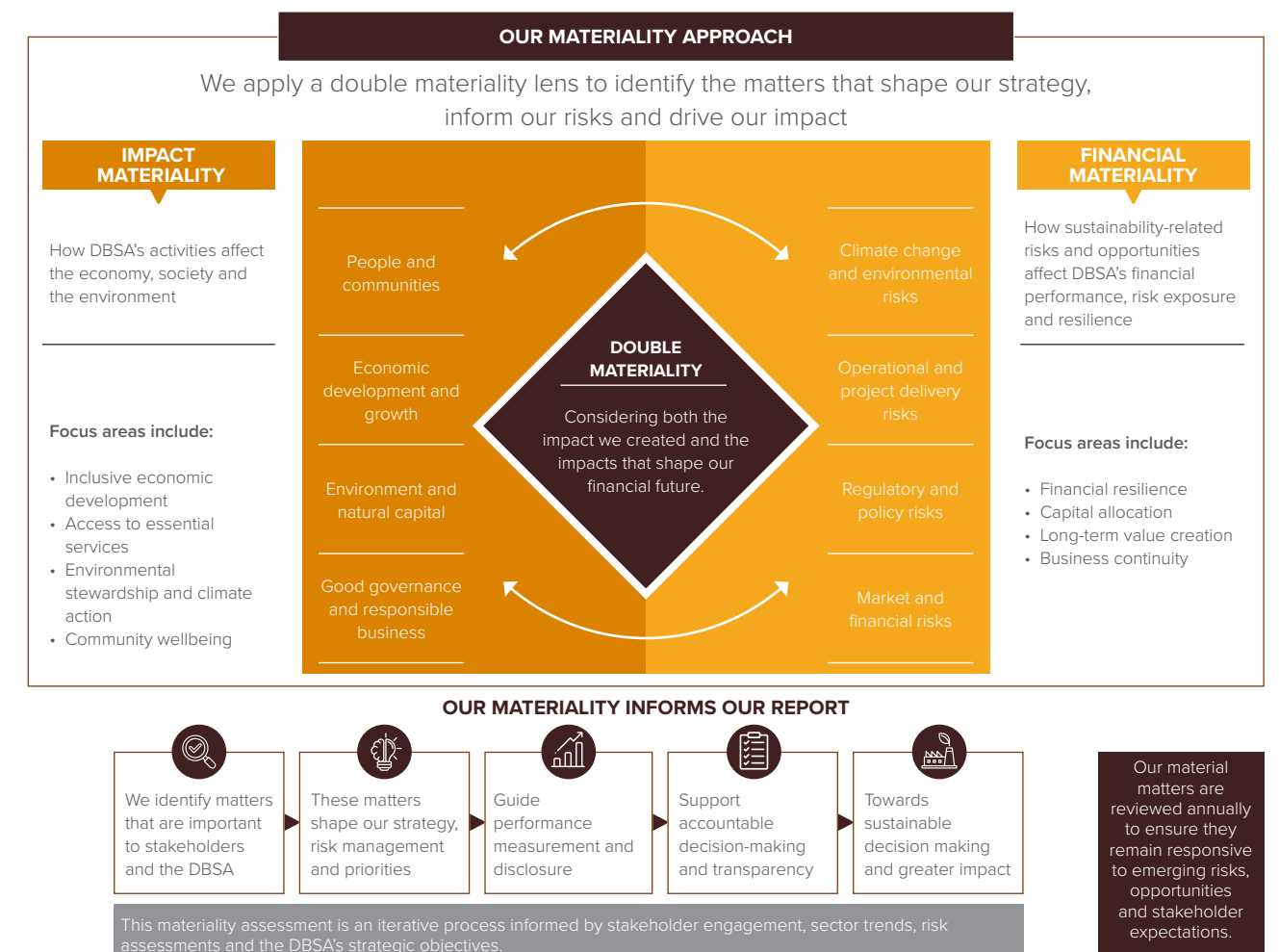
Aimed at investors, funding partners, and those committed to Africa's socio-economic advancement, the report outlines our strategic priorities, operational and financial performance, governance approach, and sustainability practices over the reporting period. Through transparent reporting and balanced insight, we demonstrate how the DBSA continues to create sustainable value across economic, social, and environmental dimensions.

Scope and Boundary

The IAR covers the DBSA's activities for the period 1 April 2025 to 31 March 2026 and includes all material financial and non-financial information. It also includes all material events up to the time of report approval by the Board.

Materiality

Material matters are those factors that could substantially impact the delivery of DBSA's strategy, financial performance and sustainability, which in turn affect our ability to create value. The DBSA applied a double materiality approach to determine the matters included in this report, meaning that material matters are those that influence both the Bank's financial outcomes and development impact. Our materiality approach is shown below.



REPORTING FRAMEWORKS AND PROCESS

The DBSA prepared this IAR in accordance with the principles of the International Integrated Reporting (<IR>) Framework. The report is guided by applicable legislative, governance and reporting requirements, which informed the identification, measurement and disclosure of financial and non-financial information across the Bank.

These frameworks guided the integration of strategy, governance, performance and development impact into a single, coherent narrative, ensuring consistency, comparability and decision-useful disclosure for stakeholders. The legislation, frameworks and standards with which this report aligns are presented in the figure below.

Content for this report was developed through structured engagement with DBSA leadership and subject matter experts, supported by analysis of strategic and operational documents. Inputs were obtained from the Board, Executive Management

and specialists across different Divisions of the Bank. These inputs ensured that the reported information reflected operational performance, governance oversight, and strategic execution across the Bank.

The information and data presented in this report are supported by the DBSA's Combined Assurance Framework, which enhances the credibility and reliability of reported information. This approach strengthens governance oversight and reinforces the integrity of the DBSA's integrated reporting. This includes:

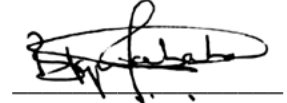
- Internal Audit review of selected financial and non-financial disclosures and key performance indicators
- Application of reporting procedures in alignment with financial reporting standards, where appropriate
- External assurance on specific disclosures, with outcomes reported in the Annual Financial Statements

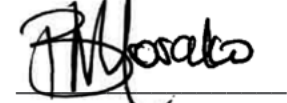
BOARD APPROVAL

The Board of Directors retained ultimate accountability for the integrity of this Integrated Annual Report. Oversight of the reporting process was exercised through the Audit and Risk Committee (ARC), supported by other Board sub-committees and DBSA Executive Management. The report was prepared by Management, ensuring that all material matters were appropriately disclosed and aligned with the Bank's strategy, performance and development impact.

The Board reviewed the report and is satisfied that it presents a balanced and accurate account of the DBSA's activities, performance and value creation for the 2025/26 financial year. The Board confirms that the report has been prepared in accordance with the principles of the <IR> Framework and meets applicable governance and reporting requirements.

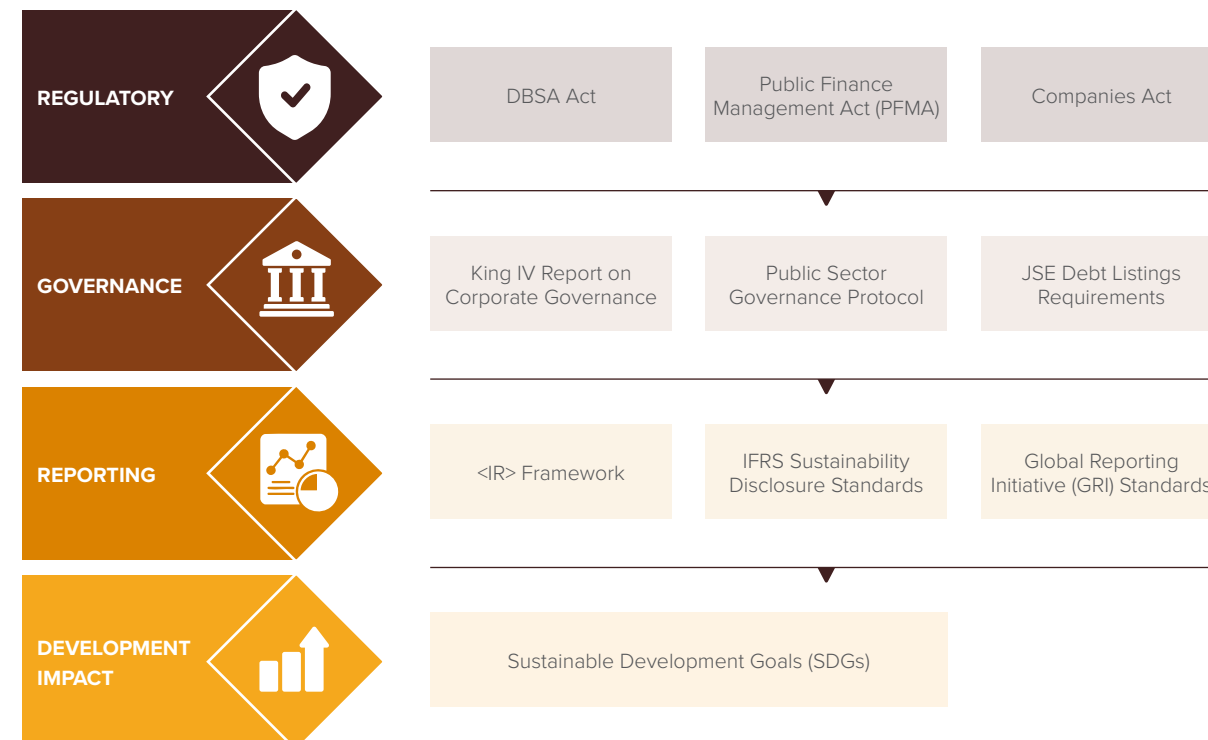

Mr David Makhura
Chairman of the Board


Mr Bongani Nqwababa
Chairman of the
Audit and Risk Committee


Ms Boitumelo Mosako
Chief Executive Officer

INTEGRATED REPORTING FRAMEWORK ARCHITECTURE

Multiple frameworks. One integrated approach.



These frameworks collectively inform DBSA's integrated approach to strategy, governance performance and development impact.



INTRODUCTION

BY THE MINISTER OF FINANCE

Infrastructure investment remains central to South Africa's economic recovery and the long term development trajectory. It underpins service delivery, enables productivity and supports economic growth. In a constrained fiscal environment, the quality, efficiency and impact of infrastructure delivery are as important as the scale of investment.

The 2026 Budget sets out a path to stabilise public finances while prioritising growth-enhancing expenditure. Over the medium term, Government will sustain investment in economic and social infrastructure across energy, transport, water and sanitation to address backlogs, improve service reliability and unlock economic activity.

Government has advanced reforms to increase private sector participation in infrastructure delivery. Enhancements to the public-private partnership framework, supported by targeted institutional interventions, are intended to crowd in capital and accelerate implementation. These measures are

critical to closing the infrastructure financing gap and improving execution across all spheres of government.

Within this context, the DBSA plays a strategic and catalytic role. Its ability to originate, prepare, finance, and implement infrastructure projects positions the DBSA at the centre of Government's delivery agenda, supporting municipalities, state-owned entities, and regional partners in bringing bankable projects to market.

During the year under review, the DBSA maintained alignment with national priorities, focusing on infrastructure delivery, project preparation and blended finance solutions. In the rail sector, the DBSA established the Rail and Logistics Private Sector Participation (PSP) Unit to support the scaling of infrastructure development through structured private sector participation. Similarly, the DBSA operationalised the Water Partnerships Office to crowd in private sector investment into water-related infrastructure projects, particularly at municipal level. These mechanisms build on the successful model established through the Independent Power Producer Procurement Programme (IPPPP).

I acknowledge the DBSA's continued contribution to infrastructure delivery and national development priorities especially in local government. Local government plays a critical role in advancing our development objectives and must be equipped with

the skills, guidance and resources required to deliver on its mandate effectively. To strengthen municipal capability, the DBSA is also providing hands-on support in areas such as project preparation, blended financing and implementation. These efforts enhance local government's ability to deliver essential services and stimulate economic development, particularly in underserved communities.

As South Africa advances its infrastructure-led growth strategy, institutions such as the DBSA remain critical to achieving scale, efficiency and impact. Through disciplined execution, strengthened partnerships and a continued focus on development outcomes, the DBSA contributes to a more inclusive and competitive economy.

I thank the Board, Management and employees for their efforts in advancing sustainable infrastructure and inclusive growth.

As we look ahead, the DBSA is well-positioned to support the objectives of the Medium Term Development Plan and to play a catalytic role in driving infrastructure-led development and long term economic progress.

Mr. Enoch Godongwana, MP
Minister of Finance of South Africa

PERFORMANCE HIGHLIGHTS



1. Strong financial performance

12.0%	R7.4 billion	R62.4 billion	R7.8 billion	R130 billion	R7.0 billion
ROE based on sustainable earnings	Sustainable earnings	Total Infrastructure Development Support	Net profit	Total assets	Cash generated from operating activities



2. Driving inclusive growth

R5.3 billion	586	R1.3 billion	165	1 046	19 963
Infrastructure delivered by black-owned entities, of which R4,0 billion was delivered by black women-owned entities	Local SMMEs and contractors contracted in construction projects, to the value of R510 million	Loan disbursements to B-BBEE entities for renewable energy projects	Start-ups supported by the DLAB programme	Youth trained in future skills through DLAB programme	Temporary and permanent jobs facilitated in South Africa



3. Expanding access to dignified quality education

11 867	12 869	6 854	2 606
Learners benefitted from 27 newly built schools	Learners benefitted from 20 refurbished schools	Learners benefitted from improved sanitation through the DBE SAFE Programme	Learners benefitted from improved sanitation in 18 schools financed through provincial budget allocations



4. Fund managers contribution

3 800 000	110 940	15 499	47 545
Tonnes of food and related products delivered	Smallholder farmers and micro-entrepreneurs impacted	Permanent jobs sustained in different sectors	Kilometres of fibre built



5. Governance

Received an unqualified audit opinion each year since inception	Board and Executive teams that are robust, ethical and diverse	Reported 0.0% irregular, fruitless and wasteful expenditure
---	--	---



6. Ratings and accreditation

Ba2	AA Rating	GEF Accreditation	Green Climate Fund EU
Foreign currency rating by Moody's	by the Association for African Development Finance Institutions (AADFI)	Global Environmental Facility accreditation since August 2014	6-pillar accreditation (valid until 2026)



7. Accolades and awards

Merit award under the State-Owned Company category at the Chartered Governance Institute of Southern Africa's Integrated Reporting Awards 2025



MESSAGE FROM OUR CHAIRMAN

The DBSA has remained resilient in a demanding domestic and global economic environment. At a time when many institutions face major structural and financial pressures, the Bank continued to deliver on its development mandate, standing out as one of the strongest development finance institutions in Africa. This outstanding performance reflects a combination of financial sustainability, strong technical capability, disciplined execution, focused leadership and governance maturity.

The DBSA's Decadal Strategy reflects the Bank's long-term ambition to become a development bank of the future that continues to scale its development impact, contribute to climate resilient infrastructure solutions and harness new digital technologies to human development, inclusive economic development and structural transformation across South Africa and the rest of our continent. Through this ten-year growth strategy, the DBSA is positioning itself not only to respond to current infrastructure challenges but also to shape South Africa's development trajectory over the next 50 years, while contributing meaningfully to Africa's initiatives on infrastructure development, industrialisation and economic integration.

Strong Governance and Institutional Strength

Governance at the DBSA is treated not just as a compliance function, but as a strategic enabler and

catalyst of sustainable performance and long-term development impact. The DBSA remains a well-governed institution that maintains high standards of ethical leadership, accountability and transparency, supported by a robust governance framework aligned with King IV and evolving towards King V. The strength of our governance framework has been independently validated on a continuous basis. The most recent independent Board evaluation confirmed the maturity of the Bank's governance structures and processes, as well as the effectiveness of oversight, institutional stability and strategic direction provided by the Board. The Board continues to skilfully manage succession planning, ensuring an appropriate balance between continuity and renewal and reinforcing the long-term sustainability of the Bank. The Board adopts a balanced risk posture: combining prudence and discipline with an imaginative and bold strategic orientation expected of any successful development finance institution, pursuing and seizing opportunities to deliver infrastructure and human development at scale while maintaining financial sustainability.

The DBSA is a resilient institution that has been able to withstand the test of turbulent times in our country's democratic evolution. The Bank's resilience is attributed principally to its uncompromising adherence to strong governance. Strong governance will continue to be the order of the day.

Scaling Development Impact

The DBSA continues to play a central role in infrastructure delivery across South Africa and the rest of the continent. Through its financing, advisory and implementation capabilities, the Bank continues to translate infrastructure challenges into bankable projects.

The Bank has enormous strengths in mobilising capital from the private and public sector and deploy technical skills to support infrastructure investment, inclusive economic growth and spatial transformation

initiatives in South Africa, SADC region and the rest of the continent.

The DBSA's investment activities are visibly improving access to essential services such as water, energy, transport, healthcare, education and municipal infrastructure and accelerating service delivery and socio-economic development even in the most under-served communities.

The DBSA is scaling infrastructure delivery across the full infrastructure value chain, including expanded technical preparation and feasibility support at municipal level, where infrastructure investment has the most direct impact on communities. The Bank has introduced targeted programmes such as "Partner A District" and "Partner A Metro" to foster long-term economic development and sustainability across various localities.

Partnerships and Strategic Alignment

The Board continues to prioritise strong alignment with the shareholder and key public sector institutions, including National Treasury and the Presidency, to unlock large-scale infrastructure programmes and accelerate infrastructure delivery. The DBSA is also deepening collaboration across government departments and spheres of government, to identify and advance strategic infrastructure opportunities across priority sectors. At the same time, the DBSA continues to strengthen its role within regional and global development platforms, including through its contribution to the G20 priorities. These engagements position the Bank to support coordinated infrastructure responses, strengthen partnerships and mobilise investment towards sustainable and inclusive development outcomes across South Africa and the continent.

Outlook

Although the external environment remains complex and uncertain, the DBSA is well-positioned to play a strategic role in advancing an infrastructure-led development path across South Africa and the continent. The Bank is leveraging its balance sheet, technical capabilities and strong partnerships to play a catalytic role.

Across the continent, the Bank will continue to strengthen its development impact through investments that support regional integration,

economic competitiveness and long-term resilience, particularly in strategic sectors such as critical minerals, energy, transport and logistics, education and health, water and sanitation.

Delivering on these priorities will require sound governance, disciplined execution and the ability to pursue high-impact opportunities at greater scale and with a sense of urgency. Through this approach, the DBSA will continue to contribute meaningfully to South Africa's economic trajectory and Africa's long-term development and shared prosperity.

The DBSA's decadal goal is to triple its asset base to over R300 billion. This growth is expected to come from the period referred to as "the infrastructure moment", where huge infrastructure backlogs at a domestic and continental level create huge opportunities for those who can provide innovative infrastructure financing and delivery solutions.

The DBSA is ready, capable and willing to seize this moment.

Acknowledgements

I would like to extend my sincere appreciation to the Minister of Finance and the National Treasury team for their continued support, guidance and partnership. As this was my first year serving as Chairperson of the DBSA Board, I also want to thank my fellow Board members for their insights throughout the year. I look forward to continuing to work alongside the Board as we realise the full potential of the DBSA.

I also wish to acknowledge the outstanding leadership of the CEO, Ms Boitumelo Mosako, the talented and reinvigorated Executive Committee and the entire DBSA staff for their professional service and unwavering commitment to delivering meaningful development impact. It is because of their individual and collective efforts that the Bank delivers excellent annual results and development outcomes that continue to bend the arc of history towards shared prosperity and a more sustainable and inclusive future.

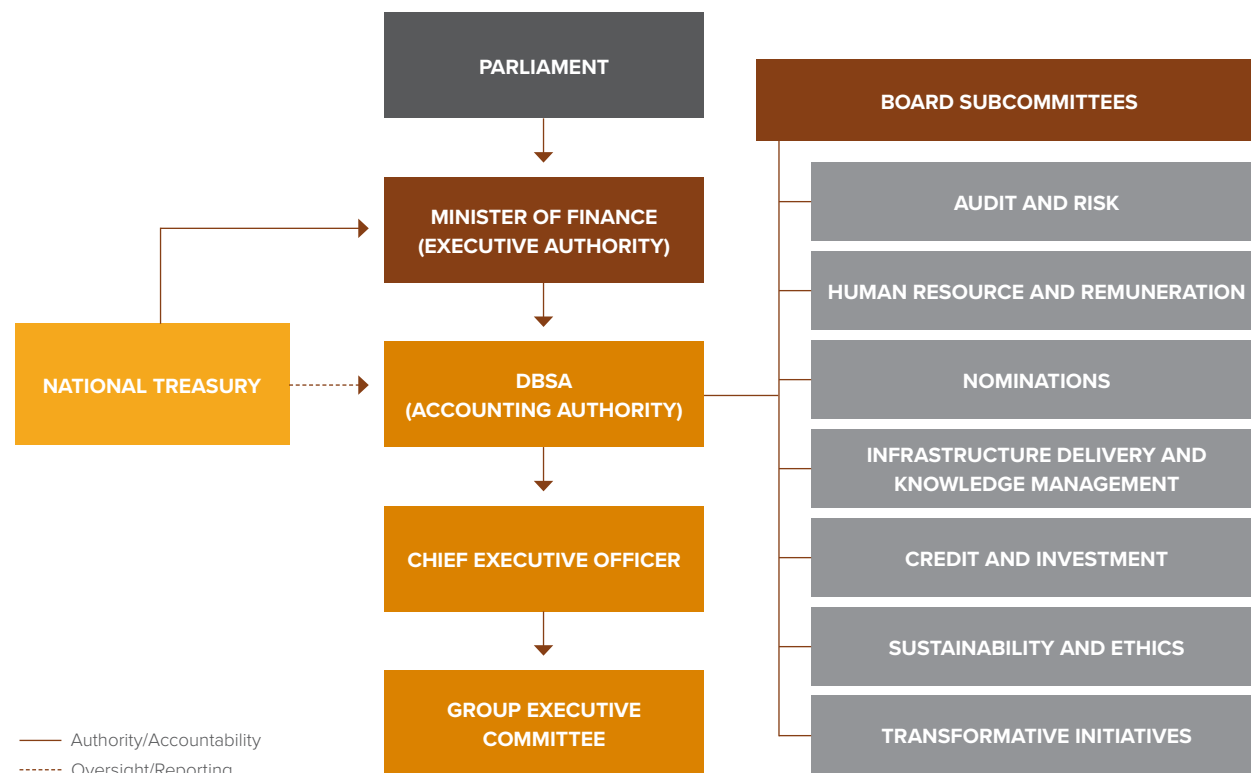
Mr David Makhura
Chairman of the Board

OUR LEADERSHIP

OUR BOARD AT A GLANCE

The DBSA Board reflects a well-balanced mix of skills, expertise, and backgrounds providing broad perspectives that strengthen governance, strategic direction and informed decision-making across the organisation.

DBSA GOVERNANCE STRUCTURE



Board of Directors

Chairman



Mr David Makhura

Born: 1968

Chairman: Board and Nominations Committee

Independent Non-executive Director effective: 1 July 2025

Expertise:

Strategic Leadership, Public Policy, Public Management and Stakeholder Engagement

Academic qualifications:

- Master of Science (MSc) in Public Policy and Management from the University of London

Committees:

B H I
N T

Chief Executive and Managing Director



Ms Boitumelo Mosako

Born: 1978

Chief Executive and Managing Director

DBSA staff member and Group Executive effective: 1 April 2018
Chief Executive Officer as from 1 June 2018

Expertise:

Strategic Leadership, Auditing and Financial Management

Academic qualifications:

- Chartered Accountant (SA)
- Advanced Management Programme, Harvard Business School
- B-BBEE Management Development Programme, University of South Africa
- Higher Diploma in Auditing, Accounting Professional Training
- Post Graduate Diploma in Accounting, University of Cape Town
- BCom Accounting, University of Cape Town

Committees:

B S

Shareholder Representative



Mr Kenneth Brown

Born: 1962

Chairman: Sustainability and Ethics Committee (SEC)

Non-executive Director effective: 30 November 2022

Expertise:

Investment Banking and Public Sector (Intergovernmental and Procurement)

Academic qualifications:

- Master of Science (Public Policy), University of Illinois at Urbana-Champaign
- Bachelor of Arts Honours (Economics), University of the Western Cape
- Bachelor of Arts, University of the Western Cape

Committees:

B I S

B Board Credit and Investment Committee

H Human Resources and Remuneration Committee

I Infrastructure Delivery and Knowledge Management Committee

N Nominations Committee

S Social and Ethics Committee

A Audit and Risk Committee

T Transformative Initiatives Committee



Mr Barry Hore
Born: 1960

Independent Non-executive Director effective: 2 October 2023

Expertise:
ICT (Process Engineering, ICT Infrastructure Knowledge, Cyber Security), Strategic Operations, Change Management and Banking

Academic qualifications:

- Advanced Management Programme, Harvard University
- BCom, University of Natal

Committees:

A H T



Ms Dinao Lerutla
Born: 1980

Independent Non-executive Director effective: 30 November 2022

Expertise:
Investment Banking, Capital and Financial Markets

Academic qualifications:

- Chartered Financial Analyst (CFA)
- Master's in Development Finance, Stellenbosch Business School
- Bachelor of Business Science Honours, University of Cape Town

Committees:

A B



Dr Petrus Matji
Born: 1966
Chairman: Infrastructure Delivery and Knowledge Management (IDKC)

Independent Non-executive Director effective: 2 October 2020

Expertise:
Project Management and Finance, Infrastructure Development and Management.

Academic qualifications:

- Doctor of Business Leadership (DBL)
- MSc (Engineering Sciences, Civil Engineering), University of Stellenbosch
- MBL, University of South Africa
- Management Advanced Programme, Wits Business School
- BSc (Hons) Computational Fluid Dynamics, University of the Witwatersrand
- BSc (Physics and Applied Mathematics), University of the North
- Diploma (Business Management), Varsity College
- Certificate (Project Management), Damelin Management School
- Certified Construction Project Manager (Pr.CPM)
- Certified Hydrologist / Water resources professional (Pr.Nat.Sci.)

Committees:

I B

- B** Board Credit and Investment Committee

H Human Resources and Remuneration Committee

I Infrastructure Delivery and Knowledge Management Committee
- N** Nominations Committee

S Social and Ethics Committee

A Audit and Risk Committee

T Transformative Initiatives Committee



Ms Ntombizodwa Mbele
Born: 1971
Chief Financial Officer

DBSA Staff member as from 10 October 2016, Group Executive as from 1 October 2017 and Executive Director effective: 2 October 2023

Expertise:
Financial Management, Infrastructure Financing and Treasury Management

Academic qualifications:

- Chartered Accountant (SA)
- Advanced Management Programme, Harvard Business School
- Executive Development Programme, University of Stellenbosch Business School
- Management Advanced Programme, WITS Business School
- Certificate in International Treasury Management ACT (UK)
- Bachelor of Accounting Science Honours, University of South Africa
- Baccalaureus Paedonomia University of Zululand

Committees:

B



Ms Lynette Milne
Born: 1968

Independent Non-executive Director effective: 1 October 2025

Expertise:
Strategic Leadership, Organisational Development, Project Finance, Complex Project Structuring, Infrastructure Integration, Alignment, Coordination and Monitoring, Financial Governance and Management

Academic qualifications:

- Chartered Accountant (SA)
- Honours (Accounting Science and CTA), University of South Africa
- BCompt, University of Free State

Committees:

A B I



Ms Disebo Moephuli
Born: 1964
Chairman: Board Credit and Investment Committee (BCIC)

Independent Non-executive Director effective: 2 October 2023

Expertise:
Banking, Risk, Treasury and Financial Markets

Academic qualifications:

- LEAP, INSEAD
- MBA, Dalhousie University
- BA: Economics, University of Lesotho

Committees:

A B



Mr Jonathan Muthige
Born: 1967
Chairman: Transformation Initiatives Committee (TIC)

Independent Non-executive Director effective: 2 October 2023

Expertise:
Human Capital Strategist

Committees:
H S T

Academic qualifications:

- BA Hons, University of KwaZulu-Natal
- PMD, Damelin
- Strategic HR Management Programme, Harvard Business School
- Certificate in Advanced Management Programme, Wharton Business School.



Dr Chantal Naidoo
Born: 1970

Independent Non-executive Director effective: 2 October 2023

Expertise:
Investment and Corporate Banking, ESG Investment and Global Climate Change

Committees:
A B S

Academic qualifications:

- PhD, University of Sussex, (Role of the financial sector in sustainability transition processes – SA’s IPP)
- MA: Development Finance, Stellenbosch University
- Programme: Sustainable Leadership, University of Cambridge
- International Bank Development Programme, BankSeta
- PGDip: Tax Law, University of Witwatersrand
- BCom, University of Cape Town



Mr Joel Netshitenzhe
Born: 1956

Independent Non-executive Director effective: 2 October 2023

Expertise:
Strategic Leadership, Economics, Strategy, Writer, Research and Policy Development

Committees:
I S N

Academic qualifications:

- MSc: Financial Economics, University of London
- PGDip: Economic Principles, University of London
- MB ChB, University of KwaZulu-Natal (Incomplete)



Ms Patience Nosipho Nqeto
Born: 1957
Deputy Chairman: Board and Chairman: Human Resources and Remuneration Committee

Independent Non-executive Director effective: 1 August 2017

Expertise:
Business Administration (Strategic Management and Human Capital)

Committees:
H I N T

Academic qualifications:

- MBA, University of Charles Sturt, Australia
- Honours (Economics), University of South Africa
- BCom, University of Transkei



Mr Bongani Nqwababa
Born: 1966
Chairman: Audit and Risk Committee (ARC)

Independent Non-executive Director effective: 2 October 2020

Expertise:
Financial Management, Audit, Risk Management, Funding and Strategic Leadership

Committees:
A B H T

Academic qualifications:

- MBA with Merit, jointly awarded by the Universities of Wales, Bangor and Manchester
- FCA, Institute of Chartered Accountants of Zimbabwe
- BAcc (Hons), University of Zimbabwe



Professor Edgar Pieterse
Born: 1968

Independent Non-executive Director effective: 2 October 2023

Expertise:
Academic, Development Studies, Policy Development and Leadership

Committees:
I

Academic qualifications:

- PhD, London School of Economics and Political Science
- MA: Politics of Alternative Development Strategies, Institute of Social Studies, The Hague
- BA: Social Science, University of the Western Cape

- B** Board Credit and Investment Committee

H Human Resources and Remuneration Committee

I Infrastructure Delivery and Knowledge Management Committee
- N** Nominations Committee

S Social and Ethics Committee

A Audit and Risk Committee

T Transformative Initiatives Committee

Executive Committee



Ms Candace Abrahams
Born: 1982
Acting Group Chief Risk Officer
DBSA Staff member as from 1 October 2021 and Acting Chief Risk Officer as from 1 February 2026

Academic qualifications:

- Strategic Executive Program Africa, Harvard Business School
- Master of Business Administration (MBA), University of Pretoria
- Bachelor of Commerce, University of Natal-Durban



Greg Fyfe
Born: 1969
Chief Investment Officer
DBSA Staff member and Chief Investment Officer as from 1 March 2026

Academic qualifications:

- MBA (Finance), Henley Business School, University of Reading (UK)
- LLB (Law), University of Pretoria
- BLC (Law), University of Pretoria



Mr Zeph Nhleko
Born: 1974
Chief Economist and Group Executive: Strategy and Sustainability
DBSA Staff member as from 1 February 2020 and Group Executive as from 1 July 2025

Academic qualifications:

- Program on Investment Appraisal and Risk Analysis, John Deutsch International Executive Programs, Queen's University
- Doctor of Philosophy in Management Studies, University of South Africa
- MBA, Henley Business School, University of Reading (UK)
- Master of Commerce, University of South Africa
- Bachelor of Commerce Honours, University of KwaZulu-Natal (Durban-Westville)
- Bachelor of Commerce, University of KwaZulu-Natal (Durban-Westville)



Mr Chuene Ramphela
Born: 1974
Group Executive: Infrastructure Delivery
DBSA staff member as from 1 June 2010 and Group Executive as from 1 November 2018

Academic qualifications:

- Advanced Management Programme, Harvard Business School
- MBL, UNISA Graduate School of Business Leadership
- Advanced Management Development Programme, University of Pretoria
- Baccalaureus Technologiae: Public Management, UNISA
- National Diploma: Public Management and Administration, Technikon Northern Transvaal



Mr Michael Hillary
Born: 1970
Group Executive: Financing Operations
DBSA Staff member and Group Executive as from 1 October 2012

Academic qualifications:

- MBA, University of Witwatersrand.
- BCom Hons, University of Witwatersrand
- CAIB (SA), Institute of Bankers



Dr Phindile Masangane
Born: 1972
Group Executive: Programmes
DBSA Staff member and Group Executive as from 1 February 2026

Academic qualifications:

- PhD (Chemistry), Imperial College London
- MBA, University of the Witwatersrand
- BSc (Mathematics and Chemistry), University of Eswatini



Ms Bathobile Sowazi
Born: 1972
Company Secretary and Group Executive: Governance and Legal
DBSA Staff member as from 1 May 2010 and Group Executive as from 1 July 2025

Academic qualifications:

- Transition to General Management Programme, INSEAD
- Project and Infrastructure Finance Programme, London Business School
- Advanced Banking Law, University of Johannesburg
- LLB, Rhodes University
- BA Law, University of Swaziland



Mr Juan Strauss
Born: 1978
Group Executive: Digital and Business Transformation
DBSA Staff member and Group Executive as from 1 March 2026

Academic qualifications:

- MBA, Henley Business School, Reading University (UK)
- BSc (Information Technology) Honours in Computer Science, University of Johannesburg
- Executive Development Program, Business Administration and Management, Wharton Executive Education
- Management Advancement Programme, University of the Witwatersrand



Mr Mpho Mokwele
Born: 1979
Group Executive: Coverage and Origination
DBSA Staff member effective 1 March 2008 and Group Executive as from 1 November 2023

Academic qualifications:

- Advanced Management Programme, INSEAD
- Chartered Accountant (SA)
- Certificate in Theory of Accounting, University of the Witwatersrand
- Bachelor of Commerce in Accounting, University of the Witwatersrand

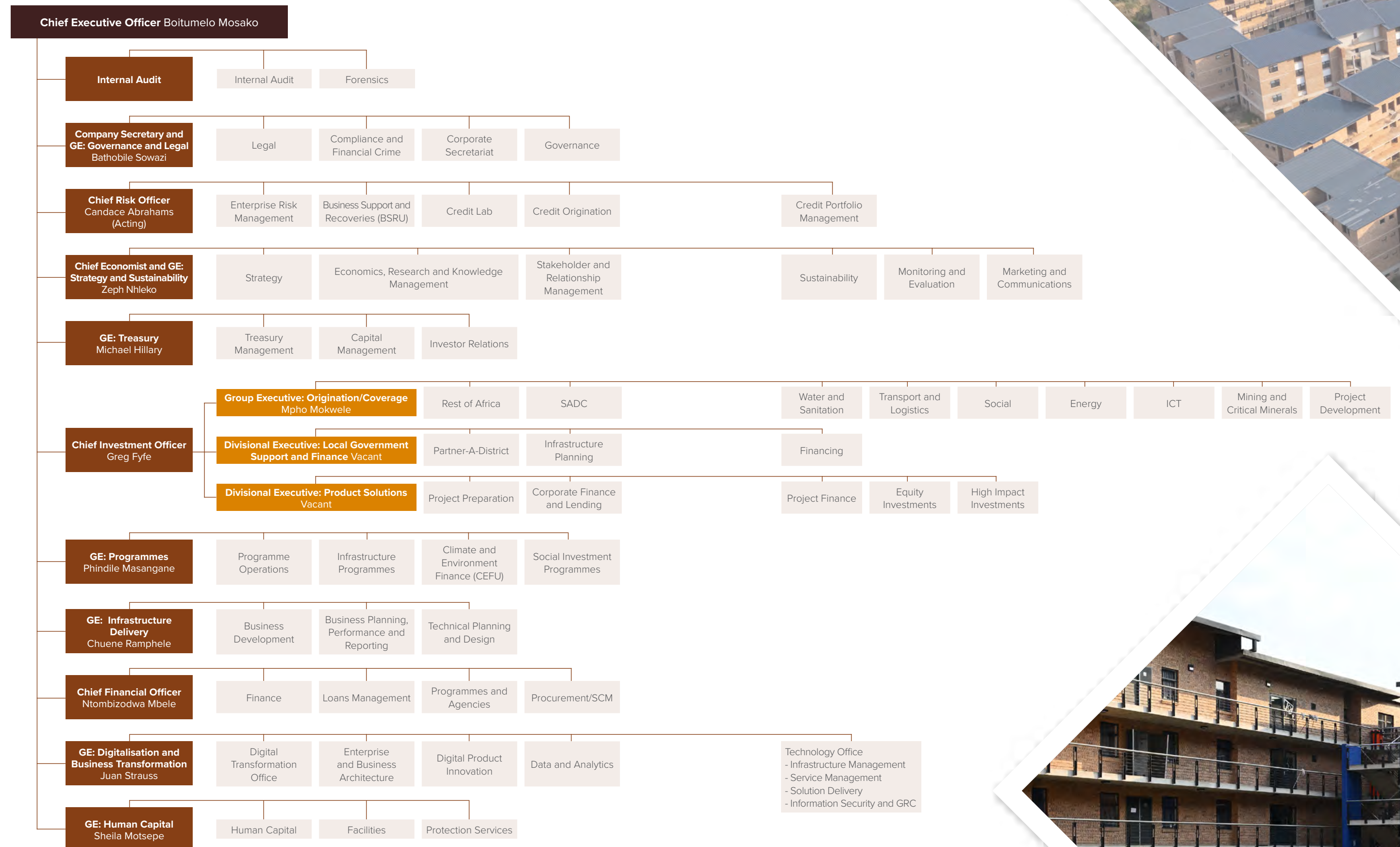


Ms Sheila Motsepe
Born: 1969
Group Executive: Human Capital
DBSA Staff member and Group Executive as from 1 February 2019

Academic qualifications:

- MBA, Gordon Institute of Business Science (GIBS), University of Pretoria
- Master of Science (Clinical Psychology), Sefako Makgatho Health Sciences University
- Bachelor of Science Honours (Psychology) (*Cum Laude*), Sefako Makgatho Health Sciences University
- Bachelor of Social Sciences (Social Work), North West University

Management Overview



OUR STRATEGIC APPROACH TO VALUE CREATION

2



CHIEF EXECUTIVE OFFICER's REVIEW

Financial Strength and Scaled Delivery

The DBSA's financial performance strengthened its ability to deliver on its mandate. Net profit reached R7.8 billion, supported by disciplined financial management and sustained earnings performance. Growth in disbursements, from R17.5 billion in 2024/25 to R20.7 billion in 2025/26, is demonstrative of the Bank's expanded role in regional and cross-border development.

A strong balance sheet remains central to the Bank's role, enabling it to absorb risk, sustain lending, and support long-term infrastructure investment. Increased disbursements reflect improved conversion of pipeline into funded projects, reinforcing the Bank's ability to translate capacity into delivery.

The Bank also strengthened its origination capability during the financial year, shifting from transaction-based financing towards programme-based approaches that enable scale and repeatability. By intervening earlier in the infrastructure lifecycle, the DBSA is improving project bankability, reducing execution risk and accelerating implementation.

Delivering Measurable Development Impact

The DBSA continued to translate infrastructure investment into tangible development outcomes across sectors. This includes improved access to services, support to local enterprises and strengthened delivery capacity within the infrastructure ecosystem.

Delivering Impact in a Challenging Operating Environment

The year under review was characterised by continued global uncertainty, constrained public finances and increasing pressure on infrastructure systems. In this environment, the DBSA remained focused on execution, sustaining infrastructure delivery where it is most needed.

The Bank delivered infrastructure development support to the value of R62.4 billion across the infrastructure value chain, reflecting continued activity at scale. The focus has increasingly shifted from volume to impact, with infrastructure investments supporting improved access to services, economic participation and institutional capacity, particularly in areas where infrastructure deficits remain most acute.

Municipal infrastructure remains a critical focus area. The DBSA continued to support under-resourced municipalities through targeted lending and non-lending interventions aimed at strengthening planning, preparation and implementation capacity. This financial year, the Bank achieved R1.3 billion in disbursements to municipalities, and unlocked R3.5 billion for municipal infrastructure development in under resourced municipalities. This approach is focused on improving execution and enabling infrastructure delivery where it has the most direct impact on communities and local economic activity.

The focus has been on ensuring that infrastructure delivery results in sustained impact, particularly through job creation, enterprise participation and improved service provision, with outcomes realised at community level.

In support of broader national reforms to accelerate infrastructure delivery, the DBSA played a key role in the establishment and operationalisation of the Infrastructure Finance and Implementation Support Agency (IFISA), which became effective on 1 April 2026. Formed through the consolidation of several National Treasury-led initiatives, IFISA serves as a strategic and catalytic platform to strengthen infrastructure planning, preparation and execution across the public sector. IFISA is emerging as a critical mechanism for converting national infrastructure priorities into implemented projects that drive economic growth and improve quality of life.

Advancing Sustainability and Partnerships at Scale

The DBSA continued to advance its Just Transition agenda by developing climate-aligned infrastructure investments and integrating sustainability considerations into project design and execution. The focus remains on delivering infrastructure that supports energy security, climate resilience and inclusive growth.

The Bank strengthened its partnerships to mobilise capital and expand development impact. This includes sustained engagement with capital markets and collaboration with development finance institutions and private sector partners. These partnerships are central to enabling blended finance solutions and supporting infrastructure delivery at scale.

Valuing Organisational Culture

One of the DBSA's greatest strengths lies in its organisational culture and the emphasis placed on employee communication and engagement. These commitments support the attraction and retention of talent and have underpinned the organisation during a period of rapid transition.

The DBSA recognises that culture is not secondary to performance, but rather a key driver of long-term sustainability, accountability and impact. As a result, employee culture is embedded as a strategic organisational KPI and remains a key consideration in decision-making across the institution. This approach reinforces the DBSA's commitment to fostering an environment of collaboration, innovation, trust and high performance in support of its developmental mandate.

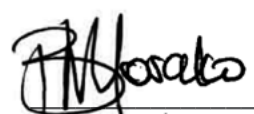
Looking Ahead

Progress was made in implementing the Bank's operating model, strengthening internal capabilities and improving efficiency through targeted process improvements and digital enablement. These efforts aim to support delivery at scale while maintaining the discipline required in a complex operating environment.

The DBSA remains focused on scaling infrastructure delivery, strengthening execution and deepening development impact. Priority areas include expanding project pipeline, accelerating implementation and mobilising additional capital.

The Bank is well-positioned to continue delivering infrastructure that supports long-term development across South Africa and the continent at large.

I extend my appreciation to the Board, our Shareholder, partners and Team DBSA for their continued commitment and support in advancing the Bank's mandate.


Ms Boitumelo Mosako
Chief Executive Officer

ABOUT OUR BUSINESS

Our Mandate

The DBSA was established in terms of the Development Bank of Southern Africa Act, No. 13 of 1997 (Amended Act No. 14 of 2014) (DBSA Act), which provides for the continued existence of the juristic person known as the Development Bank of Southern Africa as a Development Finance Institution (DFI), with the primary purpose to promote economic development and growth, human resource development, and institutional capacity building. Section 3(l) of the Act prescribes the main objects of the DBSA as “Mobilising financial and other resources from the private and public sectors, national or international, on a wholesale basis as determined in the regulations promulgated in terms of the DBSA Act.”

Our Values



Shared Vision

We share and keep the sustainability, strategic intent and mandate of the DBSA top of mind in all our decisions and actions.



Service Orientation

We deliver responsive and quality service that speaks to the needs of our clients and continuously build relationships that result in mutually beneficial outcomes.



Integrity

Our deals, actions and interactions are proof of transparent and ethical behavior that demonstrates mutual respect and care for all our stakeholders.



High-performance

We are enabled, empowered and inspired to deliver consistent, quality, effective and efficient results for which we are accountable and rewarded.



Innovation

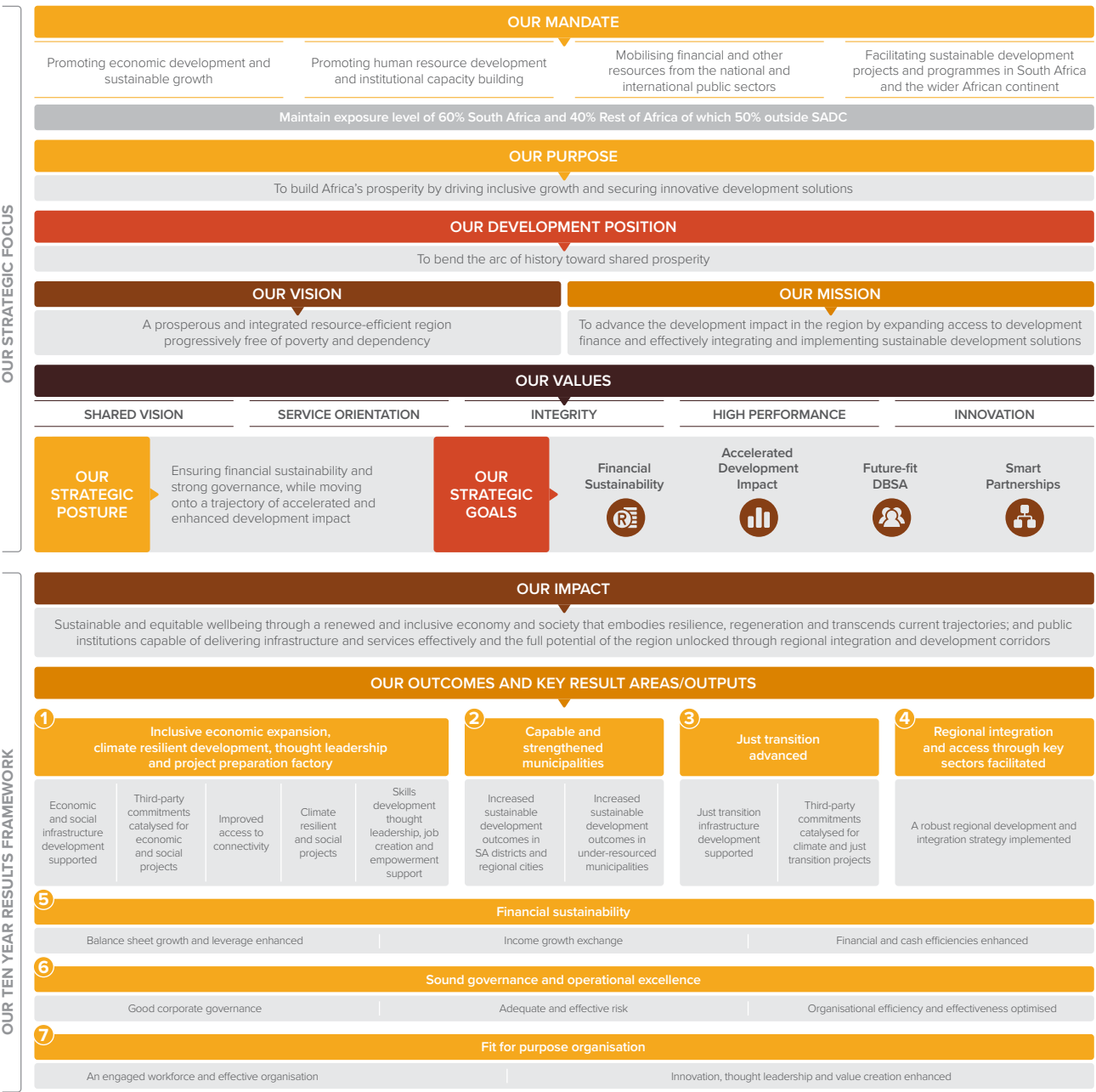
We challenge ourselves continuously to improve what we do, how we do it and how well we work together.

Our Strategy

The DBSA's strategy translates its mandate into a structured approach to delivering development impact. It links strategic priorities, resource allocation and partnerships to measurable outcomes across the infrastructure value chain. The DBSA's strategy is designed to grow the Bank to maximise development impact while preserving financial sustainability. In a challenging operating environment, this requires the Bank to move beyond isolated infrastructure transactions towards a more integrated, programme-based approach that can deliver at scale.

The strategic focus is clear: close the gap between infrastructure needs, project preparation, financing and delivery. This approach is particularly important in areas where infrastructure constraints are systemic, including municipal infrastructure, energy, water, transport and regional integration. The Bank's strategic role is therefore not limited to providing finance. It is also to originate opportunities, structure projects, mobilise partners and support implementation. The figure below provides the DBSA's strategy at a glance, which sets out how the Bank converts financial and technical capacity into sustainable economic, social and environmental value over the short, medium and long term.

Our Strategy at a Glance



Our Strategic Goals

The DBSA's strategy is anchored in four strategic goals that guide the translation of financial capacity into development impact.

Strategic Goals			
Delivering sustainable growth and development impact through a future-fit, financially strong DBSA, powered by smart partnerships			
FINANCIAL SUSTAINABILITY	ACCELERATING DEVELOPMENT IMPACT	FUTURE-FIT DBSA	SMART PARTNERSHIPS
Financial sustainability is driven through income growth, disciplined balance sheet management and cost optimisation. Delivery against disbursement and credit extension targets is central to expanding the asset base and sustaining the Bank's development role.	The DBSA prioritises investments that deliver measurable outcomes in reducing unemployment, poverty and inequality. This is achieved through high-quality transactions and a programmatic approach to infrastructure delivery, enabling scale across core sectors and municipalities.	The Bank is strengthening its operating model to better support delivery. This includes improving internal integration, advancing digital enablement and embedding more coordinated, outcome-based ways of working.	Smart Partnerships are a core delivery mechanism for infrastructure development. The DBSA works with public and private sector partners to mobilise funding, structure transactions and overcome implementation constraints.
FOCUS AREAS <ul style="list-style-type: none">Scaling quality disbursementsSupporting regional integrationDelivering sustainable infrastructure solutionsStrengthening municipal capabilityImproving operational efficiency	<ul style="list-style-type: none">The focus is on creating an integrated development environment that responds to evolving infrastructure and service delivery needs.	<ul style="list-style-type: none">Improving internal integrationAdvancing digital enablementEmbedding outcome-based ways of workingStrengthening institutional resilience	<ul style="list-style-type: none">Partnering across public and private sectorsMobilising fundingStructuring transactionsOvercoming implementation constraints
Lending performance directly influences the scale of future development impact.	High quality transactions. Programmatic delivery. Measurable development outcomes.	Ongoing adjustments to structure, processes and capabilities are aimed at improving execution, responsiveness and institutional resilience.	These collaborations enable greater private sector participation and support the delivery of infrastructure at scale, both domestically and across the continent.

Our Development Position

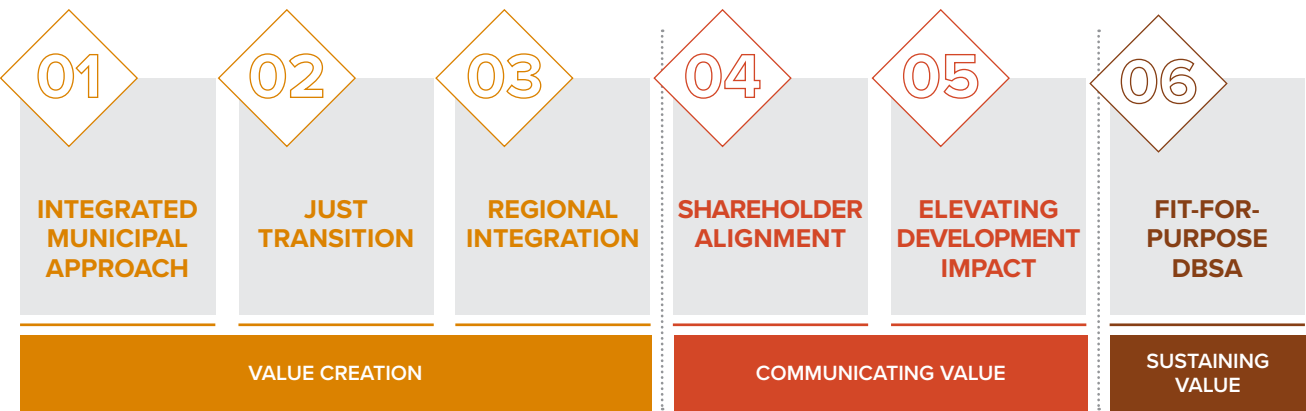
The development position of the DBSA forms the departure point from which the Bank seeks to deliver on its mandate. The focus is on driving sustainability through innovative solutions and remaining financially sustainable, whilst accelerating development outcomes. The development position of the DBSA is as follows:

The DBSA contributes to a Just Transition towards a renewed and inclusive economy and society that embodies resilience, regeneration, and transcends current trajectories. As a sanctuary for development practitioners, the DBSA holds this to be the transformative change needed to realise a prosperous, integrated, and a resource-efficient continent. This stance progressively advances the common goals for sustainable and equitable wellbeing. The DBSA will work in partnerships to co-produce impactful development solutions and the sustained platforms of an enabling environment for participation, a sense of purpose, empowerment, and deep connections. The DBSA will bend the arc of history through its continued multifaceted investments in sustainable infrastructure and human capacity development.

How we Deliver on Our Strategy

The DBSA's strategic approach is defined by how the Bank intervenes across the infrastructure ecosystem. The Bank is increasingly focused on early-stage origination, programme structuring and delivery support, recognising that many infrastructure constraints are not caused by funding gaps alone, but by weak planning, insufficient project preparation, limited institutional capacity and execution risk.

Strategic initiatives augments the DBSA's strategy execution. They support the strategy implementation, monitoring and accountability, and are informed by the Bank's assessment of the operating environment, key risks, constraints and emerging opportunities. During the 2025/26 financial year, the Bank focused on six strategic initiatives aligned to its strategic goals, as illustrated below.



Connecting Strategy to Value Creation

The DBSA applied integrated thinking to align strategy, governance, risk and performance. Management and the Board incorporated financial, environmental, social and economic considerations into decision-making, ensuring that capital allocation and investment structuring support the Bank’s development mandate. Sustainability considerations were embedded across planning, financing and delivery processes, linking strategic priorities to measurable outcomes.

Our Capitals

The DBSA applied the six capitals framework to deploy and transform resources into value across the infrastructure value chain.

FC	Financial capital	→ enabled lending, blended finance and programme funding
IC	Intellectual capital	→ supported thought leadership, early stage participation and structuring
HC	Human capital	→ enabled execution through skills and institutional capability
SRC	Social and relationship capital	→ enabled partnerships across sectors
MC	Manufactured capital	→ supported the operational base, infrastructure delivery and asset creation
NC	Natural capital	→ informed sustainable resource use and climate-aligned investment

The interaction between these capitals supports infrastructure development at scale while maintaining financial sustainability and managing environmental and social impacts.

Our Material Matters

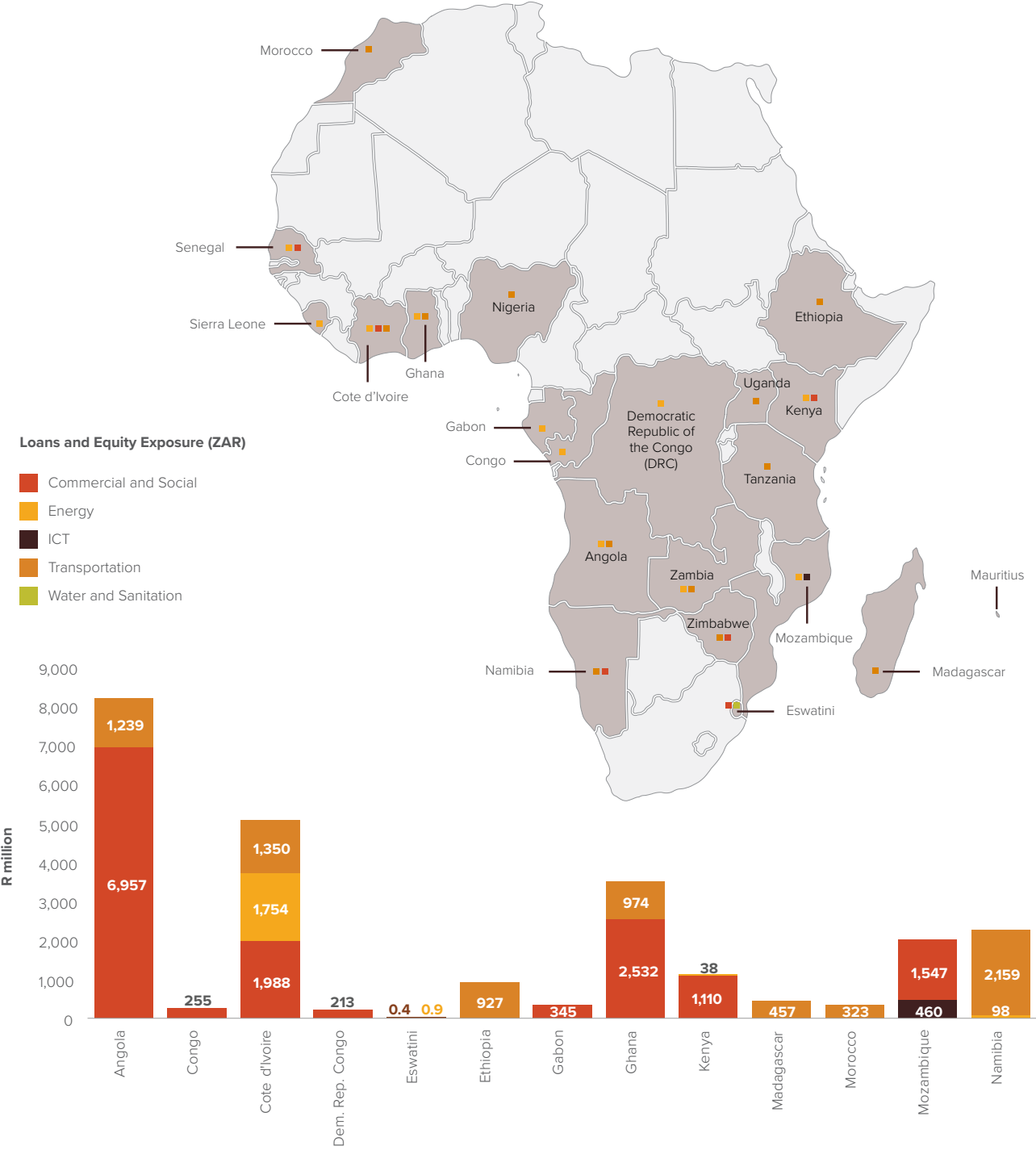
Our material matters underpin the value-creation narrative by linking stakeholder priorities to strategy, performance, and outcomes. They provide a structured view of the factors that most influence the Bank’s ability to create, sustain, or diminish value over time. Our material matters are as follows:

1		Cost of funding	6		Navigating the Just Transition
2		Country/Sovereign risk	7		Reliability of digital infrastructure and cybersecurity
3		Increased focus on geopolitical impact on South Africa	8		Employee skills attraction, retention and development
4		Strategic, executive and business risks	9		Employee engagement and culture
5		Environmental, social and governance risks			

The DBSA’s material matters inform capital allocation, investment structuring and risk management decisions across the Bank. Material matters are integrated into planning, financing and delivery processes, ensuring that strategic responses address key risks such as funding costs, sovereign exposure, execution constraints, climate transition requirements and institutional capability. This integration enables the DBSA to maintain financial resilience while delivering infrastructure outcomes that support long-term development impact.

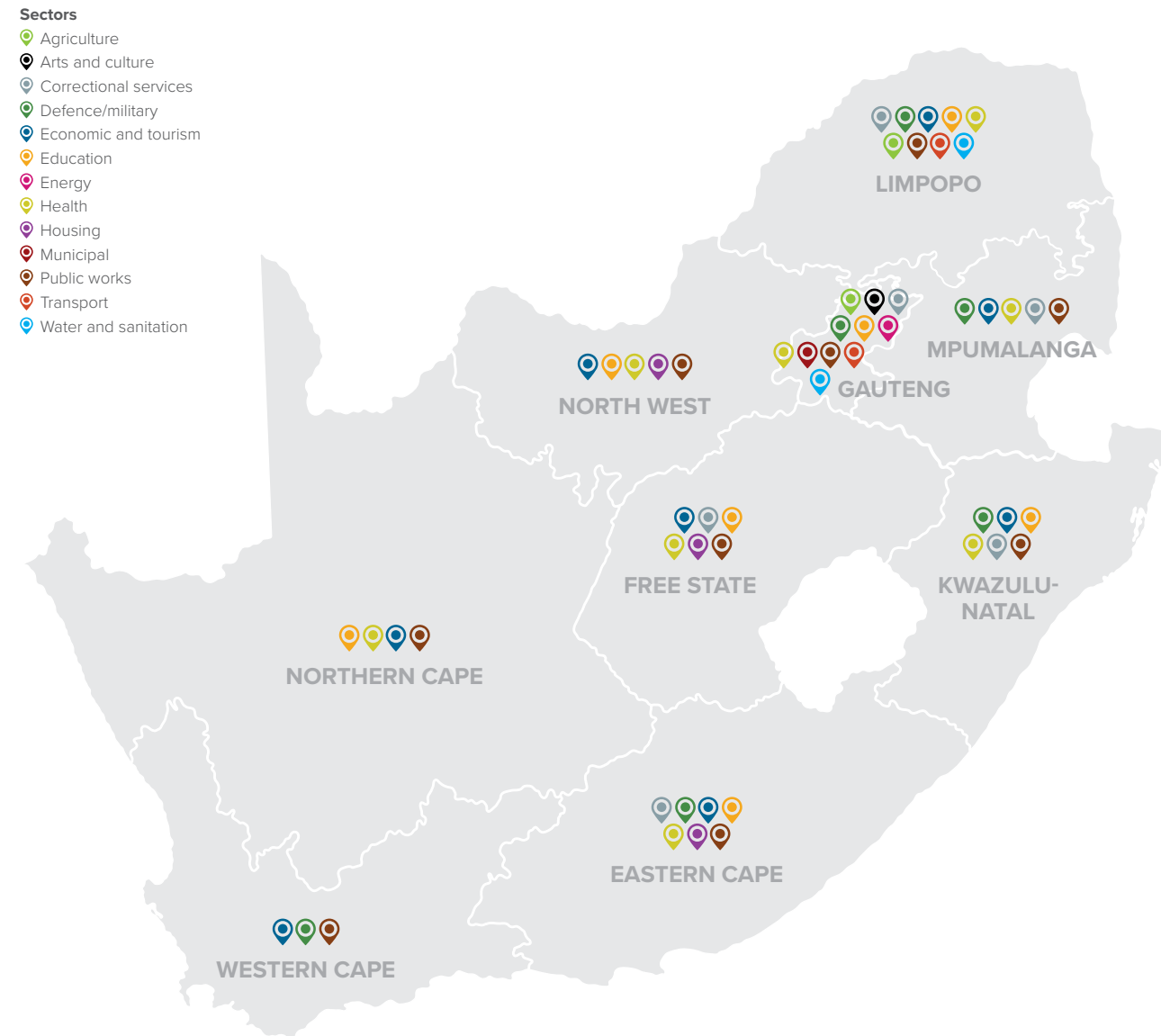
Footprint and Exposure

Loans and equities sector exposure excluding South Africa by 31 March 2026



DBSA as an Implementing Agent in South Africa

The DBSA, through its Infrastructure Delivery Division, serves as a primary implementing agent, greatly enhancing the State's capacity to plan, execute, and sustain essential economic and social infrastructure throughout South Africa. This encompasses important projects in sectors such as water and sanitation, education, transport, health, and human settlements, often conducted in partnership with national and provincial governments, municipalities, and the private sector, thereby fostering job creation and SMME development.

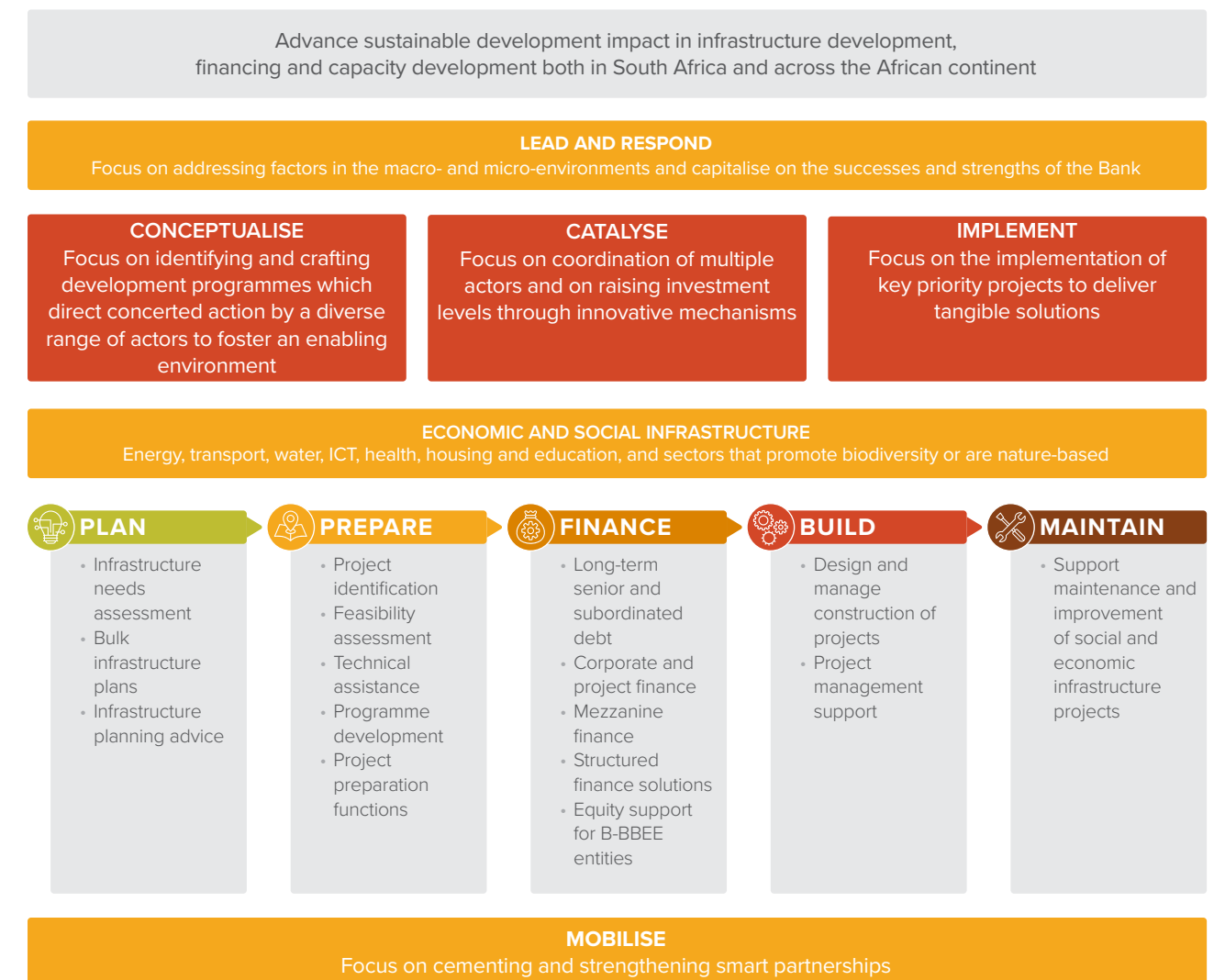


Our Integrated Infrastructure Development Offering

The DBSA delivers development impact by originating, preparing, financing and supporting the implementation of infrastructure projects across South Africa and the African continent at large. The Bank's activities span key sectors, including energy, transport and logistics, water and sanitation, ICT, education, health and human settlements.

The Bank operates across the full infrastructure value chain, from planning, project preparation to financing, building and maintenance. This integrated approach enables the DBSA to convert infrastructure demand into bankable projects and implemented assets, strengthening service delivery and economic activity.

The figure below illustrates the infrastructure value chain, the DBSA's role across each stage, and the associated services and target markets.



SPECIAL MANDATES OF THE DBSA

DBSA delivers targeted interventions through specialised programmes that accelerate infrastructure delivery, strengthen project preparation and crown-in private sector capital.

IFISA	Independent Power Producers (IPP) Office	Water Partnership Office	Rail Private Sector Partnership (PSP)
Blended finance vehicle to crowd in private sector investment	Supports procurement of renewable energy to meet national targets	Develops a pipeline of bankable water and sanitation projects	Supports revitalisation of declining rail and port infrastructure
Supports large-scale infrastructure across energy, transport, water and social sectors	Provides planning and advisory services to Government	Supports municipalities and water boards in project implementation	Attract private investment, strengthen capacity and support development of sustainable rail projects
Focus on improving the scale, speed and quality of infrastructure delivery	Enables diversification of South Africa's energy mix	Focuses on project preparation, structuring and private sector participation	Works towards improved efficiency, growth, job creation, and regional logistics integration



REGIONAL MANDATE

The DBSA supports regional integration by financing infrastructure that enables trade, connectivity and economic cooperation across the African continent. The Bank’s regional agenda is guided by a structured approach that:

- Aligns with Southern African Development Community (SADC) frameworks and the African Union’s Agenda 2063
- Invests across SADC and the broader continent in line with the 60/40 mandate
- Supports development of regional corridors and cross-border infrastructure
- Applies country-specific strategies supported by disciplined risk management

This approach advances regional integration, economic growth and long-term resilience.

ECONOMIC POSITION

The economic position of the DBSA is centred on the understanding that infrastructure development is a key pillar for the growth and development agenda. In support of regional and national policy, the DBSA:

- Supports cities to promote economic growth and spatial development.
- Provides planning and implementation support to municipalities, with specific emphasis on lower-tier secondary cities and under-resourced municipalities.
- Provides support to large state-owned companies.
- Supports the transformation of the ownership patterns of the South African economy.
- Spurs the informal economy through development initiatives.
- Contributes to sustainability, as well as climate adaptation and mitigation.
- Serves both domestic and regional requirements.
- Implements programmes in support of key development corridors across Africa.
- Crowds in third parties, especially the private sector.
- Raises the standard of living through social infrastructure development.
- Identifies niche markets and improve DBSA performance.
- Ensures financial sustainability for long-term viability.

DBSA’S SUSTAINABILITY FRAMEWORK

The DBSA integrates sustainability into its strategy, capital allocation and operations to support long-term value creation and development impact. The Bank recognises that infrastructure investment must advance economic growth while strengthening environmental resilience and social inclusion. The DBSA’s Sustainability Review report, which is part of the annual report suite, details the DBSA’s sustainability approach, including sustainability frameworks and policies.

THE DBSA DIFFERENCE

The DBSA's institutional strength lies in its ability to translate strategy into delivered infrastructure and measurable development impact in a complex and constrained operating environment. This is enabled by a combination of governance maturity, financial resilience, technical capability and an integrated development approach that positions the Bank as both a financier and an implementing partner.

WHAT SETS THE DBSA APART

Governance as a strategic asset	Financial strength that enables development impact	Integrated infrastructure value chain capability
<ul style="list-style-type: none"> Strong, independent governance structures support accountability, credibility and long-term institutional stability. Governance maturity enables the Bank to operate with discipline, transparency and consistency in decision-making. 	<ul style="list-style-type: none"> A strong balance sheet and sustained profitability enable the DBSA to absorb risk and support long-term infrastructure investment. Financial sustainability underpins the Bank's ability to crowd in capital and maintain development momentum in volatile conditions. 	<ul style="list-style-type: none"> Operates across planning, project preparation, financing, delivery and maintenance. Converts infrastructure demand into bankable projects and implemented assets.
Origination-led and programme-based delivery	Execution capability in complex public-sector environments	Sustainability embedded in how impact is delivered
<ul style="list-style-type: none"> Proactively identifies, structures and develops infrastructure opportunities. Scales delivery through repeatable programme models rather than isolated transactions. 	<ul style="list-style-type: none"> Works closely with national, provincial and local government to deliver infrastructure. Strong focus on municipal systems where infrastructure gaps are most acute. 	<ul style="list-style-type: none"> Integrates environmental, social and governance considerations into investment decisions. Applies an African-contextualised approach to sustainability, linking climate resilience, human rights and development outcomes.
These strengths enable the DBSA to mobilise capital, reduce risk and deliver infrastructure that creates lasting value for people, the economy and the environment		

OUR PERFORMANCE

The DBSA's strategy is translated into seven intended Decadal Strategy that define how the Bank measures delivery, performance and development impact. Performance against our objectives is monitored through an integrated framework that links strategy, targets and results, ensuring clear accountability and measurable progress. The table below presents the DBSA's performance against targets set in the Balanced Scorecard for the 2025/26 financial year.

Focus area	Key performance indicator	FY 2025/26 Actual	FY 2025/26 Target	FY 2024/25 Actual
Financial Outcomes				
Financial sustainability	ROE (calculated on sustainable earnings)	12%	8%	9.3%
	Cost to income ratio - financing business	17.9%	25%	19.3%
Sustainable growth	Total disbursements	R20.7 billion	R15.5 billion	R17.5 billion
Development Outcomes				
Unemployment reduction	Number of jobs facilitated	19 963 ¹	26 000	35 154
Increase SA fixed capital formation	Value of infrastructure delivered	R6.5 billion	R6.2 billion	R5.2 billion
Increased sustainable developmental outcomes in SA Districts	Value of infrastructure unlocked in district municipal spaces adopted for programmatic approach	R645 million	R500 million	R838 million
Increased sustainable developmental outcomes in under-resourced municipalities	Value of infrastructure unlocked in under-resourced municipalities (excluding the partnered municipal spaces)	R2.9 billion	R2.0 billion	R2.6 billion
Just Transition	Value of projects approved for funding by DBSA's existing Climate and Environmental Facilities (e.g., Climate Finance Facility, Embedded Generation Investment Programme, etc.)	R2.3 billion	R1.5 billion	R1.6 billion
Empowerment support	Number of transactions that are committed for DBSA funding to black-owned entities	9 ²	10	7
Gender mainstreaming	Percentage of procurement spend on black woman-owned suppliers for IDD third party fund (30% and above shareholding)	61% of total procurement spend from B-BBEE suppliers	40% of total procurement spend from B-BBEE suppliers	49% of total procurement spend from B-BBEE suppliers

Objective	Key performance indicator	FY 2025/26 Actual	FY 2025/26 Target	FY 2024/25 Actual
Enablers				
Increase DBSA efficiency and effectiveness	Number of digital DBSA business processes automated	5 business processes automated	4 business processes automated	4 business processes automated for our core business
Develop a high performance, accountability and sustainable organisational culture	Implementation of culture change initiative	Approved Culture Strategy implemented	Implementation of the approved culture strategy	Implementation of the approved culture strategy
Smart Partnerships	Client + Stakeholder satisfaction survey	3.75 ³	4	3.74
Governance and Compliance				
Improve DBSA governance and risk management	Irregular, unauthorised and fruitless and wasteful expenditure	0.0% (R313 893) of expenses classified as irregular, unauthorised, fruitless and wasteful expenditure	Classify 0.0% (R value) of expenses as irregular, unauthorised and fruitless and wasteful expenditure	0.0% (Rnil) of expenses as irregular, unauthorised, fruitless and wasteful expenditure
	Ethical behaviour	Decisive consequence management for unethical behaviour was undertaken on nine cases ⁴	Decisive consequence management for unethical behaviour	No findings of unethical behaviour that required decisive consequence management during the year under review
	Compliance with the PFMA	All PFMA submissions were processed within the stipulated timelines	Process all PFMA submissions within the stipulated deadline	All PFMA submissions were submitted within the stipulated timelines
	Unqualified Audit opinion	Unqualified audit opinion without matter of emphasis (clean audit outcome)	Achieve unqualified audit opinion without matter of emphasis	Clean audit opinion

¹ The underperformance is largely attributed to fewer new jobs created from IDD and lower domestic commitments.

² Underperformance is attributed to the longer time it takes to convert the projects in the pipeline to commitment stage.

³ Underperformance is attributed to a lower score for Stakeholder Relationship Index, which is due to some of the stakeholders not being aware of the DBSA's products, channels and sector focus. In addition, a slightly lower-than-expected score for the client satisfaction survey was due to clients indicating concerns around product relevance, responsiveness, and innovation, attributed to underperformance.

⁴ The Bank proactively and decisively disposed of the matters leading to the termination of employment of 9 employees.

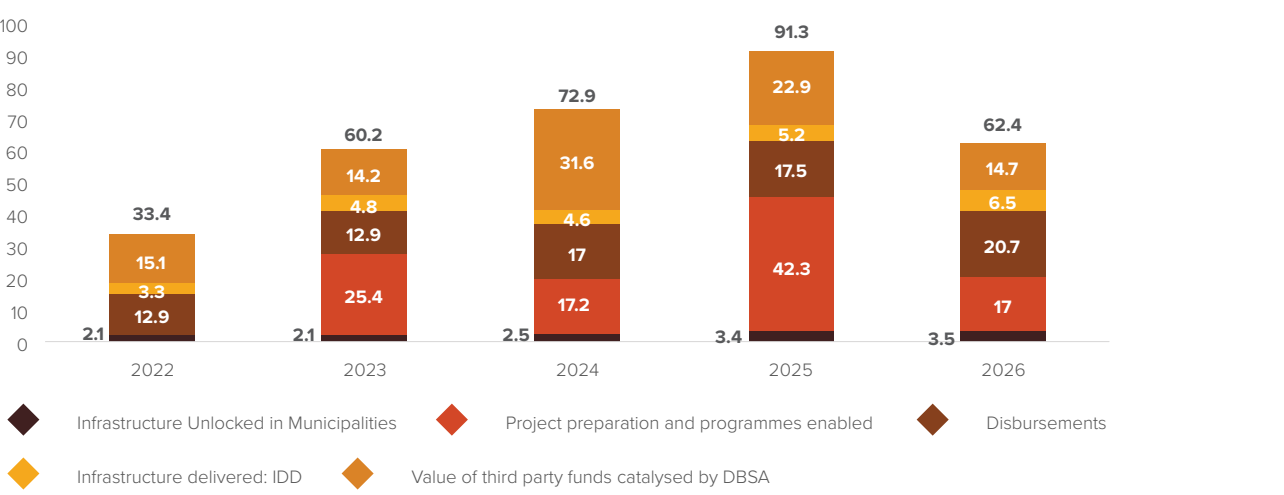
OUR DEVELOPMENT RESULTS – THE VALUE WE CREATED IN FY2025/26

The DBSA's development results reflect its ability to translate strategy into delivery across the infrastructure value chain. In a constrained operating environment, the focus has increasingly shifted from the scale of activity to the quality, sustainability and impact of infrastructure delivery. The results presented in this section demonstrate how the Bank deploys capital and capability to support infrastructure development, strengthen institutional capacity and enable long-term development outcomes.

Total Infrastructure Development Support

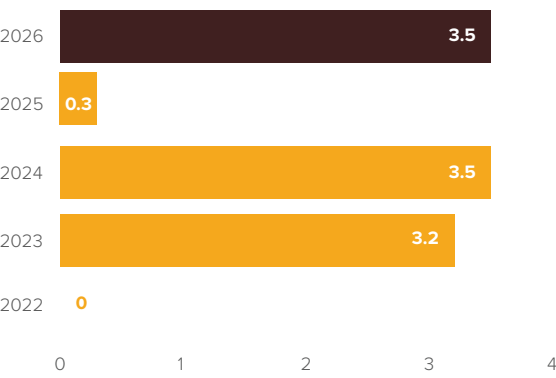
For the year ended 31 March 2026, the DBSA delivered total infrastructure development support to the value of R62.4 billion, reflecting continued activity across planning, project preparation, financing, and delivery. Growth in disbursements and continued mobilisation of third-party funding demonstrate the Bank's ability to sustain delivery and support infrastructure investment at scale, despite ongoing macroeconomic and institutional constraints.

Total infrastructure development support (R billion)

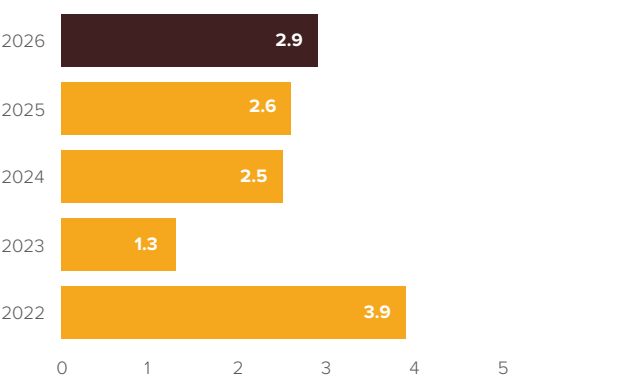


Project Preparation

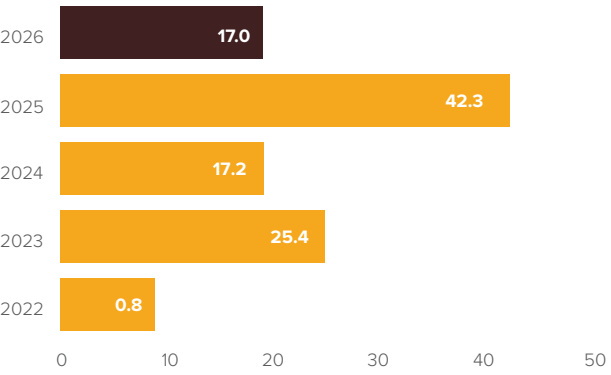
Value of project preparation funding approved for black owned entities (R billion)



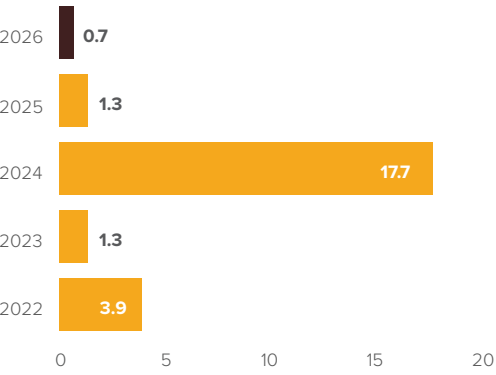
Value of project preparation funds catalysed (R billion)



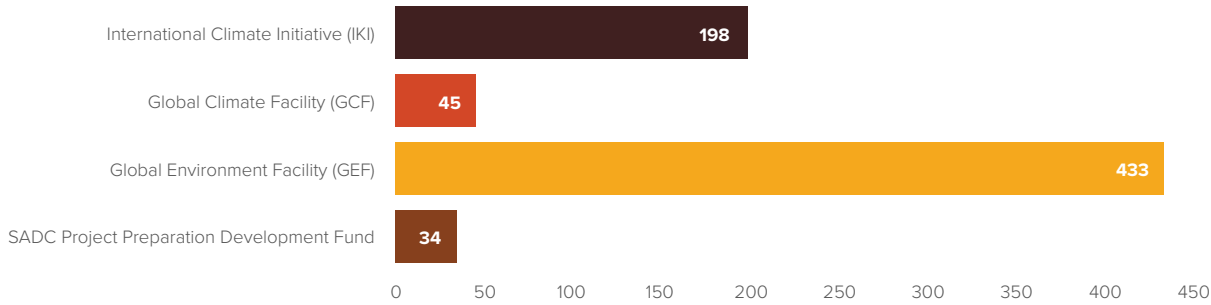
Value of projects approved and committed for funding by the DBSA (R billion)



Value of projects prepared and funded by third parties (R billion)



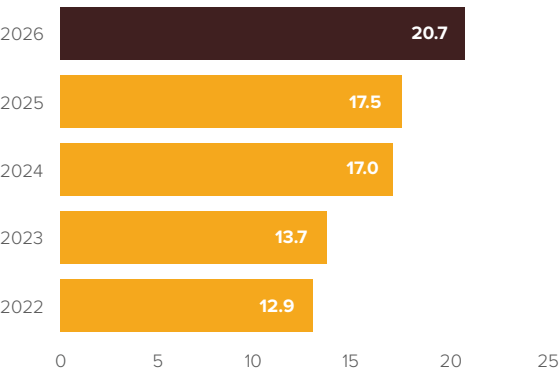
Third-party funds committed to deliver the DBSA’s development mandate (R million)



Financing

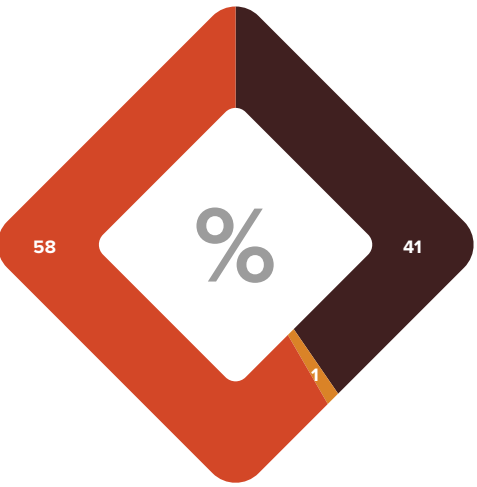
Infrastructure investment remains concentrated in sectors that are critical to economic performance and service delivery, particularly energy, transport and water. The Bank’s footprint across South Africa and the rest of the continent reflects a balanced approach to domestic delivery and regional integration. In the rest of Africa, increased disbursements highlight the Bank’s expanding role in supporting cross-border infrastructure and regional development.

Total disbursements (R billion)



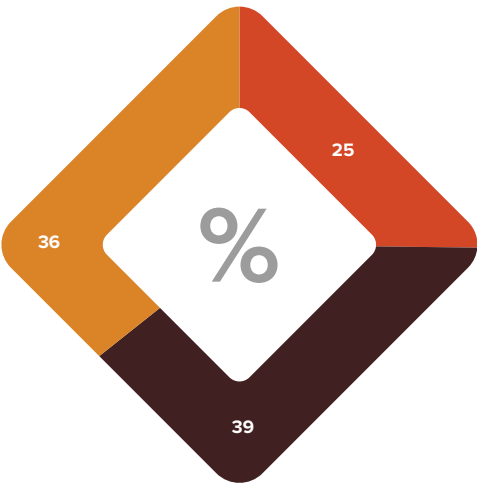
Total disbursements by sector - South Africa and the rest of Africa

SA disbursements: primary sectors (%)



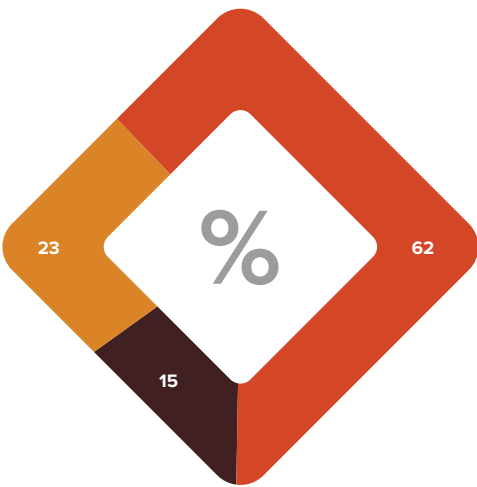
Energy Transport Water

Rest of Africa disbursements (excl. SA): primary sectors (%)



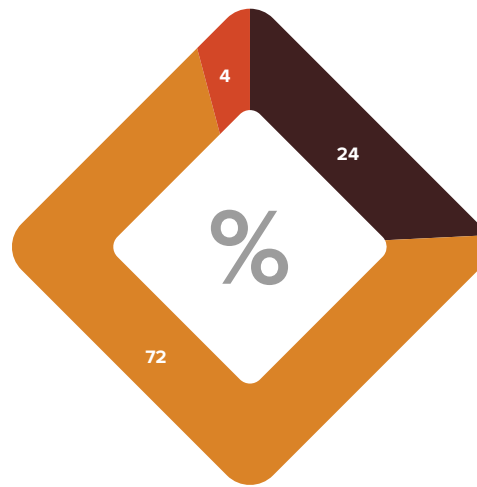
Energy Transport Oil and gas

SA disbursements: secondary sectors (%)



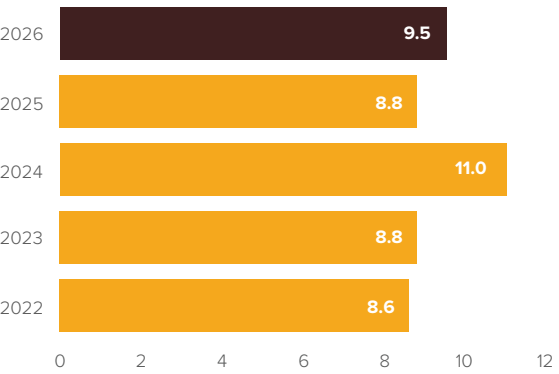
Development funds Education Social infrastructure

Rest of Africa disbursements (excl. SA): secondary sectors (%)

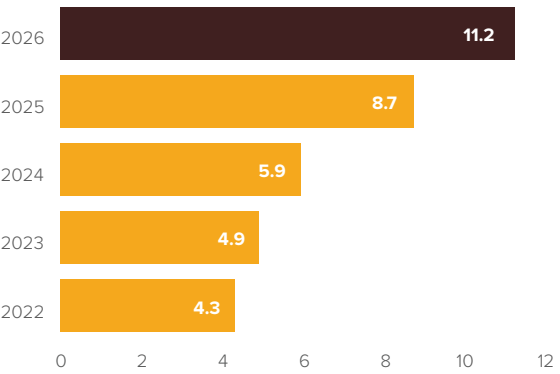


Development funds Education Social infrastructure

Total SA disbursements (R billion)

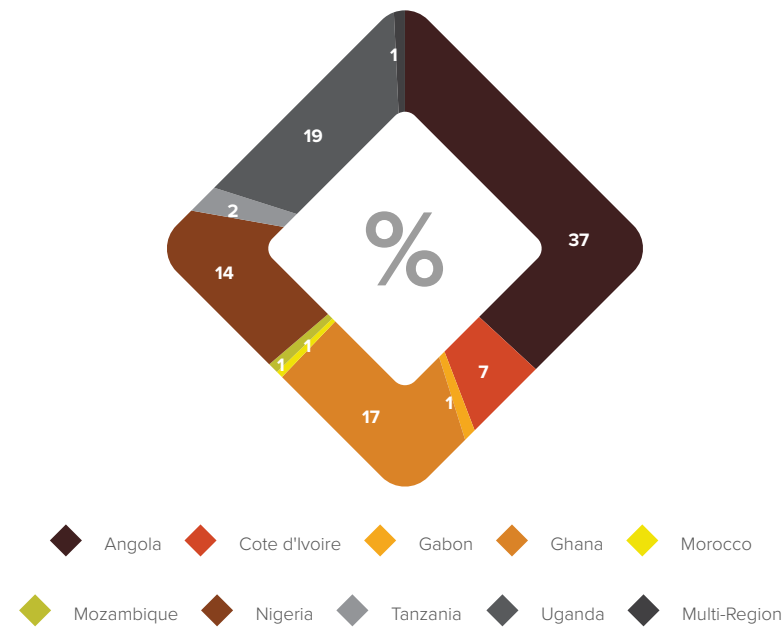


Total disbursements for the rest of Africa excluding SA (R billion)

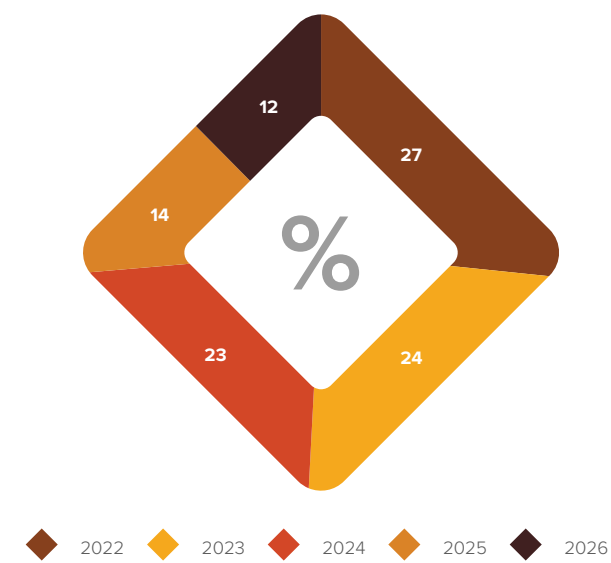


Infrastructure Delivery

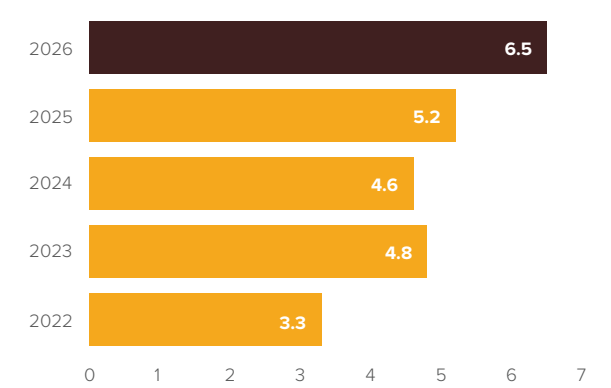
Rest of Africa disbursements per country, excluding South Africa (%)



Number of projects completed (%)

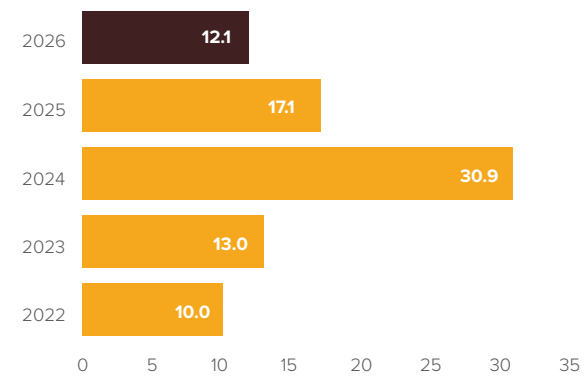


Value of infrastructure delivered (R billion)

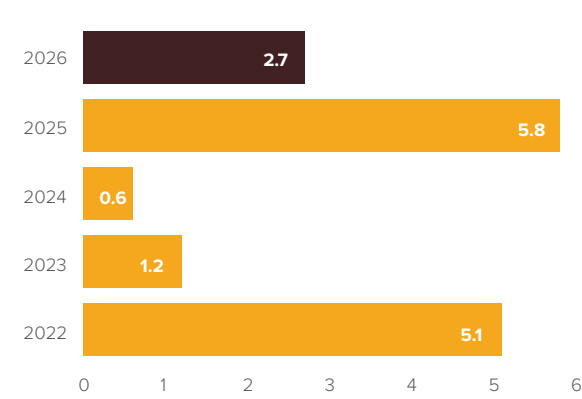


Third-party funding

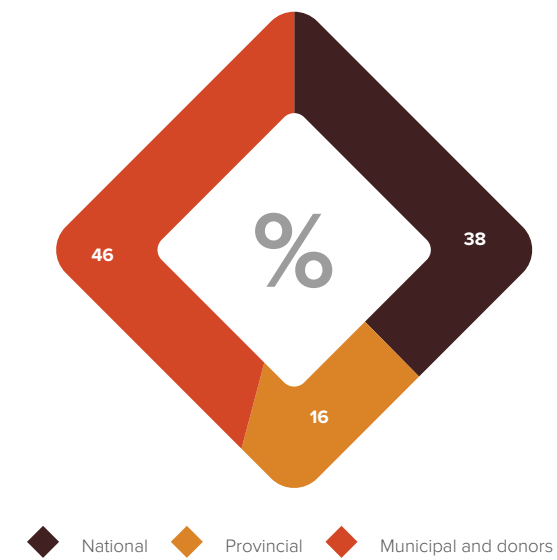
Value of third-party funds catalysed in South Africa (R billion)



Value of third-party funds catalysed in the rest of Africa, excluding SA (R billion)

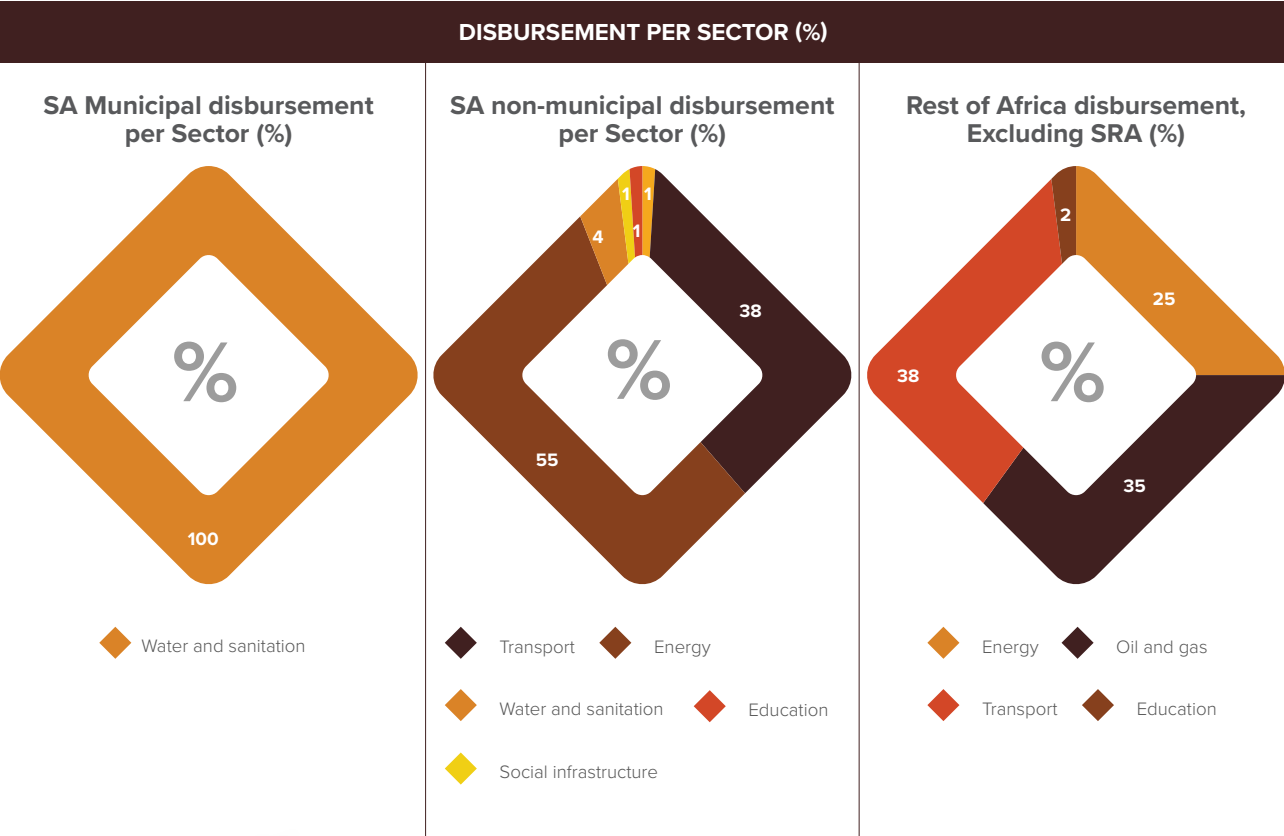


2025/26 breakdown (%)



Overview of sectors supported

The DBSA collaborates with national, provincial and local governments and state-owned companies to deliver against government priorities across sectors.



Municipal Infrastructure Support

Performance in the municipal environment reflects the complexity of infrastructure delivery at local government level. While infrastructure unlocking through planning and preparation support increased, implementation outcomes remained uneven, influenced by capacity constraints, governance challenges and lack of readiness. These results reinforce the importance of strengthening early-stage interventions and institutional support to improve execution and enable sustainable delivery at municipal level.

Implementation support to municipalities (lending)

R billion	2026	
	Target	Actual
Top five metros	R2.7	R1.0
Small cities and intermediate cities	R0.5	R0.3
Total	R3.1	R1.3
Support to secondary and under-resourced municipalities:		
• Infrastructure unlocked to secondary and under-resourced municipalities through planning support	R2.0	R2.9
• Infrastructure unlocked in under-resourced municipalities (excluding the partnered municipal spaces)	R0.5	R0.6

Development Results

Development Results from Implementation Support to Municipalities (non-lending)

	2026	2025
Number of households that received access to new and improved services in water, sanitation and electricity	262 523	323 869
Temporary jobs created	687	1 904
Number of infrastructure projects completed	-	6

Development Results from Lending Support to Municipalities

	2026	2025
Number of households that received access to new and improved services in water, sanitation and electricity	471	36 013
Temporary jobs created	1 025	24
Number of infrastructure projects completed	-	1



Social Infrastructure

The DBSA supports the South African Government by funding and accelerating infrastructure projects in key social sectors, including education, health and human settlements. This includes upgrading essential infrastructure and state facilities in collaboration with all levels of government. The Bank also supports critical national programmes such as the Accelerated Schools Infrastructure Delivery Initiative, the National Health Insurance and Ideal Clinic Programme and the National Human Settlements programmes. These efforts align with government priorities to augment social services and education facilities. The value of infrastructure delivered during the 2025/26 financial year was R6.5 billion compared to the annual target of R6.2 billion (105% achievement).

In the social sector, the DBSA continues to deliver infrastructure that directly impacts communities. Investment in education infrastructure, including new schools, refurbishment and sanitation facilities, has improved access to learning environments and supported long-term human capital development. These outcomes demonstrate the Bank’s role in linking infrastructure delivery to tangible improvements in quality of life.

	2026	
	Target	Actual
Infrastructure delivered	R6.2 billion	R6.5 billion

Development Results

Sphere of government	Sector	Number
National and provincial	Education	New = 27 Refurbishment = 23 School sanitation = 101
	Public works facilities	Refurbishment = 7
	Agriculture	Refurbishment = 2
	Economic infrastructure	Refurbishment = 2
	Tourism	Refurbishment = 7

Number	2026	2025	2024	2023	2022
Houses completed/refurbished	-	-	202	-	-
Health facilities	-	2	10	2	-
Water, sanitation, fencing and modular structure at schools	9	11	1	40	6
Schools refurbished	25	9	6	117	104
Number of Schools with newly constructed VIP toilets	83	165	189	177	237

	2026	2025
Learners benefitting from newly built schools	11 867	7 623
Learners benefitting from refurbished schools	12 869	5 758
Learners benefitted from improved sanitation through the DBE SAFE Programme	6 854	11 325
Learners benefitting from water, sanitation, fencing and modular structure at schools	2 606	1 974

Transformation Outcomes

Transformation and inclusion remain central to the DBSA's delivery model. Procurement continues to support black-owned and black women-owned enterprises, while infrastructure delivery creates opportunities for SMMEs and local contractors.

Year-on-year movements in job creation and SMME participation reflect the variability in project cycles and implementation timing. This highlights the need for sustained pipeline development and programme-based delivery to stabilise and scale development outcomes over time.

Transformation Indicators

82%	Procurement spend on black-owned suppliers for IDD third-party fund
61%	Procurement spend on black women-owned suppliers for IDD third-party fund
R4.0 billion	Infrastructure projects delivered by Black Owned Entities

		2026	2025	2024	2023	2022
Job opportunities created	Number	5 046	8 508	9 269	9 951	9 230
SMMEs benefited	Number	586	957	1 308	1 524	1 543
Value of spend allocated to SMMEs and subcontractors	R million	510	932	615	785	914

	2026	2025
Anticipated direct and indirect construction jobs (Financing business)	11 851	11 851
Anticipated direct and indirect operational jobs (Financing business)	2 030	3 906

Overall, the DBSA's development results reflect a transition towards more integrated, programme-based delivery, with increased emphasis on execution, sustainability and long-term impact. The Bank continues to refine its approach to ensure that infrastructure investment translates into consistent and measurable development outcomes across sectors and geographies.

EXTERNAL TRENDS AND INFLUENCES

3

OUR OPERATING CONTEXT

The DBSA operates in an environment defined by increasing complexity, where macroeconomic volatility, geopolitical shifts, climate pressures and institutional constraints directly influence infrastructure delivery and development outcomes. In this context, the Bank's role extends beyond financing to enabling execution, strengthening capability and sustaining impact in systems where constraints are structural rather than cyclical.

Macroeconomic and Geopolitical Context

Global

Global conditions remained uncertain, shaped by persistent geopolitical tensions, shifting trade dynamics and uneven economic recovery. Inflationary pressures moderated but remained sensitive to energy prices, supply chain disruptions and policy responses. Financial markets responded cautiously to these dynamics, affecting capital flows, investor sentiment and the cost of funding. These conditions reinforce the need for development finance institutions to remain disciplined, adaptive and responsive to changing global realities.

Rest of Africa

Across the continent, economic growth remained uneven, constrained by high debt levels, currency volatility and fiscal pressures. These challenges were compounded by increasing climate-related shocks, including droughts, floods and extreme weather events, which continue to strain infrastructure systems and service delivery. Africa's infrastructure deficit remains significant, requiring scaled investment, stronger project preparation and coordinated delivery to support inclusive and sustainable growth.

South Africa

South Africa continues to face structural constraints to growth, including energy supply risks, logistics inefficiencies and persistent infrastructure backlogs. Infrastructure demand remains substantial across energy, transport, water and social sectors, with investment requirements far exceeding current delivery capacity. Municipal capacity challenges, ageing infrastructure and financial pressures at local government level remain critical risks to service delivery. While policy reforms and infrastructure-led recovery initiatives are underway, execution remains constrained by limited project preparation, institutional capacity gaps and coordination challenges. This reinforces the need for institutions that are capable of converting infrastructure demand into implementable projects and sustained delivery.

The DBSA's Response

In this operating environment, the DBSA positioned itself to both respond to constraints and unlock opportunities for scaled development impact.

Opportunities to Pursue

- Significant infrastructure demand across energy, water, transport and social sectors, requiring long-term investment and delivery capability
- Continued emphasis on infrastructure-led growth at national and continental levels
- Growing need for project preparation, programme structuring and implementation support
- Increasing demand for climate-aligned infrastructure and Just Transition financing
- Opportunity to mobilise blended finance and crowd in private sector participation
- Regional integration initiatives and cross-border infrastructure development

Risks to Manage

- Weak project preparation and a limited pipeline of bankable projects within the public sector
- Municipal financial constraints, governance instability and limited borrowing capacity
- Macroeconomic volatility affecting funding costs, credit quality and investment appetite
- Infrastructure execution risk, including delays, cost overruns and capacity limitations
- Climate-related risks impacting infrastructure resilience and service continuity
- Geopolitical uncertainty affecting trade, capital flows and regional investment opportunities

In response to the risks, the DBSA focuses on strengthening origination, improving project preparation, scaling programme-based delivery and maintaining a disciplined but enabling approach to risk. The Bank does not avoid risk, but structures and manages it to enable participation in complex and underserved markets. This positioning allows the DBSA to operate effectively in constrained environments, sustain financial performance and deliver infrastructure outcomes that support long-term development.



OUR DEVELOPMENT LANDSCAPE

The DBSA operates within a development landscape defined by global, continental and national priorities, including the Sustainable Development Goals (SDGs), Agenda 2063 and South Africa’s National Development Plan (NDP 2030). These frameworks set clear expectations for inclusive growth, infrastructure delivery, climate resilience and institutional capability. The DBSA’s role is to translate these priorities into bankable projects and implemented infrastructure across key sectors.

At a regional level, the Bank aligns its activities with SADC’s Vision 2050 and Regional Infrastructure Development Master Plan, which emphasise industrialisation, regional integration and the development of cross-border infrastructure. The DBSA supports these priorities through investments in energy, transport, water and regional infrastructure corridors that enable connectivity, trade and economic participation across the continent. Climate commitments are integral to this landscape. The DBSA contributes to South Africa’s Nationally Determined

Contributions through investments that advance energy transition, strengthen resilience and support a Just Transition aligned with development outcomes.

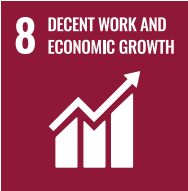
Our Contribution to SDGs and NDP priorities

The 17 SDGs of the United Nations, as outlined in the UN 2030 Agenda, aim to address critical issues such as poverty, hunger, health, education, gender equality, climate change and ocean conservation. As a DFI with a domestic and continental footprint, the DBSA directly contributes to SDGs 6, 7, 8, 9, 10, 11, 13, and 17, and indirectly contributes to SDGs 1, 3, 4, and 5 through our core activities.

The DBSA remains committed to advancing South Africa’s development objectives as set out in the NDP, the country’s overarching development framework, and the UN SDGs, to which South Africa is a signatory. The table below highlights the DBSA’s contribution to advancing the SDGs and NDP priorities.

SDG’s	NDP Outcomes	The DBSA’s contribution
<div>1</div> <div>NO POVERTY</div> 	<ul style="list-style-type: none"> Inclusive rural economy Social protection 	<ul style="list-style-type: none"> Support for agriculture infrastructure and agro-processing value chains to strengthen food security and rural livelihoods
<div>2</div> <div>ZERO HUNGER</div> 	<ul style="list-style-type: none"> Economy and employment Inclusive rural economy Social protection 	<ul style="list-style-type: none"> 3 800 000 tonnes of food and related products delivered through funds manager’s contribution Two infrastructure projects implemented in the agriculture sector in one province 110 940 smallholder farmers and microentrepreneurs impacted through funds manager’s contribution
<div>3</div> <div>GOOD HEALTH AND WELL-BEING</div> 	<ul style="list-style-type: none"> Health care for all 	<ul style="list-style-type: none"> Construction of three mega hospitals in Limpopo Province

SDG’s	NDP Outcomes	The DBSA’s contribution
<div>4</div> <div>QUALITY EDUCATION</div> 	<ul style="list-style-type: none"> Improving education, training and innovation 	<ul style="list-style-type: none"> 27 new schools constructed and 20 schools refurbished, benefiting 24 556 learners Construction of sanitation facilities in 83 schools under the SAFE programme, benefiting 6 854 learners Installation of prefabricated infrastructure in three schools, benefiting 301 learners Delivery of a 1 200-bed student accommodation to improve equitable and quality access to higher education
<div>5</div> <div>GENDER EQUALITY</div> 	<ul style="list-style-type: none"> Nation-building and social cohesion 	<ul style="list-style-type: none"> During the year under review, 61% of construction work was offered to B-BBEE companies with ≥30% black women ownership Infrastructure investments targeted underserved communities and under-resourced municipalities DLAB programme expanded access to youth development, digital learning and enterprise support opportunities
<div>6</div> <div>CLEAN WATER AND SANITATION</div> 	<ul style="list-style-type: none"> Economic infrastructure Transforming human settlements 	<ul style="list-style-type: none"> Funding of bulk water, reticulation and sanitation infrastructure Implementation agent for a water and sanitation project in Zambia, providing access to 13 000 people, and Lomahasha / Namaacha Water Supply Scheme in Mozambique and Eswatini to benefit 23 000 people Upgrading of Wastewater Treatment Works in one Metro Water Reuse Programme - Developed climate and water fact sheets for ~46 municipalities in water-stressed areas Supported a municipal solid waste treatment programme across four pilot municipalities Operationalisation of the Water Partnerships Office to support private sector participation in municipal water infrastructure Ecological infrastructure restoration and wetland rehabilitation initiatives implemented Support for climate-resilient water infrastructure and municipal water security initiatives
<div>7</div> <div>AFFORDABLE AND CLEAN ENERGY</div> 	<ul style="list-style-type: none"> Economic infrastructure Sustainable rural communities 	<ul style="list-style-type: none"> Preparation and funding of independent power producers (IPPs) Preparation and funding of renewable energy programmes including Eskom mini-grids to expand rural electrification Funding for electrical vehicle charging infrastructure Green Hydrogen Blended Finance Fund – supports green hydrogen value chain in South Africa and Namibia Support for over 3 000 MW of renewable energy infrastructure capacity Support for energy security through transmission, embedded generation and rural electrification initiatives One industrial park refurbished One nature reserve infrastructure upgraded Seven tourism infrastructure projects completed

SDG's	NDP Outcomes	The DBSA's contribution
	<ul style="list-style-type: none"> Economy and Employment 	<ul style="list-style-type: none"> 92 995 jobs facilitated through investment activities in South Africa and the rest of Africa 5 046 employment opportunities in construction projects 1 046 youth trained in future skills through DLAB programmes 165 start-ups supported through DLAB programme Continued support for SMMEs, local contractors and inclusive local economic development initiatives (586 SMMEs and local subcontractors appointed to deliver projects) Across its sites, the DLAB Programme contributed to the creation and facilitation of 1 026 jobs and incubated 84 local social enterprises with a supportive environment through access to working spaces, free training, light-touch incubation, and free Wi-Fi
	<ul style="list-style-type: none"> Economic Infrastructure 	<ul style="list-style-type: none"> 47 545 kilometres of fibre infrastructure supported through fund managers contribution Funding of water, sanitation, renewable energy, mass transit and ICT projects Operates across the full infrastructure value chain from project preparation to implementation and asset support Programme-based infrastructure delivery implemented to improve execution and scale development impact Establishment of the Rail and Logistics Private Sector Participation Unit to support infrastructure investment and delivery
	<ul style="list-style-type: none"> Economy and employment Nation-building and social cohesion (transformation) 	<ul style="list-style-type: none"> 82% procurement spend in construction projects directed to B-BBEE companies 61% of the work awarded to B-BBEE companies, allocated to companies with ≥30% black women-owned 586 SMMEs, inclusive of 69 women owned SMMEs involved in infrastructure projects delivery across South Africa
	<ul style="list-style-type: none"> Environmental sustainability and resilience Transforming human settlements 	<ul style="list-style-type: none"> Housing Impact Fund was established Support for urban development programmes Financing of municipal infrastructure Development of a mixed-income net-zero urban precinct (Linbro Gardens Project) Implementing agent for the Ekurhuleni Infrastructure Programme Development of sustainable and mixed-income infrastructure precincts

SDG's	NDP Outcomes	The DBSA's contribution
	<ul style="list-style-type: none"> Environmental sustainability and resilience 	<ul style="list-style-type: none"> Funding of Independent Power Producers (IPPs) Support for regional hydroelectric projects Climate Finance Facility uses blended finance to catalyse private investment into climate mitigation and adaptation infrastructure, supporting Net zero transition pathway Community-led wildfire management initiative across Angola, Mozambique and Zambia Restoration of degraded woodland, savannah and forest ecosystems (Greater N'Zi Voluntary Nature Reserve - Côte d'Ivoire) ESG and climate risk integration embedded into financing and investment decision-making
	<ul style="list-style-type: none"> South Africa in the region and the world 	<ul style="list-style-type: none"> Partnerships with global and regional development finance institutions, including the Association of African Development Finance Institutions Collaboration through the International Development Finance Club (IDFC), G20 initiatives and blended finance platforms UK PACT – Alternative Finance for Municipal Embedded Generation - supports municipalities with feasibility studies and access to embedded generation finance for renewable energy projects Partnership with Rand Merchant Bank (RMB) to support issuance of Africa's first nature-linked outcomes-based bonds Catalyse private sector investments and partnerships through blended finance solutions Global Environment Facility (GEF) partnership for wetland conservation and nature-positive infrastructure in Malawi Ongoing collaboration with the South African National Biodiversity Institute (SANBI) Municipal implementation partnerships on waste, water and energy The renewed partnership between the Agence Française de Développement (AFD) and the DBSA, including a €200 000 contribution to expand the DLAB Programme's footprint in Mpumalanga in support of the Just Energy Transition, is implemented. As per the approved funding agreement, €150 000 is allocated towards the feasibility assessment for a proposed DLAB site in Nkangala District Municipality Public-Private Partnerships supported to accelerate infrastructure delivery

OUR STAKEHOLDERS

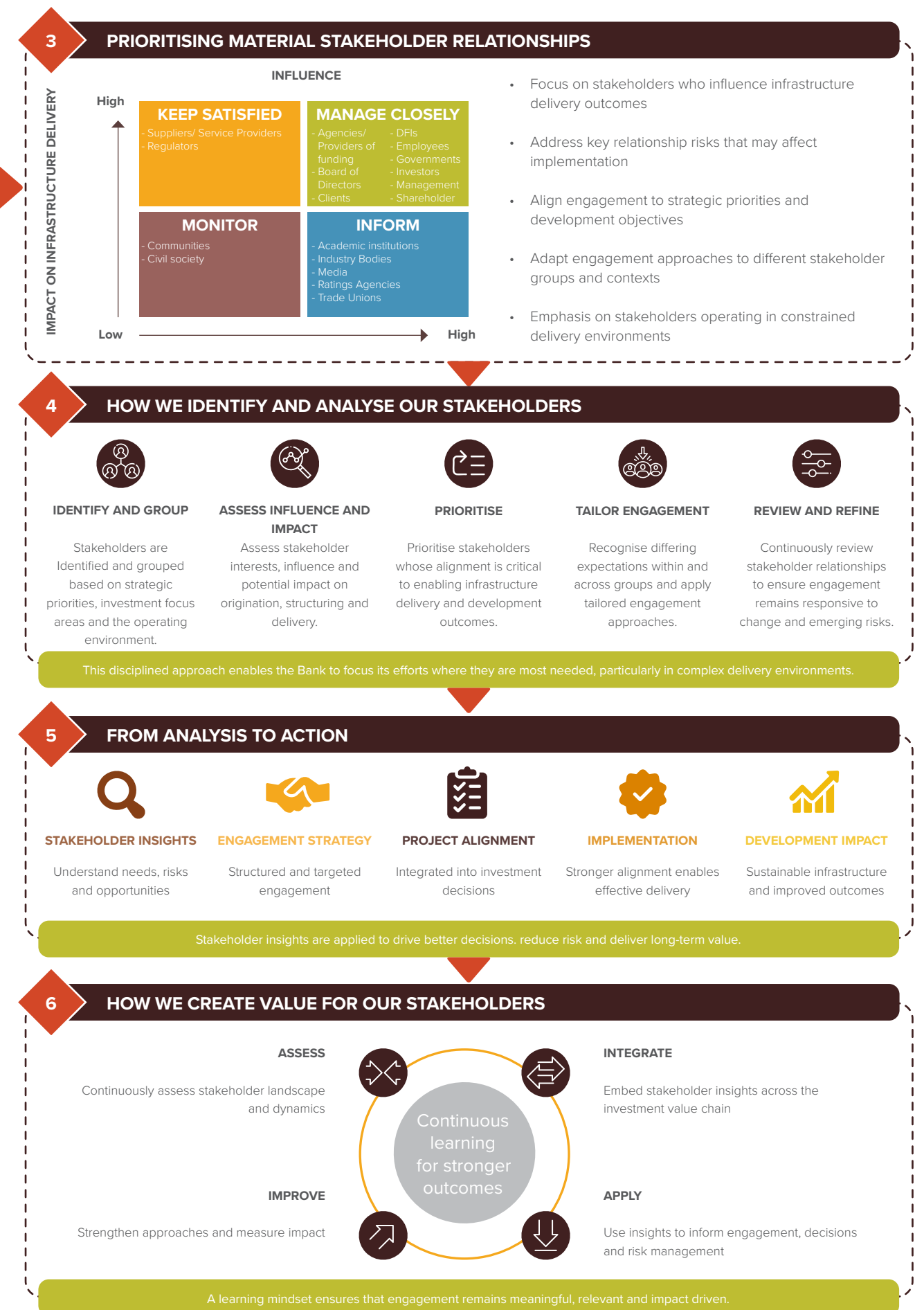
Our Approach to Stakeholder Management

The DBSA operates within a complex and interconnected stakeholder environment that directly influences its ability to deliver infrastructure and development impact. Stakeholder engagement is therefore not a parallel activity, but a core component of how the Bank originates, structures and implements its investments.

Infrastructure delivery constraints are often driven by fragmented institutional environments, limited capacity and misaligned stakeholders rather than funding gaps

alone. The Bank's approach is designed to address these constraints by strengthening coordination, aligning stakeholders and enabling execution across the infrastructure value chain.

This integrated approach combines stakeholder identification, prioritisation and engagement with continuous learning and adaptation, ensuring that engagement remains aligned to strategic objectives and responsive to changing conditions.



Translating Engagement Into Delivery

Stakeholder engagement is applied to address execution constraints, align institutions and enable infrastructure delivery across the value chain. Insights derived from engagement inform project design, support decision-making, and strengthen implementation in environments that require coordination across multiple institutions. This approach also enables the Bank to identify, manage and mitigate delivery risks across stakeholders and project lifecycles, improving the consistency and reliability of infrastructure delivery.

Enabling Delivery Where it Matters Most

Stakeholder engagement is most critical in the municipal context, where infrastructure delivery is most constrained and where alignment across institutions has the greatest impact on service delivery outcomes. The DBSA's approach enables the Bank to work across governance challenges, capacity limitations and service delivery backlogs, supporting planning, preparation and implementation in areas where infrastructure has the most direct impact on communities and local economic activity.

Strengthening Development Outcomes

The effectiveness of stakeholder engagement is reflected in the Bank's ability to convert infrastructure demand into implemented projects that improve access to essential services, including water, sanitation, energy and transport. By integrating stakeholder insights into decision-making and execution, the DBSA strengthens delivery, reduces implementation risk and improves the sustainability of development outcomes.

Continuous Improvement

The DBSA continues to refine its stakeholder engagement approach to improve execution, reduce risk and scale development impact across complex delivery environments. The focus is on embedding

stakeholder insights across the investment value chain to support better decisions, stronger coordination and sustained impact.

How We Create Value for Our Stakeholders

The DBSA creates value for its stakeholders by ensuring that stakeholder engagement informs decisions, enables delivery and translates into measurable development outcomes. The Bank recognises that stakeholder engagement must be deliberately leveraged to translate into improved implementation and tangible development impact.

Operating across complex infrastructure and institutional environments, the Bank's approach focuses on applying stakeholder insights in practice to improve project design, strengthen implementation, and enhance impact. Value is created through:

- Aligning stakeholders across government, the private sector and communities to enable infrastructure delivery in complex and often constrained environments
- Integrating stakeholder insights into project origination, design and structuring to ensure that investments respond to real development needs
- Supporting municipalities and other public sector stakeholders to navigate delivery constraints and improve service delivery outcomes
- Identifying and managing stakeholder-related risks that may affect project execution and long-term sustainability
- Facilitating partnerships and coordination across institutions to unlock funding, accelerate delivery and scale impact
- Ensuring that investments translate into tangible improvements in access to essential services, including water, sanitation, energy and transport
- Strengthening transparency and stakeholder understanding of the Bank's role and development impact

Through this approach, the DBSA seeks to ensure that its investments are responsive to stakeholder needs and grounded in the realities of the communities they serve. This enables the Bank to deliver sustainable infrastructure outcomes, support inclusive economic development and create long-term value across its stakeholder base.

Internal Stakeholders

SHAREHOLDER		
<ul style="list-style-type: none">• We endeavour to demonstrate the success of the organisation in its efforts to guarantee brand advocacy and project buy-in		
Stakeholder needs and expectations	How we engage	
<ul style="list-style-type: none">• Adhering to the Shareholder Compact• Our developmental impact and social responsibility• Long-term financial sustainability• Effective leadership and expertise supported by a well-crafted strategy• Responsible and effective ESG practices• Responsive to environment and socio-economic business imperatives• Robust governance structures• Policy implementation and regulation	<ul style="list-style-type: none">• Regular and proactive engagement with the Minister of Finance and National Treasury• Quarterly meetings and presentations• Informative sessions on strategy progress update• Annual and Quarterly corporate governance reports submitted to National Treasury	
Issues and risks	Opportunities	
<ul style="list-style-type: none">• Lack of consensus on development intent and agenda	<ul style="list-style-type: none">• Showcasing the DBSA's accolades as well as how the Bank effectively deals with challenges• Communicating achievements related to the DBSA's mandate, strategies, as well as governance	
Associated material matters	Strategic goals	Capitals impacted
<ul style="list-style-type: none">• Country/Sovereign risk• Strategic, execution and business risks• ESG risks		



BOARD OF DIRECTORS, MANAGEMENT AND EMPLOYEES

- We endeavour to ensure that employees feel valued by keeping them informed about our strategic outlook:
- To enhance employees’ engagement and commitment as their efforts contribute to our success
 - Recognition of excellent performance
 - Employment contracts that benefit both parties

Stakeholder needs and expectations	How we engage
<ul style="list-style-type: none"> • Our developmental impact and social responsibility • Long-term financial sustainability • Effective leadership • Successful implementation of the strategy • Effective ESG practices • Responsive to environment and socio-economic business imperatives • Robust governance structures • Relevant skills enhancement through training and development programmes • Clear and fair employee and workers’ contracts • Job satisfaction and career development • Healthy and safe work conditions • Inclusive work environment that embraces diversity and promotes belonging • Effective performance management with fair remuneration and promotion opportunities 	<ul style="list-style-type: none"> • Regular and proactive engagement between the Board and EXCO • Regular and proactive engagement between EXCO and employees • Regular training and development • Transparent and timely communication to address issues efficiently • Culture Initiatives
Issues and Risks	Opportunities
<ul style="list-style-type: none"> • Strategy implementation • Financial performance • People development and training • Transformation and employment equity • Code of conduct • Contract and service agreements and performance 	<ul style="list-style-type: none"> • Collaboration and dialogue with independent parties representing employee/worker interests • Provide support to SMMEs where possible • Implemented occupational health and safety systems

Associated material matters	Strategic goals	Capitals impacted
<ul style="list-style-type: none"> • Cost of funding • Country/Sovereign risk • Increased focus on geopolitical impact on South Africa • Strategic, execution and business risks • ESG risks • Navigating the Just Transition • Reliability of digital infrastructure and cybersecurity • Employee skills attraction, retention and development • Employee engagement and culture 		

External Stakeholders

GOVERNMENT AND REGULATORS

- We endeavour to demonstrate the success of the organisation in its efforts to guarantee brand advocacy and project buy-in

Stakeholder needs and expectations	How we engage
<ul style="list-style-type: none"> • Effective ESG practices • Responsive to environment and social-economic business imperatives • Safeguard standards that combat unethical business operations • Promotion and adherence to transparent business processes and procedures • Engagement on issues of water, energy, transport, health and education • Demonstrate will and capacity to act to address service delivery issues 	<ul style="list-style-type: none"> • Bilateral held to engage on priority sectors and issues of national importance
Issues and Risks	Opportunities
<ul style="list-style-type: none"> • Lack of consensus on development intent and agenda • Inadequate compliance with applicable regulatory requirements • Unethical behaviour from employees and representatives 	<ul style="list-style-type: none"> • Showcasing its successes as well as how it effectively deals with challenges • Communicating achievements related to the DBSA's mandate, strategies, as well as governance • Incorporate best practice standards into our operations

Associated material matters	Strategic goals	Capitals impacted
<ul style="list-style-type: none"> • Country/Sovereign risk • Increased focus on geopolitical impact on South Africa • Strategic, execution and business risks • ESG risks • Navigating the Just Transition 		

DFIs, REGULATORS AND RATING AGENCIES

We endeavour to demonstrate transparency and credibility through financial sustainability and governance:

- Financial returns and growth
- Strategic investments
- Risk management efficiency
- Efficient financial and technical operations
- To guarantee brand advocacy and project buy-in

Stakeholder needs and expectations	How we engage
<ul style="list-style-type: none"> • Long-term financial sustainability • Effective leadership • Responsive to environment and socio-economic business imperatives • Safeguard standards that combat unethical business operations. • Promotion and adherence to transparent business processes and procedures. • Robust governance structures • Strategic alignment and mutually beneficial development impact and social responsibility • Return on investment • Compliance with legislation and prescripts • Feedback on performance and human capital matters, governance, financial control and risk 	<ul style="list-style-type: none"> • Transparent communication of updates, progress and value creation • Compliance with relevant regulatory frameworks and reporting requirements • Timely and accurate reporting • Effective risk management systems and robust risk management framework • Regular compliance audits
Issues and Risks	Opportunities
<ul style="list-style-type: none"> • Significant changes, particularly those with financial impact. • Financial performance • Market trends and issues • Prospects and organisational sustainability • Balancing developmental needs, finance and advancing SDGs 	<ul style="list-style-type: none"> • Activities for stimulating the improvement of infrastructure for transport, water, electricity, communication and other key sectors • Development of innovative financial instruments to finance the growing market gap

Associated material matters

- High cost of funding
- Country/Sovereign risk
- Increased focus on geopolitical impact on South Africa
- Strategic, execution and business risks
- ESG risks
- Navigating the Just Transition

Strategic goals



Capitals impacted



AGENCIES AND PROVIDERS OF FUNDING

We endeavour to demonstrate transparency and credibility through financial sustainability and governance:

- Financial returns and growth
- Strategic investments
- Risk management efficiency
- Efficient financial and technical operations

Stakeholder needs and expectations	How we engage
<ul style="list-style-type: none"> • Long-term financial sustainability • Earning power and projected financial performance. • Effective leadership and expertise supported by a well-crafted strategy • Effective ESG practices • Responsive to environment and socio-economic business imperatives • Robust governance structures • Policy implementation and compliance with regulation • Safeguard standards that combat unethical business operations • Promotion and adherence to transparent business processes and procedures • Strategic alignment and mutually beneficial development impact • Return on investment 	<ul style="list-style-type: none"> • Transparent communication of updates and progress • Regular meetings • Quarterly feedback sessions and one-on-one interaction with the DBSA • Annual investor roadshows held • Meetings with analysts and rating agencies • Announcement of results and publishing of performance reports • DBSA Website
Issues and Risks	Opportunities
<ul style="list-style-type: none"> • Significant changes, particularly those with financial impact. • Financial performance • Market trends and issues • Prospects and organisational sustainability 	<ul style="list-style-type: none"> • Activities for stimulating the improvement of infrastructure for transport, water, electricity, communication and other key sectors • Transparent reporting

Associated material matters

- Cost of funding
- Country/Sovereign risk
- Increased focus on geopolitical impact on South Africa
- Strategic, execution and business risks
- ESG risks

Strategic goals



Capitals impacted



CLIENTS (both in South Africa and across the continent)

- We endeavour to foster mutually beneficial relationships through:
- Product/service development, client experience and relationship improvement strategies and client engagement and support
 - Clear, honest and complete information about products, services and impacts
 - Accessible and effective customer complaint mechanism
 - Improving existing relationships based on client experience and overall satisfaction

Stakeholder needs and expectations	How we engage
<ul style="list-style-type: none">• Innovative funding solutions.• Effective problem-solving and responsiveness to issues raised• Optimised efficiency enhanced by the use of technology for transparent and clear communication, relationship management and investment process• Effective leadership and expertise supported by a well-crafted strategy• Client needs (funding and non-funding support)• Transparency• Perceptions and expectations• Job creation• Environmental impact• Development impact and social responsibility	<ul style="list-style-type: none">• Quarterly engagement sessions and interaction, including regular meetings scheduled according to our individual programme/project governance agreement with clients• Client and partner surveys recommendations implemented• Bilateral engagements• Transparency in reporting
Issues and Risks	Opportunities
<ul style="list-style-type: none">• Lack of comprehensive business/strategic plans• Rising sovereign debt levels	<ul style="list-style-type: none">• Continuous client satisfaction improvement through feeding survey results into future stakeholder relations, marketing and communication initiatives• Use survey feedback and recommendations as measures to improve products and services in order to fulfil and exceed expectations• Heightened client centricity, enhanced client experience, becoming a trusted advisor, increased digitisation and automation, and increased digital presence

Associated material matters	Strategic goals	Capitals impacted
<ul style="list-style-type: none">• Cost of funding• Country/Sovereign risk• Strategic, execution and business risks• ESG risks• Navigating the Just Transition		

SUPPLIERS

- We endeavour to distinguish our business to establish strategic relationships and collaborations for mutual benefit including:
- Fair and timely payment for services
 - Constructive feedback and recognition of excellent performance
 - Mutually beneficial agreements

Stakeholder needs and expectations	How we engage
<ul style="list-style-type: none">• Safeguard standards that combat unethical business operations• Promotion and adherence to transparent business processes and procedures• Contract and service agreements and performance• Compliance with regulations	<ul style="list-style-type: none">• One-on-one meetings and presentations• Supplier Awareness Workshops• Contract and service agreements in place with clear terms of engagement• Communication with suppliers on payment terms, transparent supply chain management practices and clear payment terms
Issues and Risks	Opportunities
<ul style="list-style-type: none">• Seamless payment processes• Mutually beneficial contracts	<ul style="list-style-type: none">• Improved agility and efficiencies• Innovation and collaboration• Supplier development

Associated material matters	Strategic goals	Capitals impacted
<ul style="list-style-type: none">• Strategic, execution and business risks• ESG risks• Navigating the Just Transition• Reliability of digital infrastructure and cyber security		



COMMUNITIES, ACADEMIC INSTITUTIONS, MEDIA, TRADE UNIONS, INDUSTRY BODIES AND CIVIL SOCIETY

We endeavour to make the community aware of the role of the DBSA as well as its understanding of socio-economic and environmental issues such as:

- Positive social and environmental impact as well as providing fair chances for local suppliers and SMMEs
- Contribution to SDGs or local development goals

Stakeholder needs and expectations	How we engage
<ul style="list-style-type: none">• Promotion and adherence to transparent business processes and procedures as an accountable corporate citizen• Infrastructure development knowledge hub and thought leadership for infrastructure development solutions• Strengthened cooperation with civil society to enhance the Bank’s work and achieve greater impact on investment in socio-economic development• Access to basic services• Local labour opportunities• Robust governance structures• Policy implementation and regulation• Strategic alignment and mutually beneficial development impact• Effective ESG practices• Responsive to environment and socio-economic business imperatives	<ul style="list-style-type: none">• Engagement through community projects, outreach, forums and community surveys• Social facilitation and steering committees• DBSA’s website, marketing campaigns and social media platforms• Responsible business practices• Environmental impact and sustainability initiatives• Media briefings, interviews and press conferences• Grievance redress mechanism• Transparent reporting• Research reports
Issues and Risks	Opportunities
<ul style="list-style-type: none">• Investment in socio-economic development• Access to basic services• Local labour opportunities and local supplier development• Strengthened cooperation with civil society to enhance the Bank’s work and achieve greater impact• Gender mainstreaming practices	<ul style="list-style-type: none">• Programme for supporting communities with essential health care services, access to clean water, and good sanitation• Dialogue with local communities and other local stakeholders• Establishment of transparent and effective grievance and remedy mechanisms• Gender integrated instruments (financial and non-financial)• Programme to provide opportunities for local labour and supplier participation

Associated material matters	Strategic goals	Capitals impacted
<ul style="list-style-type: none">• ESG risks• Navigating the Just Transition		

Stakeholder Relationship Quality

The DBSA assesses the quality of stakeholder relationships to evaluate how effectively its engagement supports delivery and alignment across the infrastructure value chain. This assessment focuses on the strength of relationships across stakeholder segments and the extent to which engagement enables coordination, reduces risk and supports implementation. Stakeholder insights are used to identify areas where relationship strength may affect delivery outcomes, particularly in complex environments involving multiple institutions. These insights also inform targeted actions to strengthen alignment, improve responsiveness and address emerging risks.

The assessment also reflects differences across stakeholder groups, recognising that expectations and engagement requirements vary depending on context, role and level of influence. This enables the Bank to prioritise improvement efforts where they are most needed to support execution.

The multi-year assessment conducted during the 2024/25 financial year yielded a Stakeholder Quality Index score of 3.55. The Bank will implement the assessment recommendations with the objective of improving stakeholder perceptions and increasing the Stakeholder Quality Index score to 4.0.

Client Satisfaction

The DBSA monitors client satisfaction to assess the effectiveness of its service delivery and engagement across the project lifecycle. This provides insight into how clients experience the Bank’s products, processes and responsiveness in supporting infrastructure delivery.

Client feedback highlights areas that directly affect execution, including turnaround times, clarity of communication and the effectiveness of support provided. These insights are used to improve service efficiency, strengthen delivery capability and enhance the overall client experience.

The Bank uses client satisfaction outcomes to inform continuous improvement, ensuring that its offering remains responsive to client needs and aligned with delivery requirements in complex infrastructure environments.

The Client Satisfaction Score for the 2025/26 financial year was 3.94, slightly below the target score of 4.0. The Bank will implement targeted improvement initiatives and address client feedback to enhance service delivery and achieve the desired client satisfaction level in future assessments.



MANAGING OUR RISKS AND OPPORTUNITIES

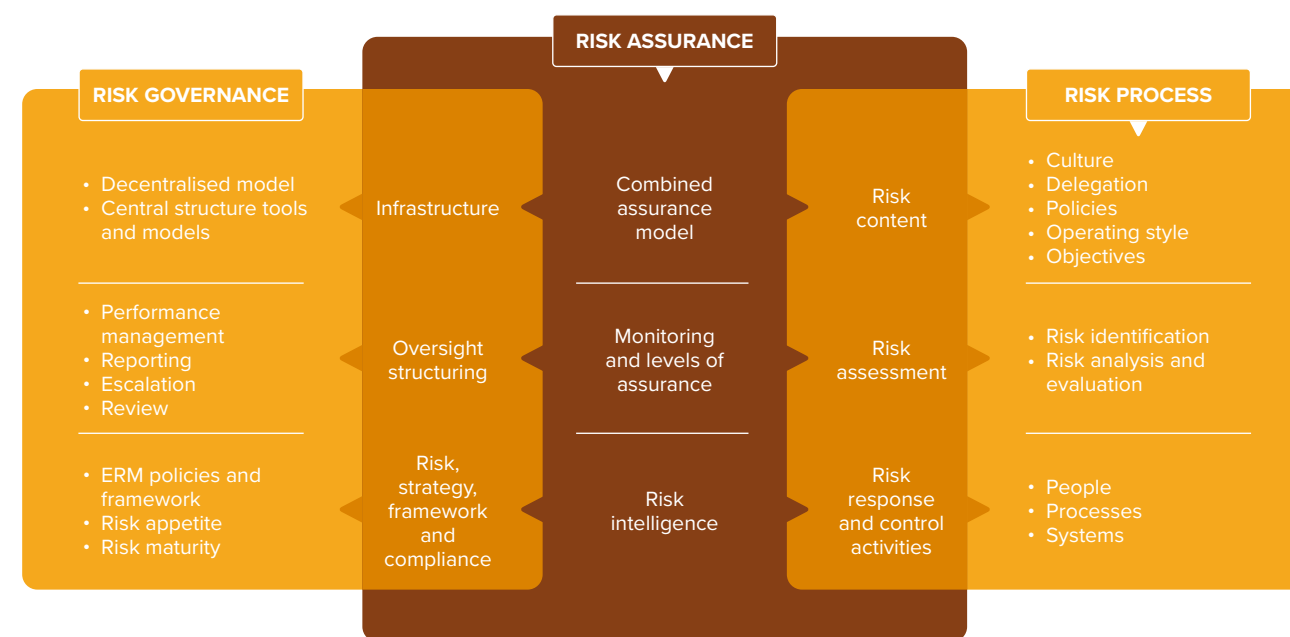
Risk Management as a Strategic Discipline

DBSA operates in a complex development finance environment. Risk in this context is not primarily a function of internal control failure. It arises from operating in structurally constrained environments where infrastructure backlogs, institutional capacity limitations, climate exposure and geopolitical developments materially influence outcomes. Risk management therefore serves not only to protect the Bank, but to enable it to operate effectively in markets where development need is high and conditions are inherently uncertain.

Risk management is central to how DBSA protects financial sustainability, allocates capital, executes its

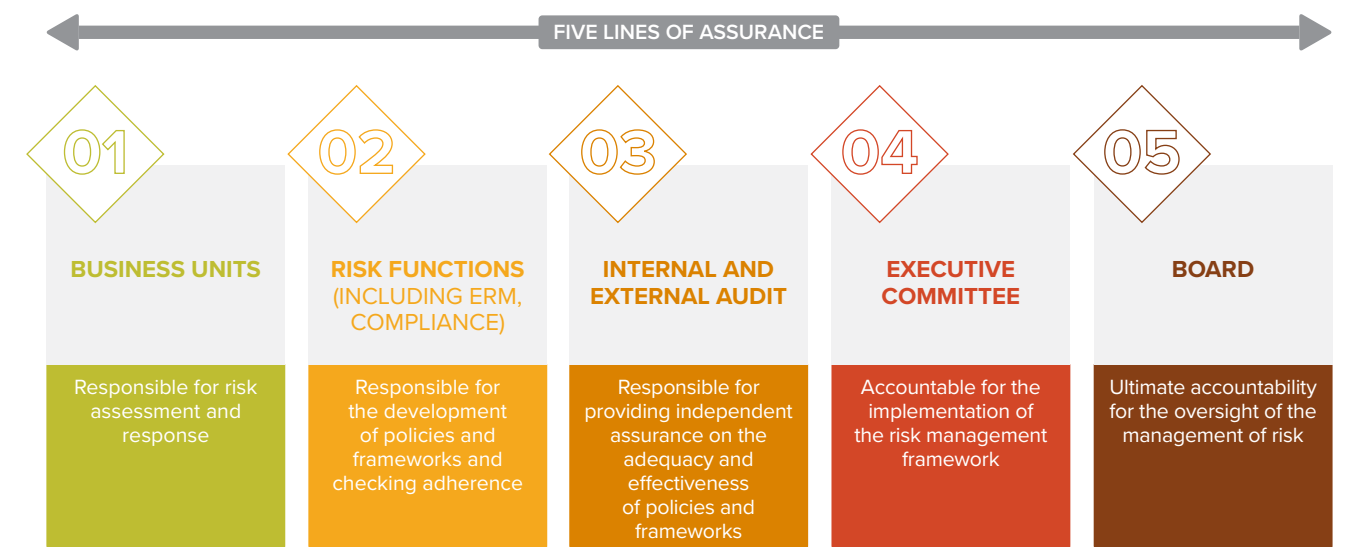
mandate and delivers development impact. The Bank does not treat risk as a purely defensive function. It is a strategic discipline that supports informed decision-making, prioritisation and disciplined execution.

The Bank applies an integrated Enterprise Risk Management (ERM) framework aligned to leading standards, including ISO 31000 and King IV. The framework provides a structured approach to identifying, assessing, managing, monitoring and reporting risk across the full risk lifecycle, while ensuring alignment between risk appetite, strategy execution, capital deployment and performance.



Risk management responsibilities are embedded across the organisation through DBSA's combined assurance model. Business units form the first line of defence and are responsible for owning and managing risks. Risk management and compliance functions

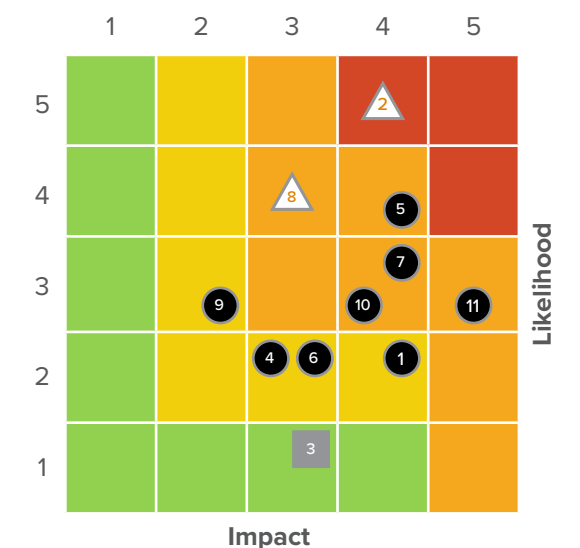
provide oversight and challenge, while internal audit provides independent assurance. Executive management and the Board provide strategic direction, governance oversight and accountability.



Risk Posture for 2025/26

DBSA's overall principal risk profile remained stable during the year. The Bank monitored 11 principal risks, of which seven were within appetite, and four were outside appetite. This reflects a position where the majority of risks are managed within acceptable thresholds, with a defined subset requiring continued attention. The risk profile showed limited volatility across the reporting period, with no new or escalated principal risks and no de-escalations in the final quarter.

RISK POSTURE SNAPSHOT



The risk profile confirms that DBSA maintains strong control over internal and financial risks. High residual exposure is concentrated primarily in strategic and externally driven risks, including cyber risk, operating environment risk and physical climate risk, where underlying drivers are largely outside the Bank's direct control.

Skills, capability, and capacity remain the most significant internally influenced risk outside appetite.

This reflects the growing importance of execution capability in enabling the Bank to translate strategy into delivery at scale.

The Bank's risk challenge is therefore not primarily one of control weakness, but of operating effectively within a complex and evolving external environment. Risk management in this context supports resilience, adaptability and disciplined engagement with development opportunities.

Principal Risk Profile

DBSA's principal risks reflect the key uncertainties that could affect strategy execution, financial sustainability, development impact and institutional resilience. These risks span financial, operational, strategic and emerging dimensions, and are assessed using a combination of quantitative indicators, expert judgement and management oversight.

Several of the Bank's most material risks are non-linear, externally driven and not reliably quantifiable. The purpose of principal risk assessment is therefore not to create false precision, but to support prioritisation, preparedness and informed decision-making.

A significant portion of DBSA's risk exposure originates upstream in the infrastructure value chain. Weak project preparation, inadequate feasibility work and limited early-stage funding can prevent otherwise viable infrastructure opportunities from reaching financial close. The Bank's increasing focus on origination and programme-based preparation is therefore both a strategic response and a risk mitigation mechanism.

Principal risk	Current relevance to DBSA	Response focus
Credit risk	Client default risk remains material given sovereign and municipal stress, portfolio concentration, weak growth, high interest rates and currency volatility.	Active portfolio management, strengthened due diligence, and credit structuring, effective disbursement controls, watchlists, rapid reviews, restructuring, credit insurance and recovery actions.
Cyber risk	Cyber exposure remains elevated due to increasingly sophisticated attacks, third-party and supply chain exposure, user behaviour, and reliance on critical systems and data.	24/7 security monitoring, patching, configuration hardening, disaster recovery and backup testing, penetration testing, user awareness and data loss prevention.
Liquidity risk	Liquidity risk is well managed, although funding market volatility, disbursement timing, currency movements, and lenders' risk appetites remain relevant.	Cash-flow forecasting, diversified funding facilities, bond issuance, hedging, prudential limit monitoring and investor engagement.
Reputation risk	Reputation risk is linked to stakeholder perceptions of mandate delivery, pricing, service quality, programme politicisation and ESG credibility.	Proactive stakeholder engagement, development impact reporting, evidence-led ESG messaging and issue-specific communication responses.
Operating environment risk	The Bank's responsiveness and agility are tested by weak economic conditions, policy uncertainty, infrastructure disruption, organised crime, geopolitical volatility and market fragmentation.	Product and market diversification, strengthened partnerships, strategy refresh, scorecard discipline, digitalisation and scenario-based planning.
People and culture risk	Employee morale, productivity, wellness and engagement remain important to institutional performance and resilience.	Culture strategy, wellness support, leadership development, employee engagement, pulse surveys and operating model review.
Skills, capability, and capacity risk	Capacity and capability constraints are a key execution risk and may limit the Bank's ability to implement strategy at pace.	Targeted recruitment, succession planning, learning and development, remuneration review, DigiEvolve and process redesign.
Physical climate risk	Extreme weather events may affect infrastructure assets, project continuity, communities and development outcomes across DBSA's markets.	Exposure mapping, climate scenario analysis, resilience screening, adaptation considerations in appraisal and portfolio monitoring.

Principal risk	Current relevance to DBSA	Response focus
ESG monitoring and action risk	ESG expectations, data quality requirements and reporting standards are increasing, affecting impact credibility, compliance and funding access.	ESG policies, safeguard standards, taxonomy alignment, environmental management systems, impact reporting and monitoring and evaluation strengthening.
Just Transition risk	Delays in implementing an integrated Just Transition approach may affect DBSA's transition finance role, stakeholder confidence and climate alignment.	Net-zero positioning, selective fossil fuel support only where there is a clear transition case, support for IPPs and cleaner energy projects, and transition framework development.
Growth Strategy limiters risk	Municipal absorption constraints, funding limitations, slow execution, regional volatility, and pricing competition may limit the scale of development impact, balance sheet growth, and income growth.	Integrated Municipal Approach, regional integration, funding diversification, shareholder alignment, fit-for-purpose initiatives and process improvement.

Risk Movement and Areas of Focus

Over the three-year trend period, the principal risk profile remained broadly stable. Credit and liquidity risks improved, while cyber risk deteriorated, reflecting global trends in cyber exposure. Other risks remained relatively stable, requiring sustained management attention rather than short-term corrective action.



Execution capability has emerged as a defining factor in the Bank's risk profile. Growth is increasingly a function of execution capacity rather than funding availability. Capacity constraints affect pipeline conversion, project preparation, transaction execution and infrastructure delivery, and therefore directly influence the Bank's ability to scale development impact.

Understanding Delivery Risk in Practice

Infrastructure delivery risk extends beyond financial and operational metrics. It includes practical implementation risks such as contractor underperformance, delayed payments, procurement inefficiencies, community disruption, security challenges and project stoppages. These factors can lead to delays, cost escalation, asset deterioration and reduced development outcomes if not effectively managed.

In addition, a key institutional risk lies in the potential disconnect between investment activity and realised impact. Infrastructure investment does not automatically translate into improved service delivery or community benefit, particularly in environments where municipal systems are weak or maintenance capacity is limited. The Bank, therefore, places increasing emphasis on ensuring that funded interventions result in measurable, sustained improvements in lived conditions.

Managing Risk as Opportunity

DBSA's risk profile is closely linked to its opportunity set. Demand for infrastructure investment remains substantial across energy, water, transport, ICT and municipal systems. The Bank's role is to engage with these opportunities in a manner that balances developmental ambition with financial discipline.

The Bank continuously manages trade-offs between risk exposure, financial sustainability and development impact. Decisions on capital allocation, transaction structuring and market participation are informed by the need to optimise long-term impact while maintaining balance sheet strength and institutional credibility.

By maintaining a disciplined risk approach, DBSA can pursue complex infrastructure opportunities, including those in underserved or higher-risk environments, while protecting its ability to operate sustainably over time.

Outlook

The operating environment is expected to remain complex, reflecting a period of structural transition characterised by geopolitical fragmentation, policy uncertainty, uneven economic recovery and evolving climate risk dynamics.

Climate risk is increasingly experienced through direct impacts on infrastructure performance, including asset damage, service disruption, and increased vulnerability in already-constrained municipal environments. Cyber risk and technological disruption are also expected to remain elevated. Execution capability will remain a central focus area, as the Bank continues to strengthen its ability to originate, prepare, finance and deliver infrastructure at scale. This includes ongoing investment in skills, systems, partnerships and digital capability.

Overall, DBSA's risk position remains stable and well-managed. The Bank retains strong control over internal and financial risks, while actively managing external and strategic risks inherent in delivering infrastructure development in complex environments.



BUILDING RESILIENCE AND CREATING VALUE

4

FINANCIAL CAPITAL

The DBSA's financial capital underpins its ability to operate at scale, absorb risk and sustain long-term infrastructure investment across South Africa and the continent. During the year under review, the Bank strengthened its financial position while navigating a complex and uncertain operating environment, maintaining the discipline required to balance development impact with financial sustainability.

Financial performance and balance sheet growth were supported by sustained earnings, improved cost efficiency and active risk management. These outcomes reinforce the Bank's capacity to expand its development footprint while preserving institutional resilience.

KEY RESOURCES AND RELATIONSHIP

	2026	2025
Capital and reserves	R65.6 billion	R57.9 billion
Financial market liabilities	R62.5 billion	R60.9 billion
Cash generated from operations	R7.0 billion	R6.8 billion

The Bank's funding model remains anchored in strong relationships with domestic and international capital markets, enabling diversified funding sources and sustained investor confidence. This provides the liquidity and stability required to support long-term infrastructure financing and absorb macroeconomic volatility.

VALUE CREATED FOR STAKEHOLDERS IN FY2025/26

	2026	2025
Total assets	R130 billion	R121 billion
Net profit	R7.8 billion	R5.3 billion
Training and development spend	R25.1 million	R30.3 million
Total disbursements	R20.7 billion	R17.5 billion

Financial performance translated directly into increased development capacity. Growth in assets and equity strengthened the Bank's ability to expand lending, support larger-scale infrastructure programmes and sustain its role as a development partner in constrained environments.

Stakeholders impacted

 Internal stakeholders

 Financial sector

 Investors and funding partners

 Government

 Clients

Material matters

Cost of funding

Country and sovereign risk

KEY FINANCIAL INDICATORS

		2026	2025	2024	2023	2022
Financial position (R million)						
Cash and cash equivalents		13 692	15 018	10 804	6 166	7 990
Financial market assets ¹		5 627	833	503	424	903
Investment in development activities ²		110 256	104 280	106 225	101 031	90 305
Other assets		908	861	783	943	811
Total assets		130 483	120 992	118 315	108 565	100 028
Financial market liabilities ³		62 469	60 864	64 171	59 082	55 570
Other liabilities		2 396	2 185	2 103	1 850	1 547
Total liabilities		64 865	63 049	66 274	60 932	57 117
Total equity		65 618	57 943	52 041	47 633	42 911
Financial performance (R million)						
Interest on development loans		11 772	12 156	11 763	9 614	8 414
Interest on investments		1 582	1 293	1 190	1 066	564
Total interest received		13 354	13 449	12 953	10 680	8 978
Interest expense		4 503	5 069	5 240	4 162	3 186
Net interest income		8 851	8 380	7 712	6 518	5 792
Operating income ⁴		9 359	8 776	8 175	6 951	6 069
Operating expense ⁵		1 622	1 615	1 489	1 312	1 307
Sustainable earnings/(loss)⁶		7 409	5 125	4 509	4 215	3 610
Profit for the year		7 819	5 319	4 649	5 210	3 825
Financial ratios						
Total capital and reserves to development loans	%	63.6	59.0	52.4	50.8	51.0
Long-term debt/equity (excluding callable capital)	%	95.3	105.1	123.4	124.1	129.6
Debt/equity (including callable capital) ⁷	%	73.0	78.1	89.1	87.4	88.4
Cash and cash equivalents to total assets	%	10.5	12.4	9.1	5.7	8.0
Total capital and reserves to assets	%	50.3	47.9	44.0	43.9	42.9
Financial market liabilities to investment in development activities	%	56.7	58.4	60.4	58.5	61.5
Non-performing book debt as a % of gross book debt	%	3.9	4.2	4.5	3.8	4.7
Return on average total equity	%	12.7	9.7	9.3	11.5	9.3
Return on average total assets	%	6.2	4.4	4.1	5.0	3.8
ROE based on sustainable earnings	%	12.0	9.3	9.0	9.3	8.8
Interest cover	Times	3.0	2.7	2.5	2.6	2.8
Net interest income margin ⁸	%	7.4	7.3	7.2	6.6	6.2
Cost-to-income ratio	%	20.3	22.0	21.0	23.5	23.7

Key:

1.

Financial market assets include investment securities and derivative assets held for risk management purposes.
2.

Development activities include development loans, development bonds and equity investments.
3.

Financial market liabilities comprise medium- to long-term funding debt securities, medium- to long-term funding lines of credit, funding under repurchase agreements and derivative liabilities held for risk management.
4.

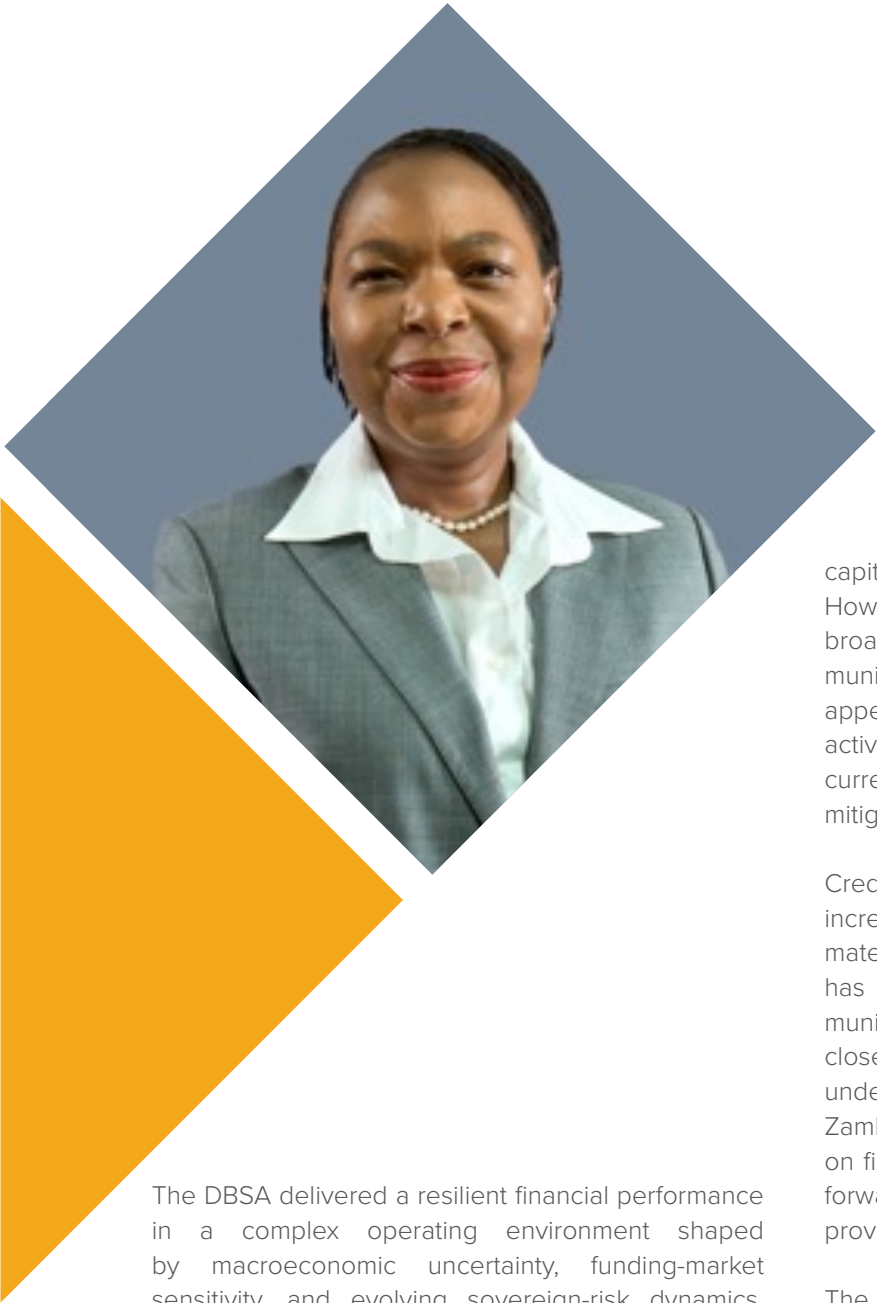
Operating income excludes net foreign exchange gain/(loss), net gain/(loss) from financial assets and liabilities and impairments.
5.

Operating expense comprises personnel expenses, general and administration expenses and depreciation.
6.

Sustainable earnings/(loss): net profit/(loss) before adjustments to foreign exchange movements and revaluations of financial assets and liabilities but includes revaluations on equity investments.
7.

Measure includes R20 billion callable capital.
8.

This ratio is calculated as net interest income (interest income less interest expense) as a percentage of average interest-bearing assets.



CHIEF FINANCIAL OFFICER REPORT

capital markets and strong credibility in governance. However, funding conditions remain sensitive to broader perceptions of risk within the sovereign and municipal sectors, which continue to influence investor appetite and funding costs. The Bank continues to actively manage its funding mix and monitor foreign-currency borrowing limits to ensure compliance and mitigate exposure to exchange-rate volatility.

Credit risk is being actively managed in an increasingly complex environment. While no material deterioration in overall portfolio quality has been observed, sovereign developments and municipal financial pressures continue to require close monitoring. Ongoing restructuring processes under the G20 Common Framework, particularly in Zambia, Ghana and Ethiopia, have a material impact on financial performance and reinforce the need for forward-looking credit risk management and prudent provisioning approaches.

The Bank’s financial performance is directly linked to its ability to scale development impact. During the year, infrastructure development support expanded through a combination of direct disbursements, catalytic funding and infrastructure unlocking. This reflects a more integrated and programmatic approach to delivery, where financial capital is deployed alongside technical capability to address structural constraints in infrastructure development.

Looking ahead, the DBSA remains focused on sustaining financial resilience while expanding its development footprint. This will require continued discipline in balance sheet management, proactive risk monitoring and sustained efforts to mobilise capital in a constrained funding environment. The Bank is well-positioned to translate financial capacity into long-term development outcomes across South Africa and the region.

The DBSA delivered a resilient financial performance in a complex operating environment shaped by macroeconomic uncertainty, funding-market sensitivity, and evolving sovereign-risk dynamics. In this context, financial sustainability remains a prerequisite for development impact, requiring a continued balance between scaling infrastructure investment and maintaining financial discipline.

Financial performance remained strong over the reporting period. Return on equity based on sustainable earnings remained above target, while the cost-to-income ratio continued to outperform expectations, reflecting disciplined cost management and operational efficiency. Disbursement activity accelerated over the course of the year and exceeded targets, supported by improved execution and stronger conversion of pipeline opportunities across both South Africa and the rest of the continent.

Balance sheet management remained a central focus. The Bank maintained stable funding and liquidity positions, supported by continued access to

Leveraging Financial Strength for Greater Impact

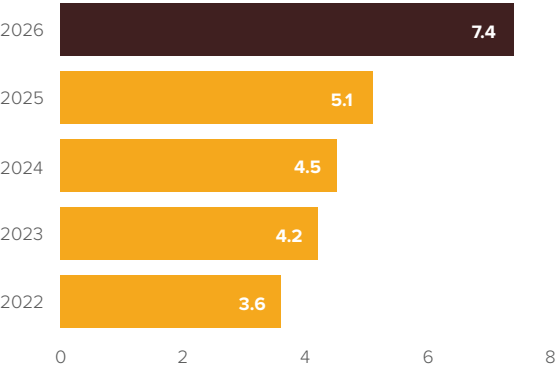
Statement of financial performance for the year ended 31 March 2026

in thousands of rands	2026	% change	2025
Interest income calculated using the effective interest rate	12 884 676	-3%	13 247 545
Other interest income	469 230	133%	201 194
Total interest income	13 353 906	-1%	13 448 739
Interest expense calculated using the effective interest rate	(4 503 265)	-11%	(5 068 902)
Total Net Interest Income	8 850 641	6%	8 379 837
Net fee income	387 231	9%	356 690
Other operating income	120 977	209%	39 115
Non-interest revenue	508 209	28%	395 805
Operating income	9 358 850	7%	8 775 642
Depreciation and amortisation	(42 153)	-1%	(42 749)
Development expenditure	(191 296)	-27%	(261 701)
Grants	(43 567)	7%	(40 529)
Impairment losses	(930 480)	-38%	(1 500 776)
Personnel expenses	(1 034 714)	-4%	(1 080 755)
Project preparation expenditure	(42 373)	181%	(15 092)
Revaluation of development loans – unrealised	48 302	-2 898%	(1 726)
Revaluation of equity investments – unrealised	832 381	-486%	(215 450)
Other expenses	(545 599)	11%	(491 380)
Sustainable profit	7 409 351	45%	5 125 484
Net foreign exchange gains	(78 219)	41%	(55 477)
Net revaluation of financial instruments	487 818	96%	248 910
Profit from operations	7 818 950	47%	5 318 917

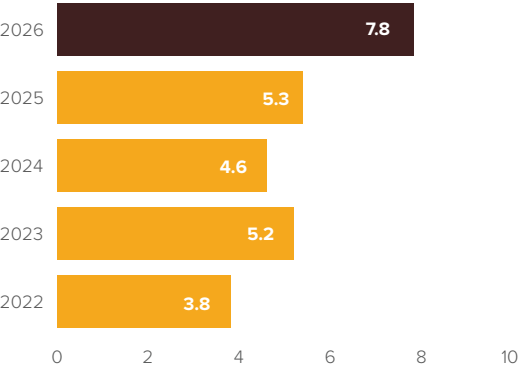
Profitability

The DBSA's profitability trajectory reflects sustained earnings growth and disciplined financial management over the medium term. Both sustainable earnings and net profit have strengthened progressively, indicating the Bank's ability to generate consistent returns while expanding its development activities. This performance underscores the resilience of the DBSA's operating model and its capacity to balance financial sustainability with increasing development impact.

Sustainable earnings (R billion)



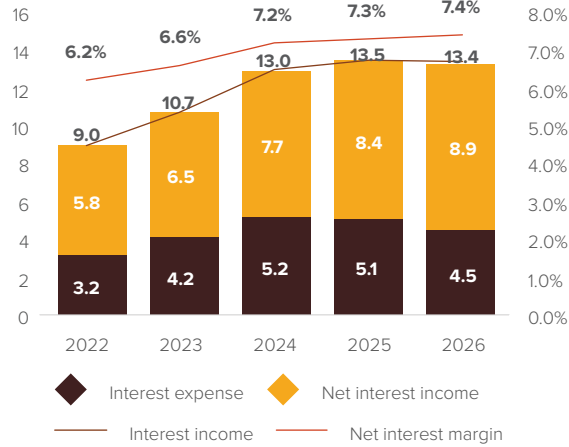
Net profit (R billion)



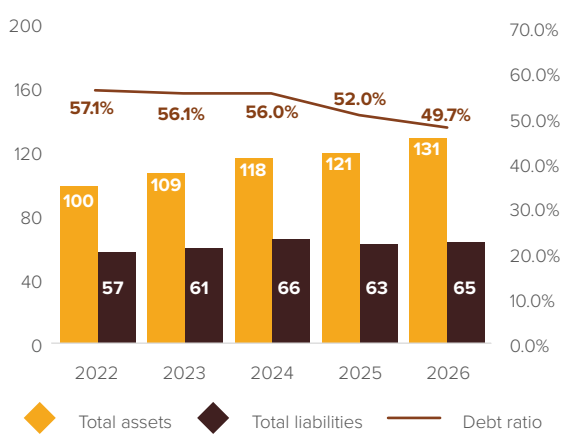
Net Interest Income Management

The DBSA's net interest income performance reflects active balance sheet management and disciplined funding strategies in a shifting interest rate environment. Growth in net interest income, supported by a stable and improving margin, demonstrates the Bank's ability to optimise returns on its lending activities while managing funding costs. The debt ratio remains well controlled, indicating a balanced approach to leverage that supports continued expansion without compromising financial sustainability.

Net interest margin on interest-bearing assets (R billion)



Debt ratio (R billion)



BALANCE SHEET STRENGTHENING

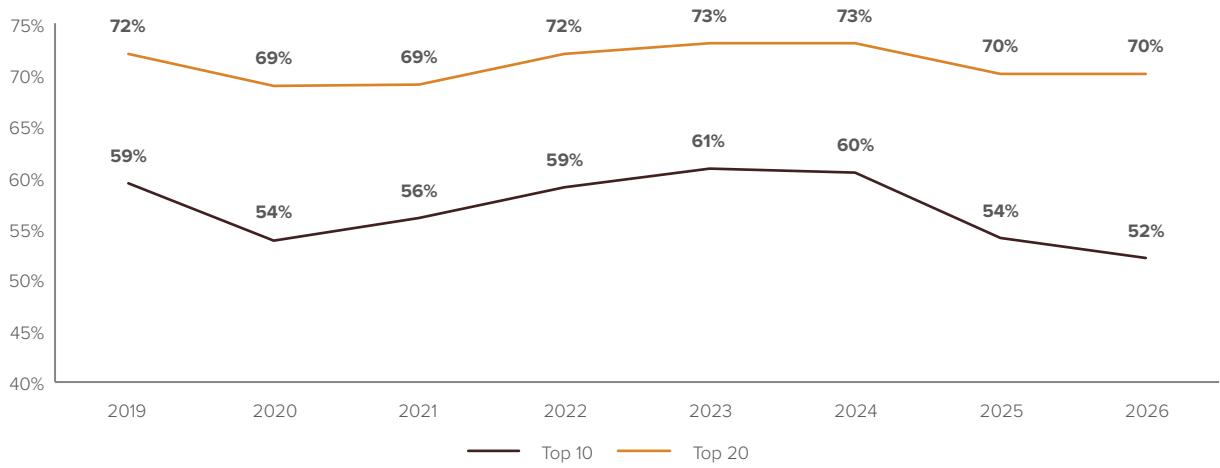
Statement of financial position as at 31 March 2026

in thousands of rands	2026	% change	2025
Assets			
Cash and cash equivalents at amortised cost	13 692 162	-9%	15 017 755
Trade receivables and other assets	349 905	9%	320 172
Investment securities	5 052 363	730%	608 667
Derivative assets held for risk management purposes	574 684	157%	223 981
Other financial assets	42 229	10%	38 534
Development loans held at fair value through profit or loss	42 134	227%	12 877
Equity investments held at fair value through profit or loss	5 533 013	21%	4 581 600
Development bonds at amortised cost	1 455 009	-6%	1 542 364
Development loans at amortised cost	103 225 662	5%	98 142 797
Property, equipment and right of use of assets	464 112	3%	450 485
Intangible assets	51 578	-2%	52 794
Total assets	130 482 851	8%	120 992 026
Equity and liabilities			
Liabilities			
Trade, other payables and accrued interest on debt funding	1 486 620	16%	1 280 726
Derivative liabilities held for risk management purposes	103 503	9%	94 578
Liability for funeral and post-retirement medical benefits	50 803	8%	47 184
Debt funding held at amortised cost	62 365 972	3%	60 769 422
Provisions and lease liabilities	74 356	-52%	154 175
Deferred income	783 433	12%	702 447
Total liabilities	64 864 687	3%	63 048 532
Equity			
Share capital	200 000	0%	200 000
Retained earnings	50 658 771	16%	43 489 498
Permanent government funding	11 692 344	0%	11 692 344
Reserve for general loan risk	2 865 157	20%	2 379 260
Other reserves	201 892	11%	182 392
Total equity	65 618 164	13%	57 943 494
Total liabilities and equity	130 482 851	8%	120 992 026

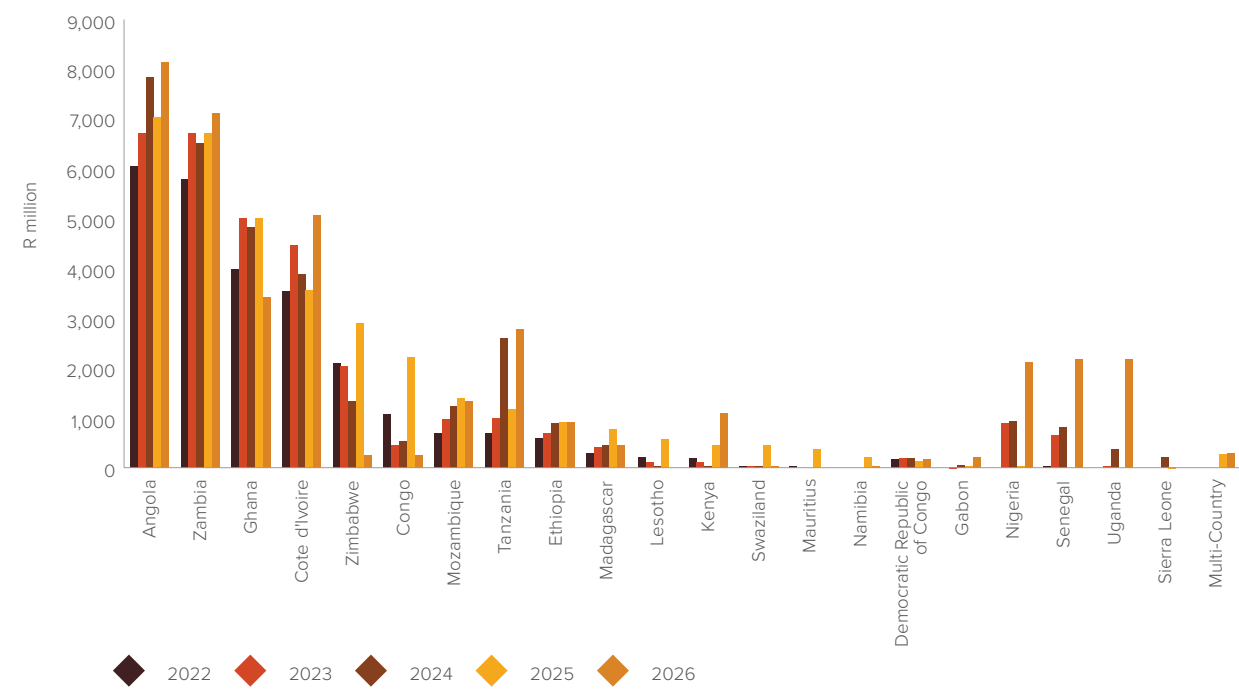
Development Loans

The composition of the DBSA’s development loan book reflects both the scale of its financing activities and the concentration inherent in large infrastructure transactions. Over the period, the share of the top 10 and top 20 clients provides a clear indication of how exposure is distributed across the portfolio. While concentration remains structurally high, consistent with the nature of development finance, there has been a noticeable shift in recent years towards reduced reliance on the largest individual exposures, indicating a gradual broadening of the loan book.

Top 10 and top 20 clients as percentage of total book

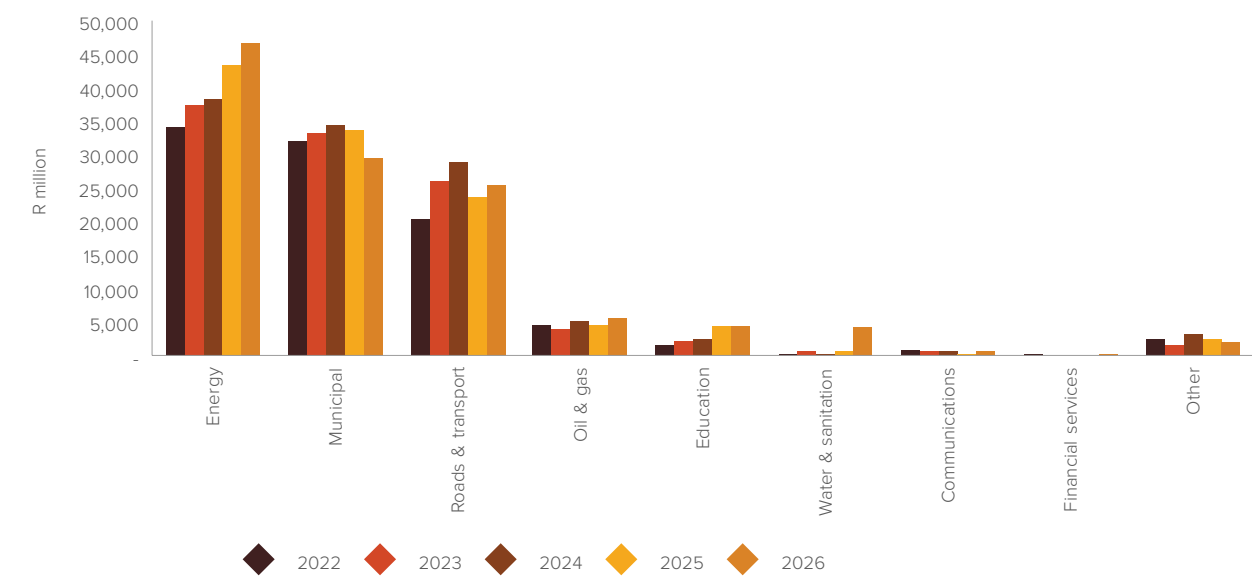


Country exposures (excluding South Africa)



The Bank’s Rest of Africa portfolio remains concentrated in a small number of key markets, with Angola and Zambia consistently representing the largest exposures, followed by Ghana and Côte d’Ivoire. Over the period, exposures in these core countries have remained relatively stable at elevated levels, reflecting continued investment in established markets. There is evidence of gradual expansion into a broader set of countries, with smaller but increasing exposures across East and West Africa, including Tanzania, Ethiopia, Nigeria, Senegal and Uganda. This indicates a measured diversification strategy, balancing concentration in proven markets with selective growth into new jurisdictions. However, the portfolio remains exposed to country-specific risks, particularly in markets experiencing sovereign distress or restructuring dynamics, requiring continued active monitoring and risk management.

Exposure by sector



The portfolio remains concentrated in energy, municipal and transport sectors, which together account for the majority of exposures. Energy has grown steadily over the period, while municipal and transport exposures have remained broadly stable. Other sectors remain comparatively small, indicating a focused allocation to core infrastructure rather than broad diversification.

Mitigating the Risk of Non-Repayments and Loan Book Quality

The quality of the development loan book remains a key focus, with ongoing monitoring of credit performance across domestic and regional exposures. While overall portfolio quality remains stable, the Bank continues to manage risks associated with sovereign developments, municipal financial pressures and

macroeconomic volatility. Expected credit loss provisioning remains aligned with forward-looking risk assessments, ensuring the balance sheet remains resilient amid evolving credit conditions.

Liability Management and Liquidity Enhancement

The Bank continues to actively manage its funding liabilities and liquidity position to support balance sheet resilience. Leverage remains well controlled, with the debt-to-equity ratio maintained comfortably within statutory limits. Improvements in the Bank’s funding profile reflect disciplined liability management and the settlement of funding obligations over the period. This approach supports financial sustainability while preserving the capacity to scale infrastructure financing.

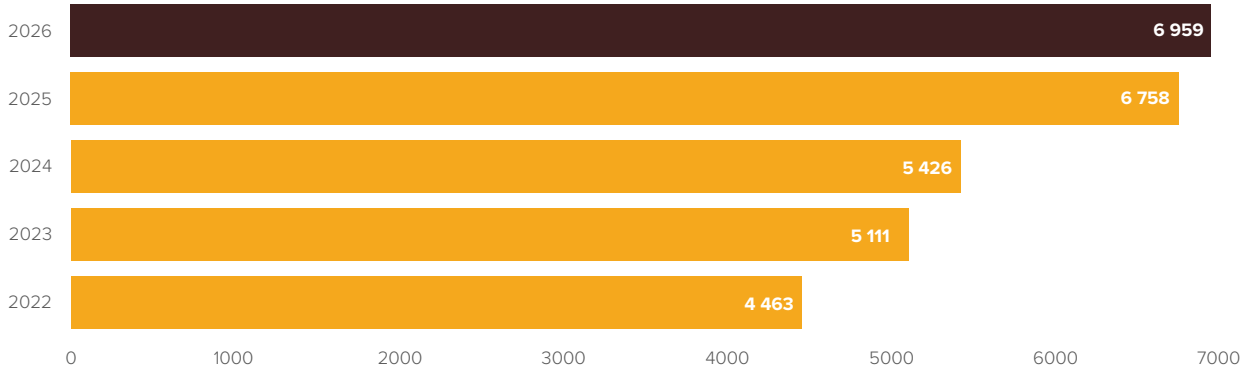
CASH MANAGEMENT

Statement of cash flows for the year ended 31 March 2026

in thousands of rands	2026	% change	2025
Net loss adjusted for non-cash items and items separately disclosed	(964 027)		(1 120 975)
Interest received	11 593 121		12 334 755
Interest paid	(3 730 372)		(4 466 942)
Dividends received	60 138		10 959
Net cash generated from operating activities	6 958 860	3%	6 757 797
Development loan disbursements	(20 337 903)		(16 335 489)
Development loan principal repayments	13 922 686		16 336 907
Equity investments disbursements	(323 339)		(166 324)
Equity investments repayments	120 183		44 092
Development bonds repayments	83 333		585 334
Grants, development and project preparation expenditure paid	(277 237)		(317 323)
Increase in deferred income	99 494		134 309
(Increase)/decrease in advances to National Mandates	(39 249)		(82 948)
Net cash generated from/(used in) development activities	(6 752 032)	-3501%	198 558
Net cash generated from operating and development activities	206 828	-97%	6 956 355
Purchase of property and equipment	(19 379)		(20 591)
Proceeds from disposal of property and equipment	106		235
Purchase of intangible assets	(34 798)		(21 370)
Acquisition of financial market assets	(4 292 728)		(160 067)
Net cash utilised in investing activities	(4 346 799)	2055%	(201 793)
Gross financial market liabilities repaid	(11 330 155)		(13 208 594)
Gross financial market liabilities raised	14 456 883		10 792 315
Dividend paid	-		(48 295)
Net cash (utilised by)/generated from financing activities	3 126 728	-227%	(2 464 574)
Net increase in cash and cash equivalents	(1 013 243)	-124%	4 289 988
Effect of exchange rate movement on cash balances	(312 350)		(76 005)
Movement in cash and cash equivalents	(1 325 593)	-131%	4 213 983
Cash and cash equivalents at the beginning of the year	15 017 755		10 803 772
Cash and cash equivalents at the end of the year	13 692 162	-9%	15 017 755

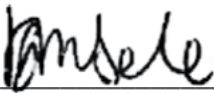
Net cash generated from operating activities remained stable, reflecting consistent income generation and effective cash management. This was offset by increased cash outflows related to development activities, driven primarily by higher disbursements, resulting in a net reduction in cash balances for the year. Financing activities contributed positively through the raising of financial market liabilities, partially mitigating the impact of investment and development-related outflows. Overall, the movement in cash and cash equivalents reflects the Bank’s continued deployment of capital to support infrastructure delivery while maintaining sufficient liquidity.

Net cash generated by operating activities (R million)



Gratitude

I extend my appreciation to our stakeholders for their continued support and partnership during the year. I acknowledge the guidance of National Treasury, the oversight of the Board and the confidence of our funding partners. I also recognise the contribution of our clients, partners and colleagues, whose commitment enables the DBSA to deliver on its mandate and sustain its development impact.


Ms Ntombizodwa Mbele
 Chief Financial Officer



TREASURY AND BALANCE SHEET MANAGEMENT REVIEW

During the financial year under review, DBSA demonstrated resilience and adaptability in a challenging operating environment characterised by geopolitical risks, trade tensions, and persistent global inflationary pressures. Despite these headwinds, the Bank maintained strong access to funding at competitive rates, while strategically expanding and diversifying its investor base through engagement with both new and existing lenders across domestic and international markets.

Our proactive and diversified funding strategy enabled DBSA to effectively navigate periods of market volatility, securing funding from a broader spectrum of lenders. This included bilateral funding from international Development Finance Institutions (DFIs) and commercial banks of approximately R5.2 billion and R5 billion respectively.

This strategic approach contributed to a strong liquidity position, with cash and liquid assets increasing to R18.9 billion at year-end. Investor confidence in DBSA’s financial strength, governance standards, and developmental mandate was further evidenced by the strong performance of the Bank’s October 2025 auction, which achieved a record bid-to-cover ratio comparable to that of leading commercial banks. The success of the auction programme was further complemented by targeted private placements executed across strategic tenors, enabling the Bank to diversify funding sources while optimising pricing outcomes.

Through a deliberate blend of public market issuances and privately negotiated transactions, DBSA was able to improve pricing efficiency and reduce its overall cost of funding across key maturities to levels comparable to the pre-COVID period. This funding optimisation strategy enhanced the Bank’s ability to manage refinancing risk, smooth maturity profiles, and access pockets of liquidity that may not have been fully available through conventional auction mechanisms alone. The combination of strong market demand, diversified execution channels, and improved investor sentiment positioned DBSA favourably within the domestic capital markets and reinforced the Bank’s reputation as a high-quality issuer.

During the financial year, the Bank issued R4.2 billion in bonds, including listed private placements of R2.5

billion at competitive market rates. While domestic bond issuance volumes have moderated in recent years, the Domestic Medium-Term Note (DMTN) programme remained a critical funding platform for the Bank. By year-end, R14.7 billion in JSE-listed bonds had matured and been redeemed, leaving an outstanding balance of R65.3 billion under the DMTN programme.

In line with the Bank’s diversification strategy, DBSA also successfully executed an oversubscribed USD 300 million syndicated financing transaction, attracting participation from a broad group of lenders across Asia and the Middle East. The transaction marked an important milestone in expanding the Bank’s geographic funding footprint and strengthening relationships with new international funding partners. The successful syndication demonstrated continued confidence in DBSA’s credit profile, governance standards, and developmental mandate, while also enhancing funding flexibility and reducing concentration risk within the funding base.

The combination of domestic capital market activity, private placements, bilateral funding, and international syndication enabled the Bank to further diversify its liability profile across currencies, geographies, and investor classes. This balanced funding approach supported improved pricing outcomes across the curve, strengthened liquidity buffers, and enhanced DBSA’s ability to access stable and competitively priced funding under varying market conditions.

DBSA’s robust balance sheet, prudent financial management, and strengthened credit profile were further validated by positive rating actions from both Moody’s and S&P Global Ratings during the financial year. Both rating agencies upgraded DBSA’s ratings, with S&P additionally revising the Bank’s outlook from stable to positive towards the end of 2025. As a result, DBSA is now rated at the same level as the South African sovereign by both agencies, with a positive outlook. These rating actions reflect increased confidence in the Bank’s capitalisation, governance standards, liquidity position, funding strategy, and strategic importance to infrastructure development. The strengthened ratings profile augurs well for continued access to diversified and competitively priced funding across domestic and international capital markets.

The Bank’s credit ratings as at the end of the financial year are summarised in the table below:

Agency	Issuer Rating Type	Short Term	Long Term	Outlook
Moody's	Global Issuer	NP	Ba2	Stable
	National Scale	P-1.za	Aa2.za	N/A ¹
Standard & Poor's	Foreign Currency Global	B	BB	Positive
	Local Currency Global	B	BB+	Positive

¹ Moody's national scale ratings do not carry outlooks.

Asset and Liability Management

Interest Rate Risk

The Bank’s primary interest rate risk management objective is to protect its net interest income (NII) from adverse impact from fluctuations in interest rates. Limits are set with respect to NII sensitivity using the 12-month cumulative re-pricing gap. As of 31 March 2026, the Bank had a positive 12-month cumulative re-pricing gap (i.e., asset sensitive). In a scenario where there is a shift of 100 basis points upward (or downward) in short term rates, the resultant increase (decrease) in net interest income over the projected 12-month period would be R276.0 million. The Bank achieves its desired interest rate profile through the use of interest rate swaps.

Currency Risk Management

The Bank’s primary currency risk management objective is to protect the income statement and the balance sheet against the impact of adverse exchange rate movements. Hedging of currency exposures is achieved either naturally through offsetting assets and liabilities in the respective currencies of operation or through using currency derivatives. As of 31 March 2026, there were R11.0 billion open currency derivative transactions, which included R8.9 billion cross currency swaps and R2.1 billion foreign exchange contracts.

Liquidity Risk Management

The Bank requires the maintenance of prudential liquidity levels higher than or equal to 10% of the Bank’s outstanding debt.

In addition, the Bank has adopted the Basel recommended liquidity risk metrics - the Liquidity Coverage Ratio and the Net Stable Funding Ratio - as part of its liquidity risk management. Total liquidity as of 31 March 2026 was R18.9 billion (March 2025: R15.6 billion), which included cash of R13.7 billion (March 2025: R15 billion), investments in segregated money market funds of R496 million (March 2025: R332 million) and government bonds of R4.8 billion (March 2025: R300 million). The Bank uses cash flow forecasts and cumulative maturity gap analysis to assess and monitor its liquidity requirements and risk levels over the medium and long term.

Capital Management

The Bank’s capital adequacy is regulated by the DBSA Act, according to which the debt-to-equity ratio may not exceed 250%. Given that this simple leverage ratio does not take into account the risks on the balance sheet, as an enhancement to its capital management, the Bank voluntarily adopted the Basel based capital framework. The Bank’s capital management policy, therefore, requires the quantification of risk-weighted assets for Pillar 1 risks: credit risk, equity investment risk, market risk, and operational risk. During the year the Bank added counterparty credit risk and other assets to the risks included under Pillar 1. The Bank has acquired and implemented the necessary systems that enable it to quantify the risk-weighted assets and the required capital according to Basel minimum capital requirements. This initiative is still under development with the Bank having started to use this framework across various internal processes such as the risk limit framework, capital adequacy assurance, and capital forecasting.

AUDIT AND RISK COMMITTEE REPORT

Mandate

The Audit and Risk Committee (ARC) operate in accordance with the Companies Act No. 71 of 2008 Section 94 and its formal Charter, through which it regulates its affairs and discharges its responsibilities. In line with King IV principles, the Committee recognises that the DBSA's purpose, strategy, risks and opportunities, business model, and sustainable development are interdependent and integral to the creation and preservation of long-term value.

The ARC supports the Board in overseeing external audit assurance providers, internal audit and forensic, the finance function, the integrity of the annual financial statements and other external reports, internal financial controls, and regulatory compliance. The Committee also provides oversight of the Bank’s digital and ICT environment, including digital transformation initiatives, cybersecurity, data governance, and system resilience.

Its mandate extends to overseeing the DBSA's risk landscape, encompassing both traditional financial risks and emerging non-financial risks, including cyber threats, climate change, and conduct risks. In line with King V principles, the Committee adopts an integrated and forward-looking approach to risk governance, ensuring that risk considerations are embedded in strategy and decision-making. This supports resilience amid geopolitical, macroeconomic, and systemic challenges and contributes to the Bank's overall stability, integrity, and sustained development impact.

The tables below show the composition of the ARC and the meeting attendance information.

No. of meetings during the year	8
Independent members (%)	100%
Independent Non-executive Directors	5

Members	Number of meetings attended
Bongani Nqwababa, Chairman	8
Martie Janse van Rensburg, Interim Board Chairman (Term ended 30 September 2025)	2/2
Dinao Lerutla	6
Barry Hore	8
Disebo Moephuli	8
Chantal Naidoo	4/4
Lynette Milne (Appointed as a member of committee from 1 October 2025)	4/4
Invitees*	
Boitumelo Mosako (CEO)	6
Ntombizodwa Mbele (CFO)	8

* Refer to pages 17 to 21 for details of each member's qualifications and experience

* The CEO and CFO attend as invitees

* BCIC members are invited to the ARC investment valuation meetings

Reflections from the Committee Chairperson

The Committee discharged its mandate during the year under review in line with its terms of reference, providing strategic oversight of the Bank’s financial reporting, risk management, internal controls and governance processes in support of its development mandate and Decadal Strategy.

In executing its mandate, the ARC focused on strengthening governance, enhancing risk-informed decision-making, improving portfolio quality and supporting financial and operational resilience. The Committee maintained a continued focus on sustaining clean audit outcomes, which remain a significant achievement, particularly within the public sector. There was continued focus on ensuring audit findings are closed timeously.

The Committee further recognised the need to strengthen procurement governance, particularly within the Infrastructure Delivery Division (IDD), to ensure adherence to the highest ethical standards and the continued effectiveness of internal controls.

The Committee is satisfied that it has discharged its responsibilities in accordance with its terms of reference, the Companies Act, the JSE Listings Requirements (including paragraph 3.84(g)), and King IV, and remains committed to enhancing its oversight of governance, risk and control frameworks.

FY2025/26 Focus Areas and Material Decisions

- **Governance and Committee Effectiveness:** Approved the Committee's Annual Work Plan and recommended the Terms of Reference to the Board. Noted Board and Committee evaluation outcomes confirming strong governance, effective oversight, and an appropriate skills mix.
- **Strategic Oversight:** Reviewed and recommended key strategic documents, including the 2026/27 – 2028/29 Mandate Statement, Corporate Plan and Shareholder Compact, ensuring alignment with the Bank's strategic objectives and Decadal Strategy.
- **Financial Reporting and Disclosure:** Reviewed and recommended audited annual and interim financial statements, SENS announcements, and Integrated Annual Report disclosures to the Board, ensuring accuracy, completeness, and alignment with reporting standards.
- **Dividends Declaration:** Recommended dividend declarations, taking into account financial performance, capital requirements, and ongoing development commitments. Liquidity and Solvency Test per Section 4 of the Companies Act No. 71 of 2008 performed.
- **External Auditor Appointment and Rotation:** Recommended to the Shareholder the appointment of the Auditor-General of South Africa (AGSA) as external auditors for the 2025/26 financial year at the Annual General Meeting.
- **Internal Audit and Combined Assurance:** Approved internal audit plans and reports and strengthened the Combined Assurance framework to enhance coordination across assurance providers and improve control effectiveness.

- **Risk Management Oversight:** Oversaw the Enterprise Risk Management (ERM) framework, including approval of top risks, prudential limits, and risk mitigation strategies. Conducted focused deep dives on key risk areas such as infrastructure delivery and supply chain risks to strengthen control effectiveness and accountability.
- **Assessment of Finance Function and CFO:** Assessed the adequacy, expertise, and performance of the finance function, including the experience and capability of the CFO. The Committee was satisfied that appropriate financial reporting systems, controls, and resources were in place to support accurate financial reporting, financial planning, and effective balance sheet management.
- **Audit Outcomes and Readiness:** Noted an unqualified audit opinion from the Auditor-General of South Africa (AGSA) and monitored progress on the timely resolution of audit matters, ensuring continued audit readiness and a strong control environment.
- **Credit Risk, Portfolio Performance and Investment Valuations:** Reviewed credit portfolio performance, including non-performing loans (NPLs), Expected Credit Losses (ECL), and Stage 3 exposures. Considered equity valuations and write-offs, with emphasis on improving portfolio quality, diversification, and credit discipline.
- **Monitoring Credit Risk and Sovereign Exposure:** Monitored sovereign risk exposures, including restructuring developments in countries such as Zambia and Ethiopia, and assessed associated implications. The Committee also considered municipal exposures and related risks.
- **Compliance and Regulatory Oversight:** Approved the Compliance Annual Plan, Compliance Coverage Plan, and key policies, including the Risk Management and Compliance Programme. The Committee assessed adherence to statutory and regulatory requirements, including the Companies Act of 2008, King IV, JSE Debt and Specialist Securities Listings Requirements, and monitored consolidated compliance reports to ensure alignment with the Bank's risk and regulatory environment.
- **Digital Transformation and ICT Risk Oversight:** Monitored progress of digital transformation initiatives and maintained oversight of cybersecurity and ICT risks, focusing on

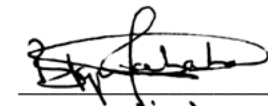
alignment with business processes, system resilience, data security, and strengthening of the overall control environment.

- **Fraud Risk and Internal Controls:** Approved the Fraud Prevention Plan and monitored irregular, fruitless and wasteful expenditure.
- **Procurement Risk Oversight:** Monitored procurement processes, particularly within infrastructure delivery, to ensure compliance, transparency, and alignment with best practices, thereby mitigating operational and reputational risks.
- **Capital and Balance Sheet Management:** Oversaw funding, liquidity, and capital management, including IFRS 9 assumptions, ECL models, and macroeconomic inputs, to ensure financial sustainability and balance sheet resilience.

Future Focus Areas for FY2026/27 and Beyond

- **Strategic Risk and Sustainable Growth:** Strengthen forward-looking risk management to support delivery of the Decadal Strategy, including proactive scenario analysis, alignment to risk appetite, and ensuring readiness for planned growth and expansion.
- **Sustaining Clean Audit Outcomes:** Maintain a clean audit outcome while further strengthening the control environment and addressing audit findings to enhance control maturity.

- **Digital Transformation:** Advance digital transformation initiatives, including the implementation of integrated systems, ensuring business-led execution to improve operational efficiency, data integrity, and transparency. The Corporate Secretariat to review and advise on appropriate and Governance Structures given King V requirements and DBSA Digital Transformation.
- **Combined Assurance and Resilience:** Enhance the combined assurance model across financial, operational, and reputational risks, ensuring independent validation, improved transparency, and resilience in a changing operating environment.
- **Credit Portfolio Quality and Concentration Risk:** Improve portfolio performance by reducing concentration risk, strengthening credit underwriting and monitoring, and enhancing diversification across sectors and geographies.
- **Procurement Governance and Control Environment:** Strengthen overall procurement governance by enhancing controls, accountability, and compliance monitoring.



Mr Bongani Nqwababa
Chairman of Audit and Risk Committee



BOARD CREDIT AND INVESTMENT COMMITTEE REPORT

Mandate

The Board Credit and Investment Committee (BCIC) operates in accordance with its formal Charter, through which it regulates its affairs and discharges its responsibilities. Aligned with the principles of King IV on risk and opportunity governance, the BCIC plays a crucial role in ensuring integrated thinking informs investment decisions.

This helps the Board strike a balance between managing downside risk and recognising opportunities for development impact, thereby supporting the organisation’s long-term sustainability. Within this framework, the Board sets appropriate risk tolerance levels and the BCIC ensures these are applied consistently in investment and credit decision-making.

The BCIC’s responsibilities include oversight and approval of all DBSA investment instruments - credit, equity and development-related - as well as regular assessment of management’s portfolio reporting. Through this, the Committee supports sound, informed and impact-driven investment practices that align with the DBSA’s strategic objectives.

No. of meetings during the year	11
Independent members (%)	88%
Independent Non-executive Directors	7
Non-executive Director	1
Executive Director	2

Members	Number of meetings attended
Disebo Moephuli, Chairman (Effective 01 December 2024)	11
Martie Janse van Rensburg, Interim Board Chairman (Term ended 30 September 2025)	6/6
David Makhura (Appointed as member of Committee from 1 September 2025)	3/5
Bongani Nqwababa	9
Petrus Matji	11
Dinao Lerutla	10

Members	Number of meetings attended
Chantal Naidoo	8
Kenneth Brown	11
Boitumelo Mosako (CEO)	10
Ntombizodwa Mbele (CFO)	11

Reflections from the Committee Chairman

The Committee discharged its mandate during the year under review in line with its terms of reference, providing strategic oversight of the Bank’s credit and investment activities in support of its development mandate and long-term strategic objectives.

In executing its mandate, the Committee operated within a shifting economic environment that initially showed positive momentum, characterised by an improved economic outlook. These conditions were, however, disrupted during the year by global geopolitical developments, introducing heightened uncertainty and volatility. In response, the Committee demonstrated adaptive and proactive oversight, transitioning from participation in externally originated deals to a more deliberate focus on originating transactions, supported by an enhanced Origination Strategy. This shift represents a significant evolution in the Bank’s approach to driving development impact.

The Committee further emphasised investments across the African continent, particularly in the energy and transport sectors, while continuing to explore opportunities within South Africa. It maintained a disciplined focus on balancing the Bank’s core mandates of development impact, portfolio quality and financial sustainability, supported by careful sector selection, the strategic allocation of concessional funding, and prioritisation of high-impact investments. The Committee is satisfied that it has fulfilled its oversight responsibilities and remains committed to strengthening its oversight of credit and investment activities in support of the Bank’s development mandate and long-term strategic objectives.

FY2025/26 Focus Areas and Material Decisions

- **Governance and Committee Effectiveness** - Approved the Committee’s Annual Work Plan and recommended the Terms of Reference to the Board. Noted evaluation outcomes confirming strong governance, effective oversight, and an appropriate skills mix.
- **Credit and Investment Oversight** - Monitored credit and investment activities in a dynamic macroeconomic environment, ensuring prudent decision-making that balances development impact with financial sustainability.
- **Origination Strategy and Pipeline Development** - Oversaw the implementation of an enhanced Origination Strategy, enabling a shift towards proactive deal origination and improved development outcomes.
- **Sector Priorities and Investment Trends** - Monitored investment activities across key sectors, particularly energy and transport, while noting varying momentum across markets, including constraints in municipal infrastructure.

- **Municipal Infrastructure and Funding** - Oversaw targeted funding approaches to strengthen municipal infrastructure delivery, with emphasis on sustainability and operational independence.
- **Industrial Development and Critical Minerals** - Considered initiatives supporting critical minerals and beneficiation to promote industrialisation and economic growth.
- **Risk and Portfolio Sustainability** - Monitored key risks and ensured a balanced approach to portfolio quality, development impact, and financial sustainability.

Summary of New Loans Approved

The total value of new loans approved during the year is presented in the table below. This reflects the combined value of loans and bonds approved by both the Executive Investment Committee (IC) and the Board Credit and Investment Committee (BCIC), in accordance with their respective delegated authority limits. The table also indicates the percentage of total approvals that were considered and approved at BCIC level.

R million	Approved by IC	Approved by BCIC	Total	BCIC approval %
South Africa	144	12 475	12 619	99%
SADC	-	11 089	11 089	100%
Rest of Africa	9	14 541	14 550	99.9%
TOTAL	153	38 105	38 258	99.6%

Note: The figures represent new loans approved during the year and exclude any restructuring of existing loans.

Key Focus Areas for FY2026/27 and Beyond

- **Origination Strategy Execution** - Overseeing the implementation of the Origination Strategy to enhance proactive deal sourcing and strengthen development impact across priority sectors.
- **Sector Development and Industrialisation** - Monitoring investments in key sectors, including energy, transport, social sector (water, health and housing) and critical minerals, to support localisation, beneficiation, and industrial growth.
- **Municipal Infrastructure and Capacity Building** - Overseeing initiatives to strengthen municipal infrastructure delivery and financial sustainability through targeted funding, advisory, and capacity-building support.

- **Portfolio Quality and Risk Management** - Monitoring portfolio performance to ensure a balanced approach between development impact, financial sustainability, and prudent risk management.
- **Regional and Continental Investment Activities** - Overseeing the Bank's investment activities across the African continent to support infrastructure development and regional integration.
- **Partnerships and Enabling Environment** - Monitoring collaboration with key stakeholders to address systemic constraints and support effective project implementation.


Ms Disebp Moephuli
Chairman of the BCIC

MANUFACTURED CAPITAL

DBSA's manufactured capital is increasingly expressed through its investment in digital assets and capabilities. In 2025/26, the Bank maintained a strong focus on digital innovation, including the adoption of new technologies to enhance efficiency, effectiveness and development impact. This strategic focus enables the DBSA to respond to an evolving digital landscape while strengthening its competitiveness and long-term sustainability.

Strategic goals	Key resources and relationship	Stakeholders impacted	Material matters
	<ul style="list-style-type: none">Physical and digital infrastructureDBSA Campus in MidrandInfrastructure development support		<ul style="list-style-type: none">Reliability of digital infrastructureCybersecurity challengesNeed for strategic digital and infrastructure investments to accommodate staff increases

Infrastructure Development Support

The DBSA's manufactured capital reflects the infrastructure assets, delivery capabilities and implementation mechanisms that enable sustainable development outcomes across South Africa, the SADC region and the broader African continent. Through its infrastructure development support, the Bank participates across the entire infrastructure value chain, from planning and project preparation to financing, implementation and maintenance. This integrated approach enables the DBSA to unlock infrastructure investment, strengthen institutional capacity and accelerate delivery across key sectors, including energy, transport and logistics, water and sanitation, information and communications technology, education, health and human settlements.

Through 2025/26, the DBSA continued to serve as an implementing agent for Government, through its Infrastructure Delivery Division, augmenting the State's infrastructure delivery capacity. The Division supported the rollout of infrastructure programmes across municipalities and provinces, particularly in under-resourced communities where infrastructure investment remains critical to improving developmental outcomes. Key interventions focused on water and sanitation systems, roads, healthcare facilities, schools and social infrastructure aimed at enhancing service delivery and strengthening economic participation.

The DBSA's infrastructure development support during the financial year amounted to approximately R62.4 billion. This included R17.0 billion in project preparation and programme support, reflecting the Bank's continued focus on developing a pipeline of bankable and implementation-ready projects. Total disbursements amounted to R20.7 billion, while R14.7 billion in funding was catalysed through blended finance structures and strategic partnerships. Infrastructure delivered during the year reached R6.5 billion, while R3.5 billion in infrastructure projects was unlocked in under-resourced municipalities.

The Infrastructure Fund (IF) remained a strategic enabler of the DBSA's manufactured capital outcomes during 2025/26. The DBSA also continued to strengthen infrastructure planning, governance and implementation oversight through the work of the Infrastructure Delivery and Knowledge Management Committee, whose report is included below.

Through strategic partnerships, blended financing models and implementation expertise, the DBSA continues to enhance infrastructure delivery capacity and create long-term value across economic and social systems. By investing in resilient and inclusive infrastructure, the Bank contributes to sustainable development, regional integration and improved socio-economic outcomes, while reinforcing its role as a trusted development partner on the African continent.



Digital Transformation

Digital transformation remains a key strategic priority, supported through dedicated Board-level oversight of transformation initiatives, including the Target Operating Model and system integration programmes. These initiatives are focused on improving operational efficiency, enhancing execution capability and enabling more coordinated delivery across the Bank. Ongoing emphasis is placed on implementation discipline, organisational alignment and risk management to ensure that digitalisation supports the Bank’s long-term development objectives.

The DBSA regards strategic digital transformation as a priority that underpins growth, operational efficiency and sustainable development. It enhances the Bank’s ability to deliver on its mandate while strengthening alignment with ESG principles. It is also a key enabler of the effective scaling of the Bank’s activities, investments and workforce in line with the Decadal Strategy.

To remain responsive and competitive in a rapidly changing environment, the Bank continued to implement a comprehensive digital transformation programme. This programme supports the modernisation of internal systems, towards a more agile, service-oriented system. The Bank also advanced the strategic adoption of new technologies such as artificial intelligence, data analytics and cloud computing to streamline operations and enable faster, evidence-based decision-making.

Digital tools and modern ICT infrastructure allow for stable connectivity across the organisation, while enabling more sustainable ways of working by reducing the Bank’s operational footprint. They also enhance project delivery by providing integrated systems, virtual platforms and improved response times, particularly in underserved areas. This supports the Bank’s commitment to inclusive access and socially responsive development, in part by addressing digital readiness. It also enables further investment in South African municipalities and other African economies.

Cybersecurity

Cybersecurity remains a priority for the Bank, supported by continued investment in system resilience and incident response capabilities. As the DBSA advances its digital transformation and with the rapid development of AI, cybersecurity risks have grown in complexity and significance. To address this, robust cybersecurity measures are embedded from system inception. While cyber risk cannot be fully eliminated, the Bank actively limits exposure through independent reviews and audits conducted by the Information Regulator and external service providers and implemented by internal experts.

People-Focused

Through its Human Capital Management Strategy, the Bank continues to equip employees with capabilities in digital literacy, data management and emerging technologies. This focus on continuous learning contributes to a future-ready workforce and supports decent work as a key ESG priority. In this context, the DBSA is progressively building a stronger enabling platform that integrates talent, digital capability and governance to support delivery at scale.

Support for ESG

Digitalisation extends beyond technology adoption. It strengthens governance, supports inclusive service delivery and contributes to reduced environmental impact. Through this evolution, the DBSA enhances its competitiveness while advancing its ESG agenda and deepening development impact. From a governance perspective, this transition is also considered through a risk lens, ensuring that the expansion of digital capability, systems and operational capacity is supported by appropriate controls, infrastructure and organisational readiness.

TRANSFORMATIVE INITIATIVES COMMITTEE REPORT

Mandate

The Board established the Transformative Initiatives Committee (TIC) as an *ad hoc* committee to oversee key strategic transformation initiatives, including the Operating Model Review and Digitalisation. The Committee provides strategic oversight, coordination, and guidance, ensuring alignment across initiatives, monitoring progress, and supporting timely decision-making. It will operate for the duration of these initiatives and be dissolved upon their completion.

The Committee comprises four independent non-executive directors and meets quarterly, with additional meetings convened as required.

No. of meetings during the year	4
Independent members (%)	100%
Independent Non-executive Directors	4
Members	Number of meetings attended
Jonathan Muthige, Chairman	4
Martie Janse van Rensburg (Member’s term ended 30 September 2025)	4
Patience Nqeto	4
Barry Hore	4
Bongani Nqwababa	4

Reflections from the Committee Chairman

The Committee discharged its mandate during the year under review in line with its terms of reference, providing effective oversight of the Bank’s strategic transformation initiatives, including the Target Operating Model, digital transformation, and organisational redesign, in support of the Bank’s long-term strategy. These initiatives represent a fundamental shift in how the Bank operates, positioning it to enhance integration, improve delivery capability, and respond more effectively to a dynamic development landscape.

In executing its mandate, the Committee recognised that the Bank’s transformation journey is multifaceted, requiring alignment across people, processes, technology and culture. Particular emphasis was placed on ensuring that these initiatives are not implemented

in isolation, but are integrated to unlock efficiencies, strengthen execution and enable sustainable impact.

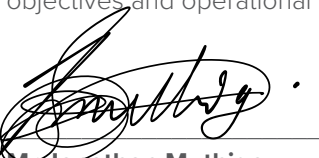
The Committee further acknowledges the valuable contributions of other Committees, whose oversight across complementary areas has strengthened the Bank’s capacity to deliver on its transformation agenda. This collaborative and coordinated approach has enhanced the Bank’s overall transformation efforts and reinforced its positioning for sustainable growth within an evolving operating environment.

Key Matters Considered During the Year

- Oversight of the Bank’s key transformation initiatives, including the Target Operating Model, digital transformation, and organisational redesign.
- Monitoring the design and implementation of the operating model, including role alignment, placement principles, and organisational structure.
- Oversight of organisational alignment and placement processes to ensure fairness, transparency, and fit-for-purpose capability.
- Consideration of executive capacity and organisational readiness to support multiple concurrent initiatives.
- Monitoring progress on digital transformation, including system integration, enterprise architecture, and process re-engineering.
- Oversight of programme risks, costs, and implementation timelines to ensure sustainable and effective delivery.

Key Focus Areas for FY2026/27 and Beyond

The Committee will continue to monitor the integration of key strategic initiatives, ensuring alignment, effective sequencing, and a coordinated approach to implementation across the Bank. In doing so, emphasis will be placed on strengthening execution, enhancing oversight, and ensuring that initiatives are delivered in a manner that supports the Bank’s long-term strategic objectives and operational effectiveness.


Mr Jonathan Muthige
Chairman of the TIC

INTELLECTUAL CAPITAL

The DBSA’s intellectual capital reflects the collective strength of its knowledge and expertise, developed over more than four decades of infrastructure delivery across the African continent. This capital is embedded in the Bank’s brand, innovation capability, institutional experience and technical depth in infrastructure development, financing and capacity support. Together with its established reputation and strong partnerships with regional and global development finance institutions, the DBSA is positioned as a credible and trusted leader in advancing sustainable infrastructure solutions.

During the year under review, the Bank continued to deepen its intellectual capital by strengthening its role as a knowledge-driven institution and thought leader in infrastructure development. Guided by the Infrastructure Delivery and Knowledge Management Committee (IDKC), focus was placed on leveraging strategic insights and institutional learning to inform policy engagement, improve execution and support system-wide development outcomes.

Strategic goals	Key resources and relationship	Stakeholders impacted	Material matters
 	<ul style="list-style-type: none">• 43 years’ experience in infrastructure development• Strong brand and trusted partner in DFI• Programmatic approach• Innovative financial instruments• Robust and balanced approach to risk• Innovation Hub	 	<ul style="list-style-type: none">• Strategy execution• Business risks• ESG risks• Navigating the Just Transition

Programmatic Approach

To address the scale and complexity of infrastructure challenges, the DBSA continues to apply a programmatic approach that enables coordinated, large-scale interventions. This model supports the structured delivery of interconnected projects through standardised frameworks and integrated engagement mechanisms, improving efficiency and ensuring consistency across the infrastructure lifecycle.

Central to this approach is the ability to mobilise capital from diverse sources, including public, private and donor funding, while strengthening programme governance and oversight. Dedicated Programme Management Offices provide coordination and execution support, enabling the Bank to manage complex initiatives more effectively. During the year, this approach was further strengthened through enhanced focus on execution discipline, improved coordination across stakeholders and the continued rollout of the Integrated Municipal Approach, aimed at

addressing systemic service delivery and institutional challenges at local government level.

Innovation Programme

The DBSA’s Innovation Programme continues to serve as a platform for identifying and scaling high-impact solutions. The Bank is advancing innovative approaches that respond to critical development challenges and enhance social and economic outcomes. Key initiatives such as the Innovation Hub, DLAB Precincts and the High Impact Investment Portfolio remain central to this effort, drawing on the Bank’s end-to-end infrastructure expertise.

In the current period, the Bank furthered its collaboration with the Finance in Common Summit (FiCS) Secretariat, notably through the Sports, Arts and Culture Arena, demonstrating the role of finance in promoting inclusive development and new partnership models.

The DBSA DLAB Pop-Up further showcased community-based development interventions. The inaugural FiCS Sport Investment Forum catalysed new partnerships and commitments, with the Coalition for Sustainable Development through Sport confirming significant long-term investment targets, reinforcing the importance of innovative financing approaches.

The DLAB Programme

The DLAB Programme continues to play a pivotal role in advancing youth empowerment and inclusive economic participation. Through a collaborative ecosystem involving government, private sector and civil society partners, the programme provides both financial and non-financial support to unlock opportunities for young people.

Since its inception, the programme has expanded its footprint through the development of DLAB Precincts and associated infrastructure, supported by co-investment from multiple partners. During the year, key sites such as Jabulani and Westridge reached important stages of operational maturity, demonstrating sustainable economic activity and reduced reliance on initial seed funding. Key achievements, outlined in the DBSA Sustainability Report, include job creation innovation support, local enterprise development and increased non-financial co-investments through strategic partnerships and G20 legacy commitments.

Research and Knowledge Leadership

The DBSA continues to invest in research and knowledge generation as a core component of its intellectual capital. The DBSA African Journal of Infrastructure Development, supported by the annual Infrastructure Research Colloquium, represents a significant step in strengthening the Bank’s role in shaping the infrastructure knowledge agenda on the continent.

This year, the Colloquium once again served as a platform for collaboration and dialogue among researchers, practitioners and development partners. The most recent engagement focused on themes of climate resilience, sustainable infrastructure and economic recovery, highlighting the importance of research in informing policy and advancing inclusive growth.

By promoting open-access publishing and supporting African-led research, the Bank is addressing key barriers to knowledge accessibility and contributing to a more inclusive knowledge ecosystem. This work aligns with the DBSA’s broader ambition to be a “Knowledge Bank”, where strategy and decision-making are underpinned by robust evidence and insight.

Shaping Strategic Infrastructure Responses

The DBSA continues to leverage its intellectual capital to inform strategic responses to complex development challenges. In the context of the Just Energy Transition, the Bank has drawn on international and local expertise to develop practical approaches that balance decarbonisation objectives with economic stability and energy security.

In parallel, the Bank has advanced its focus on critical minerals, approving the Critical Minerals Strategy, which recognises their importance in enabling industrialisation and supporting the global energy transition. This includes exploring opportunities for beneficiation, strengthening regional value chains and developing enabling infrastructure.

INFRASTRUCTURE DEVELOPMENT AND KNOWLEDGE MANAGEMENT COMMITTEE REPORT

Mandate

The Infrastructure Delivery and Knowledge Management Committee (IDKC) operates in accordance with its formal Charter, through which it regulates its affairs and discharges its responsibilities. Aligned to King IV principles, the Committee plays an active role in guiding the Bank’s engagement with regulators, legislators, and industry stakeholders, while overseeing the implementation and impact of its development positioning and related strategies. In doing so, the Committee focuses on identifying systemic constraints, informing policy and strategic responses, and recommending interventions to strengthen execution and enable sustainable infrastructure delivery.

The IDKC oversees infrastructure delivery and knowledge management activities, including:

- Monitoring strategic mandate programmes to support infrastructure delivery, including the review, approval, and performance tracking of key projects.
- Programme implementation across South Africa and the broader SADC region.
- The Bank’s knowledge and research programmes, aligning with its role as a centre of excellence in infrastructure development.

No. of meetings during the year	4
Independent members (%)	86%
Independent non-Executive Directors	6
Non-executive Director	1
Executive Directors	1

Members	Number of meetings attended
Petrus Matji, Chairman	4
David Makhura (Appointed as a member from 01 October 2025)	1/2
Martie Janse van Rensburg, Interim Board Chairman (Member's term ended 30 September 2025)	2/2
Pinkie Nqeto	4
Edgar Pieterse	4

Members	Number of meetings attended
Joel Netshitenzhe	4
Kenneth Brown	4
Lynette Milne (Appointed as a member from 01 October 2025)	2/2
Ms Boitumelo Mosako (CEO)	2

Reflections from the Committee Chairman

The Committee discharged its mandate during the year under review in line with its terms of reference, providing strategic oversight of infrastructure delivery and knowledge management activities. This included monitoring the implementation of strategic programmes, overseeing execution across South Africa and the SADC region, and guiding the Bank’s knowledge and research agenda.

In executing its mandate, the Committee emphasised the role of infrastructure as a driver of long-term economic value and societal impact, recognising it as a legacy asset that underpins sustainable development. Focus was placed on strengthening coordination, improving execution, and enhancing the Bank’s contribution across the infrastructure value chain.

The Committee further acknowledged the challenges facing local governments, including governance constraints and infrastructure maintenance. In response, it emphasised the importance of adopting a long-term, integrated approach to infrastructure planning to support sustainable and resilient outcomes.

The Committee is satisfied that it fulfilled its responsibilities and remains committed to strengthening its role in advancing the Bank’s contribution to inclusive and sustainable development.

FY2025/26 Focus Areas and Material Decisions

During the reporting period, the Infrastructure Delivery and Knowledge Management Committee (IDKC) exercised oversight over the following key areas:

- Governance and Committee Effectiveness** - Approved the Committee’s Annual Work Plan and recommended the Terms of Reference to the Board. Noted Board and Committee evaluation outcomes confirming strong governance, effective oversight and an appropriate skills mix.
- Strategy Oversight** - Oversight of strategy execution, reinforcing alignment to the Decadal Strategy and positioning infrastructure investment as a catalyst for system-wide value creation, economic growth, and job creation.
- Infrastructure Delivery** - Noted progress in infrastructure delivery through key projects such as the Parliament in Cape Town and the Limpopo Academic Hospital, with positive impacts on job creation and SMME participation. It also recognised the broader regional impact of DBSA-financed initiatives, including Special Economic Zones and the Integrated National Electrification Programme.
- Research Impact and Thought Leadership** - Leveraged research, board enrichment, and knowledge management to inform policy engagement and strategic positioning, strengthening the Bank’s role as a thought leader and contributor to the infrastructure knowledge base.
- Integrated Municipal Approach** - Prioritised municipal reform and governance strengthening, advancing coordinated support mechanisms and scaling implementation of the Integrated Municipal Approach to address systemic service delivery and institutional challenges.
- Just Energy Transition (JET)** - Oversight of the Bank’s energy transition agenda, with a focus on balancing energy security, affordability, and decarbonisation, while supporting long-term economic resilience.
- DLABS Programme** - Oversight of the implementation of DLABs focused on scaling innovative, infrastructure-led solutions in social and digital sectors, and enhancing development impact through partnerships.
- Water Sector Engagement** - Oversight of initiatives to address water infrastructure challenges, with emphasis on service delivery, maintenance, and capacity constraints.
- Journey from IF to IFISA** - Supported the transition toward the Infrastructure Financing and Implementation Support Agency (IFISA), including the establishment of programme governance structures to strengthen coordination and accelerate infrastructure delivery.

- Sectoral Infrastructure Focus** - Provided strategic guidance on key sectors, including transport, energy, water, and digital infrastructure, and the role of infrastructure in enabling economic transformation.

Key Focus Areas for FY2026/27 and Beyond

- Advancing the Integrated Municipal Approach** - Continue advancing the rollout and institutionalisation of the Integrated Municipal Approach across priority districts to support sustainable local infrastructure delivery and governance reform.
- Advancing the Just Energy Transition (JET)** - Maintain oversight of the Bank’s Net Zero commitment and the national JET implementation, ensuring alignment with international best practices while safeguarding national economic and social interests.
- Critical Minerals Strategy Positioning** - Advance strategic positioning in critical minerals by supporting enabling infrastructure, regional integration, and industrial value chain development.
- Water Security and Infrastructure Resilience** - Scale interventions to address water infrastructure backlogs, maintenance, and long-term sustainability, including broader sector participation and innovative funding models.
- Rail and Logistics Infrastructure Programme Development** – Oversee the progress of the rail and logistics Private Sector Participation programme to ensure implementation of the Transport Infrastructure Recovery Plan through private sector participation.
- Infrastructure Programme Monitoring and Quality Assurance** - Strengthen systems and controls to ensure verification of project completion, risk mitigation, and compliance across the infrastructure development lifecycle.
- Deepening Knowledge and Research Impact** - Expand strategic partnerships and innovation in knowledge generation to strengthen the DBSA’s role as a thought leader and centre of excellence in infrastructure development.



Dr Petrus Matji
Chairman of IDKC

HUMAN CAPITAL

The DBSA's ability to deliver on its mandate is anchored in the strength of its human capital. The Bank continues to prioritise the development of a capable, engaged and high-performing workforce, recognising that human capital is central to operational effectiveness and long-term value creation. As the organisation accelerates its growth, human capability, recruitment, culture and remuneration competitiveness are increasingly recognised as material enablers of the Decadal Strategy.

In this context, the DBSA is intensifying its focus on building a workforce that is not only skilled, but also agile, collaborative and aligned to its development mandate. This includes ensuring that growth in staff numbers, roles and systems is supported by the appropriate organisational culture, job design, governance frameworks and employee empowerment to sustain performance at scale.

Key Considerations

- 627 permanent employees and long-term contractors
- 23 youth under the graduate programme
- 101 employees supported in the agencies we manage
- R25.1 million invested in employees training and development
- Employee engagement and culture initiatives

Value Created for Stakeholders in FY2025/26

- Employment opportunities through direct hires
- Skills development programmes and capacity upskilling initiatives
- Facilitation of knowledge transfer and collaboration
- Strengthened workforce capable of accelerating investment and impact

Our People Vision

The DBSA remains committed to being an employer of choice, attracting and retaining individuals with the expertise required to deliver on its strategic priorities.

Its people strategy is anchored in purpose and aligned to the Bank's values, with continued investment in professional development, leadership capability and organisational effectiveness.

A key area of focus is the development of a competitive and market-aligned remuneration framework, recognising that the ability to attract and retain specialised skills is critical to execution. The Bank continues to refine its remuneration approach to ensure alignment with market benchmarks, while supporting fairness, transparency and long-term sustainability.

Aligning the Operating Model for Growth

As the DBSA transitions from strategy formulation to accelerated execution, the organisation is refining its operating model to better support delivery at scale. This includes aligning structures, roles and capabilities to strategic priorities, with a focus on strengthening integration and enabling more effective decision-making.

The new operating model is designed to support growth rather than cost containment, ensuring that resources and capabilities are appropriately configured to meet increasing demand. It will also inform recruitment, workforce planning and capability development, while supporting the implementation of a revised remuneration framework, once approved by shareholder. During the reporting period, the Bank successfully implemented the new operating model, marking a significant milestone in strengthening its institutional effectiveness and readiness for growth. As part of this transition, three Group Executives were appointed to key leadership roles. These appointments not only strengthened executive capacity but also brought critical expertise and strategic oversight required to drive the Bank's decadal growth strategy. The enhanced leadership structure is expected to improve coordination across business units, accelerate execution of strategic initiatives and deepen stakeholder engagement.

Building Future-Ready Capabilities

To support its evolving mandate, the DBSA is strengthening critical capabilities across the organisation. This includes areas such as advanced project preparation, blended and climate finance, and data-driven planning, as well as digital and technology-related skills, which are increasingly essential to delivery. Workforce planning remains forward-looking and aligned to the Decadal Strategy, with a focus on ensuring that the Bank has the right skills, capacity and leadership to support sustained growth. This includes the phased expansion of headcount, with additional positions approved to strengthen execution capacity over the medium term, and a near-term focus on filling critical roles.

Learning and development initiatives continue to support this agenda, enhancing leadership, technical and strategic competencies through targeted programmes and partnerships.

Enabling People-Centred Growth

The DBSA continues to place strong emphasis on people development as a driver of organisational resilience and effectiveness. Key priorities include succession planning, performance management and leadership development, ensuring that the organisation is equipped to manage growth and complexity.

As the Bank scales its operations, there is an increasing focus on execution readiness, ensuring that the organisation is capable of delivering on strategic objectives, and equipped to take advantage of new priorities and investment opportunities. This includes strengthening job profiling, evaluation and placement processes to ensure clarity of roles and alignment with the operating model.

Cultivating a High-Performance Culture

Organisational culture remains a critical enabler of strategy execution. The DBSA continues to implement its culture strategy, which is designed to embed a high-performance, accountable and purpose-driven environment. As the organisation grows and integrates new employees, there is a renewed focus on ensuring that the desired culture is sustained

and reinforced. A refreshed culture assessment is planned to evaluate alignment, monitor progress and identify areas for targeted intervention. This will support the Bank in maintaining a culture that enables performance, collaboration and innovation.

During the reporting period, the Bank further strengthened its culture agenda through the launch of the "Culture of IMPACT" initiative. The IMPACT framework, encompassing Innovation, Meaning, Psychological Safety, Accountability, Caring and Teamwork, translates the Bank's core values into clear, actionable behaviours that shape how employees engage, collaborate and deliver on the Bank's mandate. Its implementation is being driven through a structured three-phase roadmap, Relate, Roadmap and Reinforce, focused on systematically integrating these behaviours across the organisation. To ensure sustained impact, the framework is being embedded into key organisational processes, including performance management, key performance indicators, onboarding programmes and leadership review mechanisms. Leadership commitment remains central to the success of this initiative. Visible Felt Leadership from the Board and Executive Committee serves as a critical catalyst in activating and embedding the IMPACT pillars across the organisation, reinforcing alignment and accountability, and enabling a cohesive, values-driven and high-performance culture.

Employee Wellness

The DBSA remains committed to supporting the holistic wellbeing of its employees through its Employee Wellbeing Programme (EWP). The programme provides a comprehensive range of services, including counselling, trauma support, legal and financial advice, lifestyle coaching and access to health solutions.

On-site facilities, including a primary healthcare clinic and wellness amenities, further support employees' physical and mental wellbeing. These initiatives contribute to a supportive work environment that enables employees to perform effectively.

Fostering Diversity, Equity and Inclusion

The DBSA continues to advance its transformation agenda, promoting diversity, equity and inclusion across the organisation. Ongoing efforts focus on

building a representative workforce and creating an environment where all employees can contribute meaningfully and realise their full potential.

Human capital remains a critical driver of the DBSA's ability to deliver on its mandate. As the organisation

moves into a phase of accelerated growth and execution, sustained investment in people, culture, capability and organisational effectiveness will be essential. By strengthening these foundations, the DBSA is positioning itself as a future-fit institution capable of delivering scaled and sustainable.

Employment Equity Demographics: Black Representation for FY2025/26

Category	African		Coloured		Indian		White		Foreign National		Total Black Representation	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
Top Management	73%	75%	0%	0%	0%	0%	27%	13%	0%	13%	73%	75%
Senior Management	71%	65%	7%	6%	7%	12%	0%	6%	14%	12%	86%	82%
Mid Management / Professionally Qualified	69%	69%	4%	3%	10%	10%	11%	11%	6%	7%	83%	82%
Skilled Technical	87%	85%	3%	4%	3%	3%	5%	6%	2%	2%	93%	92%
Semi-Skilled	100%	100%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Unskilled and defined decision making	100%	100%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%

Employment Equity Demographics: Gender FY2025/26

Gender	Top Management		Senior Management		Mid Management/ Professionally Qualified		Skilled Technical		Semi-Skilled		Unskilled and defined decision making		Total	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
Female	5	38%	8	53%	168	47%	160	71%	13	40%	17	81%	371	56%
Male	6	63%	6	47%	172	53%	67	29%	24	60%	4	19%	279	44%

Employment Equity Demographics: Female Representation for FY2025/26

Female	Top Management		Senior Management		Mid Management/ Professionally Qualified		Skilled Technical		Semi-Skilled		Unskilled and defined decision making		Total	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
African	63%	38%	60%	35%	50%	34%	68%	59%	35%	40%	81%	81%	58%	44%
Coloured	0%	0%	100%	6%	50%	2%	86%	3%	0%	0%	0%	0%	65%	2%
Indian	0%	0%	0%	6%	55%	5%	86%	2%	0%	0%	0%	0%	59%	3%
White	0%	0%	0%	0%	49%	5%	82%	5%	0%	0%	0%	0%	53%	4%
Foreign National	0%	0%	50%	6%	32%	2%	100%	2%	0%	0%	0%	0%	43%	2%

REMUNERATION REPORT

The DBSA's current remuneration framework reflects our continued commitment to shared value, evolving business priorities and alignment with market best practices. Building on past decisions and performance trends, the HRC remains guided by the Bank's core purpose and values. In its oversight role, the HRC carefully considers the interests of diverse stakeholder groups, ensuring that remuneration outcomes support long-term sustainability and strategic alignment.

Remuneration governance

The DBSA remains committed to responsible and competitive remuneration practices across all operational jurisdictions. Our approach is aligned with the principles of King IV, the Companies Act and the PFMA. The HRC, operating under a formal and Board approved terms of reference, continues to oversee all aspects of remuneration with a focus on transparency, accountability and strategic alignment. Outcomes from HRC deliberations are regularly reported to the Board and the committee undergoes periodic evaluations to assess its effectiveness. Strategic guidance and benchmarking support are provided by independent remuneration advisors.

The CEO holds primary accountability for executing HRC-approved remuneration decisions, supported by the Group Executive: Human Capital, who ensures alignment of policies and operational implementation with the Bank's broader human capital strategy.

Commitment to fair and equitable remuneration

The DBSA maintains a strong focus on fair, responsible and market-related remuneration. The HRC and Exco ensure that our pay practices are both externally competitive and internally equitable. Key management processes include annual salary benchmarking, income differential analysis, particularly regarding gender equity and regular reviews to ensure alignment with evolving market trends. We leverage independent benchmarking tools and market surveys to guide remuneration decisions. These tools consider various factors, including organisational size, financial performance, workforce composition and talent availability, helping us maintain a compensation structure that supports employee retention and

performance while reinforcing our commitment to fairness and sustainability.

Remuneration principles

The DBSA's Remuneration Policy continues to be guided by the following key principles:

- Incentivising high performance and aligning rewards with the Bank's strategic objectives.
- Benchmarking remuneration across financial services, DFIs, construction and national markets to ensure competitiveness.
- Promoting equitable remuneration through job evaluation and pay-for-value principles, aligned with the Employment Equity Act.
- Ensuring clear, fair and accountable remuneration structures that support strategic outcomes over the short, medium and long term.

Remuneration components

Guaranteed pay and benefits

Fixed remuneration for job-specific roles and responsibilities, aimed at attracting and retaining talent includes provident fund contributions, medical aid insured benefits, on-site primary health care as well as leave benefits, including annual, maternity, parental, study leave and festive shutdown.

Variable Pay

Short-Term Incentives (STIs) includes performance-based annual bonuses linked to individual, divisional and organisational results. Other Variable Pay includes buy-outs and ad hoc incentives for attraction, retention and special contributions.

Recognition and non-financial rewards

These rewards are aimed at reinforcing desired behaviours and values, enhancing employee engagement and supporting the Bank's culture.

Governance and Oversight

The HRC, mandated by the Board oversees all elements of remuneration policy and practice, including:

- Policy approval and reviews
- Remuneration strategy alignment with corporate performance

- Annual salary increases and performance incentives
- Evaluation of executive pay, retention measures and bonus pool approvals
- Ongoing oversight and reporting to the Board

The HRC Chairman reports back to the Board and present remuneration matters at the Annual General Meeting.

Remuneration framework and benchmarking

The Bank maintains a total reward framework incorporating both fixed and performance-based components. Market competitiveness is ensured through annual benchmarking with sector-relevant surveys, covering all job grades and executive levels. Pay bands are set within the 25th to 75th percentile, with higher earnings subject to Board-approved motivations in accordance with the State-Owned Enterprises Remuneration Guidelines.

Short-Term Incentive (STI) scheme

- Eligibility is at HRC’s discretion, limited to permanent and long-term contract employees. STI bonuses are subject to achieving:
- A minimum corporate performance rating of 3
 - Minimum achievement of 80% of STI scorecard metrics
 - A clean audit outcome
 - Board approval of the bonus pool (capped at 20% of actual personnel cost for FY2025/26)

STI scorecard metrics:

- 40%: Sustainable earnings (net profit adjusted)
- 30%: Operating cash flow
- 30%: Infrastructure unlocked

Retention incentives

Retention incentives are offered to secure critical skills, with claw back clauses for early termination. Approval depends on seniority, with Board involvement for executive-level awards.

Remuneration in broader context

- The Bank aligns its remuneration policy with legislative and governance standards (King IV, Companies Act, PFMA) and upholds the following principles:
- Fair and responsible pay
 - Internal equity
 - Strategic alignment
 - Governance oversight

Individuals on agency mandates or cost-recovery programmes adhere to these principles, subject to available funding.

HUMAN RESOURCES AND REMUNERATION COMMITTEE REPORT

Mandate

The Human Resources and Remuneration Committee (HRC) operates in accordance with its formal Charter, through which it regulates its affairs and discharges its responsibilities. Guided by the principles of King IV, the HRC ensures that remuneration practices are fair, responsible and transparent, supporting the achievement of the DBSA’s strategic objectives and sustainable outcomes over the short, medium and long term.

The Committee plays an essential role in overseeing the implementation of the organisation’s human capital strategy and plan, including reviewing policies and frameworks that support talent attraction, retention, performance management and appropriate rewards. In addition, the HRC advises the Board on matters related to executive remuneration and broader human capital governance issues that fall outside the scope of the Nominations Committee.

No. of meetings during the year	4
Independent members (%)	100%
Independent Non-executive Directors	5

Members	Number of meetings attended
Pinkie Nqeto, Chairman	4
David Makhura (Appointed to the committee from 01 October 2025)	1/2
Martie Janse van Rensburg (Term ended on 30 September 2025)	2/2
Bongani Nqwababa	4
Berry Hore	4
Jonathan Muthige	4

Reflections from the Committee Chairman

The Committee discharged its mandate during the year under review in line with its terms of reference, providing strategic oversight of the implementation of the organisation’s human capital strategy and plan. This included reviewing policies and frameworks

supporting talent attraction, retention, performance management and appropriate remuneration.

In executing its mandate, the Committee placed strong emphasis on ensuring that the DBSA possesses the requisite skills, capacity and capability to support effective execution. Digitalisation has emerged as a critical enabler, alongside human capability, organisational culture, digital readiness and competitive remuneration, all of which significantly influence performance. In response, the Committee prioritised a review of the Bank’s remuneration framework and talent strategy to better align with market conditions and enhance the attraction and retention of critical skills. The Committee further recognises that sustained focus on capability, culture and organisational readiness is essential to support execution and achieve long-term development impact.

The Committee is satisfied that it has discharged its responsibilities effectively and remains committed to strengthening its oversight of human capital, organisational effectiveness and culture in support of the Bank’s long-term objectives.

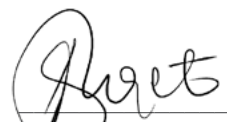
FY2025/26 Focus Areas and Material Decisions

- **Governance and Committee Effectiveness** - Approved the Annual Work Plan and recommended the Terms of Reference, the 2026/27 Balanced Scorecard, and the Shareholder’s Compact to the Board. Noted evaluation outcomes confirming strong governance, effective oversight, and an appropriate skills mix.
- **Organisational Performance and Strategy Execution** - Monitored performance against strategic objectives and noted strong results. Oversaw the transition from strategy formulation to the accelerated execution of the decadal strategy.
- **People Capability and Organisational Effectiveness** - Oversaw organisational redesign, including structure alignment and employee placement, and monitored the filling of critical roles to strengthen leadership capacity.

- **Talent, Retention and Remuneration** - Monitored progress on the remuneration framework review and challenges related to market alignment. Oversaw the approval and phased implementation of additional capacity to support the delivery of the strategy.
- **Culture and Workforce Transformation** - Oversaw the implementation of the culture strategy to embed a high-performance and accountable organisation and considered the need for a refreshed culture assessment following organisational changes.
- **Strategy Execution Enablement** - Strengthening organisational capability to support the accelerated execution of the Decadal Strategy, with a focus on the targeted development of digital and specialised skills.
- **Culture and Organisational Alignment** - Monitoring organisational culture through the implementation of culture assessments and interventions aimed at reinforcing a high-performance, accountable workforce.
- **Workforce Expansion and Capacity Building** - Overseeing the phased implementation of approved headcount increases, with focus on critical roles and effective vacancy management.

Key Focus Areas for FY2026/27 and Beyond

- **People Capability and Organisational Effectiveness** - Overseeing the filling of critical roles and the implementation of job evaluation and profiling to ensure alignment between roles, organisational structure, and strategy.
- **Talent Attraction, Retention and Remuneration** - Monitoring the finalisation and implementation of a competitive, market-aligned remuneration framework designed to attract and retain essential skills.


Ms Patience Nqeto
 Chairman of the HRC

SOCIAL AND RELATIONSHIP CAPITAL

Managing our Social and Relationship Capital

The DBSA forms purpose-driven partnerships to co-create development solutions, enhance private-sector participation, and address public-sector infrastructure constraints. These relationships support the Bank's development mandate, enable execution at scale and strengthen its role as a catalyst for development finance.

Strategic Context and Relationships

- Presence across 20 countries with active exposure
- Engagement with 61 municipal clients
- Established partnerships with government, development finance institutions and private sector financiers, including contributions to policy formulation

Key Considerations

- Cost of funding
- Strategic, execution and business risks
- Environmental, social and governance risks
- Navigating the Just Transition

Value Created for Stakeholders in FY2025/26

- Access to appropriately structured and affordable finance
- Technical expertise, knowledge transfer and institutional support
- Project preparation, management and implementation capability
- Partnership and co-financing opportunities across the infrastructure value chain
- Improved pipeline development and access to market opportunities

- Delivery of infrastructure contributing to improved access to services, job creation and enterprise participation

Smart Partnerships to Support the Strategy

The DBSA prioritises smart partnerships to support strategy execution, working across government, development finance institutions, the private sector and communities to align stakeholders and enable infrastructure delivery. These partnerships are structured to address coordination challenges, improve project preparation and support implementation across the infrastructure value chain.

Smart partnerships are central to expanding the Bank's pipeline and mobilising funding. Through collaboration with public sector institutions, the DBSA supports programme development and delivery, while partnerships with investors and DFIs enable co-financing and improve project bankability. This approach allows the Bank to leverage its balance sheet more effectively and crowd in additional capital. Partnerships also support knowledge exchange and execution capability. By combining technical expertise, advisory support and stakeholder insights, the DBSA strengthens project design and reduces delivery risk, particularly in constrained environments such as municipal infrastructure. This positions the Bank to deliver infrastructure at scale while maintaining alignment between development impact and financial sustainability.

Smart partnerships enable:



Coordination



Co-financing



Project delivery



Scaled impact

SUSTAINABILITY AND ETHICS COMMITTEE REPORT

Mandate

The Sustainability and Ethics Committee (SEC) operates in accordance with its formal Charter, through which it regulates its affairs and discharges its responsibilities. In line with King IV principles of ethical and effective leadership, the Committee plays a critical role in guiding the Bank in delivering sustainable development impact within a complex operating environment.

The Committee oversees the embedding of an ethical culture, sound governance and responsible corporate citizenship, ensuring that management upholds the DBSA's values and integrates sustainability and impact considerations into strategy, decision-making and operations. The Committee comprises a majority of independent non-executive directors and meets quarterly, with additional meetings convened as required.

No. of meetings during the year	4
Independent members (%)	75%
Independent Non-Executive Directors	3
Non-Executive Directors	1
Executive Directors	1
Members	Number of meetings attended
Kenneth Brown, Chairman	4
Jonathan Muthige	3
Chantal Naidoo	4
Joel Netshitenzhe	4
Boitumelo Mosako (CEO)	4

Reflections from the Committee Chairperson

The Committee discharged its mandate during the year under review in line with its terms of reference, providing strategic oversight of the Bank's sustainability, ethics and corporate citizenship agenda. This included oversight of ethical governance, stakeholder engagement, human rights, organisational culture, and the quality and impact of the Bank's development activities.

In executing its mandate, the Sustainability and Ethics Committee strengthened its oversight across its comprehensive mandate, contributing to the establishment of a more robust and integrated platform for advancing sustainability and ethics. With clearer policies, guidelines and frameworks relating to whistleblowing, human rights and sustainability now in place, the Bank is progressively enhancing its approach to transactions, institutional conduct and its responsibilities as a development finance institution.

A central focus of the Committee has been the tangible impact of the DBSA's infrastructure investments on communities, particularly in South Africa, where ongoing challenges such as water interruptions, electricity constraints and deteriorating municipal infrastructure persist. In this context, the Committee directed a shift beyond activity-based reporting towards strengthening the measurement of long-term development outcomes.

The Committee is satisfied that it has fulfilled its responsibilities and remains committed to strengthening its oversight of sustainability, ethics and development impact in support of improved accountability and a more visible and measurable impact at the community level.

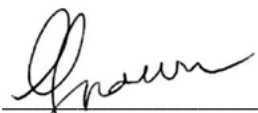
FY2025/26 Focus Areas and Material Decisions

- Governance and Committee Effectiveness** – Approved the Annual Work Plan and recommended the Terms of Reference to the Board. Noted evaluation outcomes confirming strong governance, effective oversight, and an appropriate skills mix.
- Sustainability, Ethics and Governance** – Oversaw the strengthening of the Bank's sustainability and ethics framework, reinforcing alignment with governance standards, responsible investment practices, and a zero-tolerance approach to unethical conduct.
- Human Rights and Ethical Conduct** – Supported the implementation of the Human Rights Policy, emphasising accountability for embedding human rights considerations across operations and investment decisions.

- Sustainability Integration** – Monitored the integration of sustainability into strategy, operations, and decision-making, with a shift towards embedding sustainability as a core organisational principle.
- Climate and Net Zero Strategy** – Oversaw the refinement of the Net Zero Statement to align with African development priorities and support climate resilience.
- Stakeholder Engagement and Corporate Citizenship** – Monitored stakeholder engagement practices and emphasised strengthening alignment and responsible corporate citizenship.
- Impact and Development Outcomes** – Considered the effectiveness of development impact and the need to enhance impact measurement frameworks to ensure meaningful and sustained outcomes.
- Culture and Ethical Leadership** – Oversaw initiatives to strengthen ethical leadership, integrity, and organisational culture, including alignment with broader transformation initiatives.
- Climate Risk and Reporting** – Overseeing the integration of climate risk assessment and sustainability reporting, aligned to evolving regulatory requirements.
- Impact Measurement and Outcomes** – Monitoring enhancements to impact measurement to assess sustainability, scale, and long-term development outcomes.
- Digital Enablement and Ethical Governance** – Overseeing the use of digital technologies to strengthen ethics management, monitoring, and reporting capabilities.
- Stakeholder Engagement and Impact Visibility** – Monitoring stakeholder engagement and enhancing the visibility of development impact through credible reporting.
- Culture and Ethical Leadership** – Overseeing initiatives to strengthen ethical leadership, organisational culture, and workforce alignment.
- Innovation and Catalytic Impact** – Encouraging innovative approaches to enhance development impact while maintaining sound governance and risk oversight.

Key Focus Areas for FY2026/27 and Beyond

- Sustainability and Ethics Integration** – Overseeing the embedding of sustainability, ethics, and human rights across strategy, operations, and decision-making.
- Human Rights Implementation** – Monitoring the effective application of the Human Rights Policy and related frameworks in operations and investments.



Mr Kenneth Brown
Chairman of the SEC

NATURAL CAPITAL

The DBSA integrates environmental considerations into its financing, investment and operational activities to support sustainable infrastructure development. Natural capital is managed through a combination of climate-focused financing, environmental risk management and internal resource efficiency, ensuring that infrastructure delivery contributes to long-term resilience and environmental sustainability. For more information on Natural Capital, refer to the 2026 Sustainability Review Report, which is part of the Annual Report Suite.

Key resources and relationships	Material matters	Value created for stakeholders in FY2025/26
<ul style="list-style-type: none">Climate finance capability and co-investment partnerships with development finance institutions and financial marketsEnvironmental, social and governance (ESG) frameworks embedded across the investment lifecycleClimate resilience and Just Transition positioning aligned to development prioritiesPartnerships supporting biodiversity, adaptation and nature-based solutionsInternal environmental management practices, including energy and water use monitoring	<ul style="list-style-type: none">Climate change and transition riskBiodiversity loss and ecosystem degradationWater stress and resource availabilityEnvironmental, social and governance risksBalancing decarbonisation with development and energy security	<ul style="list-style-type: none">Financing and support for climate-friendly and environmentally responsible infrastructureMobilisation of capital through co-financing and partnership structuresStrengthened project design through environmental and climate risk integrationSupport for climate resilience and adaptation initiatives, including nature-based solutionsContribution to sustainable infrastructure that supports improved environmental outcomes and long-term resilience

Operational Environmental Performance

The DBSA continues to manage its internal environmental footprint through initiatives aimed at reducing energy consumption, water usage and waste generation across its operations.

- Electricity consumption: 14 megawatts of electricity consumed (2025: 10.9 megawatts)
- Water consumption: 11 kilolitres of water consumed (2025: 4.7 kilolitres)

The increase in electricity and water consumption is largely attributed to the return to work policy, which led to higher office occupancy.

Advancing Sustainable Water Infrastructure Development

The water sector remains an increasingly important area of focus with ongoing attention to infrastructure backlogs, maintenance challenges and systemic inefficiencies. The DBSA continues to evaluate options for expanding its support for water infrastructure development, including through municipal partnerships. Through its oversight role, the IDKC continues to guide the Bank’s engagement in this space, supporting the development of sustainable, long-term solutions.

Climate Financing

The DBSA plays a catalytic role in climate financing by structuring and deploying blended finance solutions that enable investment in low-carbon and climate-resilient infrastructure. Recognising that climate-related projects are often constrained by risk and limited bankability, the Bank applies de-risking mechanisms such as concessional finance, guarantees, and co-investment structures to mobilise private-sector capital and scale up infrastructure delivery.

Climate Finance Approach

The Bank’s climate finance model is anchored in leveraging its balance sheet to crowd in additional funding and support projects that advance both climate and development objectives. This includes the use of blended finance structures to improve project viability, particularly in sectors such as renewable energy, water and sanitation, and climate-resilient infrastructure.

Strategic Partnerships

The DBSA continues to work with international climate finance mechanisms, including the Global Environment Facility (GEF) and the Green Climate Fund (GCF), to support programme development and implementation aligned with Nationally Determined Contributions and broader climate and environmental goals. These partnerships enable access to concessional funding, technical expertise and programme preparation support, while strengthening the Bank’s ability to deliver climate-focused infrastructure at scale.

Key Programmes and Initiatives

The DBSA’s climate financing activities are implemented through targeted programmes that address specific infrastructure and environmental challenges:

- Climate Finance Facility (CFF):** A blended finance facility designed to improve the bankability of climate projects and catalyse private sector investment in low-carbon and climate-resilient infrastructure.

- Embedded Generation Investment Programme (EGIP):** Supports the development of renewable energy projects, contributing to energy security and Just Transition objectives.
- Water Reuse Programme:** Focuses on improving water security and climate resilience, particularly at municipal level where water stress has significant socio-economic impacts.
- Nature and Biodiversity Initiatives:** Emerging interventions supporting nature-based solutions, biodiversity outcomes and environmental sustainability, including work linked to ecological infrastructure and adaptation.

Regional and Programmatic Delivery

The DBSA adopts a programmatic approach to climate finance, including multi-country and regional initiatives aligned to climate adaptation, resilience and sustainable infrastructure development. This includes support for climate-resilient water systems, adaptation innovation and capacity-building initiatives across the region, contributing to improved resilience and long-term sustainability.

Impact and Positioning

Through its climate financing activities, the DBSA supports the development of infrastructure that enhances climate resilience, improves environmental outcomes and contributes to sustainable economic growth. By combining concessional and commercial funding, strengthening partnerships and integrating environmental considerations into investment decisions, the Bank continues to expand its role as a regional platform for climate finance.

GOVERNANCE FOR IMPACT

5

OUR GOVERNANCE PHILOSOPHY

At the DBSA, corporate governance is regarded as a strategic enabler of sustainable performance, institutional resilience, and long-term development impact. It provides the foundation upon which the Bank executes its mandate with credibility, discipline, and accountability. The DBSA operates within a mature and well-established governance framework, aligned with the King IV Report on Corporate Governance and progressing towards King V, as well as international best practice. This framework has been independently validated and continues to underpin the Bank’s ability to perform consistently in complex and evolving operating environments. Strong governance remains central to sustaining stakeholder confidence and reinforcing DBSA’s position as a trusted development finance institution.

The Board is committed to upholding the highest standards of ethical leadership, transparency, and accountability. Governance is embedded across all levels of the organisation, supported by robust risk management and a strong combined assurance model. This ensures that material risks are proactively managed, that decision-making is informed and responsible, and that any deviations are addressed with appropriate consequence management.

A key priority for the Board is the long-term sustainability of the Bank. This is reflected in a deliberate focus on Board and executive succession, ensuring the right balance of skills, experience, and continuity to sustain governance effectiveness over time. As a Development Finance Institution, the DBSA operates in environments that require a differentiated approach to risk. The Bank adopts a balanced risk posture, remaining prudent and disciplined, while being sufficiently bold to pursue opportunities that deliver infrastructure at scale and maximise development impact. Strong governance enables this balance, ensuring that risk-taking is aligned to the Bank’s mandate and executed responsibly.

The DBSA remains committed to continuously strengthening its governance practices in response to a changing external environment, evolving stakeholder expectations, and emerging risks. This ongoing focus ensures that governance remains fit for purpose and continues to support the Bank’s strategic objectives. Ultimately, sound governance underpins DBSA’s ability to deliver sustainable value, safeguard its reputation, and contribute meaningfully to inclusive economic growth and development across the region.

OUR GOVERNANCE ECOSYSTEM

The DBSA operates within a well-defined governance ecosystem that gives effect to its mandate and enables the delivery of sustainable development impact. The Bank’s Mandate Statement articulates its purpose, strategic focus, and development objectives, while the Shareholder Compact, concluded annually with the Minister of Finance as Executive Authority, translates these into clear priorities and performance expectations aligned to national development goals.

The Board of Directors, as the Accounting Authority in terms of the Public Finance Management Act (PFMA) and the Companies Act, provides strategic oversight and direction, ensuring that the DBSA remains a well-governed, resilient, and high-performing institution. The Board’s role extends beyond oversight to safeguarding the long-term sustainability of the Bank, maintaining governance integrity, and enabling the

institution to operate with discipline in complex and high-impact environments.

Supported by the CEO and the executive management team, the Board ensures effective execution of strategy, with clear accountability for performance, risk management, and operational delivery. This governance ecosystem is underpinned by a strong culture of ethical leadership, consequence management, and continuous oversight, enabling the DBSA to balance prudence with the boldness required of a development finance institution.

Through this integrated governance model, the DBSA is able to align strategy, execution, and accountability, positioning the institution to deliver infrastructure at scale, respond to evolving stakeholder needs, and sustain its role as a trusted partner in development.

Key legislation and regulations	Governance principles	Governance partnerships	Policies and procedures in place
<ul style="list-style-type: none">• The DBSA Act• PFMA• Companies Act (where appropriate)	<ul style="list-style-type: none">• King IV – moving towards King V (where appropriate)• Corporate Governance Development Framework• AADFI’s Prudential Standards Guidelines and Rating System• UN Global Compact	<ul style="list-style-type: none">• SADC Development Finance Resource Centre• Corporate Governance Development Framework• SADC Working Group	<ul style="list-style-type: none">• Board Charter• Code of Ethics• Delegation of Authority• Directors’ Policy on Conflict of Interest• Directors’ Code of Conduct• Employees’ Policy on Conflict of Interest• Board and Subcommittees’ Terms of Reference• Gift and Hospitality Policy• Whistle-blowing Policy• Appointment of DBSA Nominee Directors and Private Equity Advisory Committee Members Policy• Ethics Hotline

GOVERNANCE STRUCTURE AND OVERSIGHT

Governance Framework

The DBSA's governance framework is designed to support accountability, strategic alignment and disciplined execution in fulfilment of its development mandate. The framework is aligned with the principles of King IV, progressing towards King V, and informed by international governance best practice. It promotes ethical leadership, transparent decision-making and effective oversight across the organisation.

The Board of Directors, appointed by the Minister of Finance as the Executive Authority, provides independent oversight and strategic direction to safeguard the Bank's long-term sustainability,

governance integrity and development impact. The relationship between the Shareholder and the Board is governed through the Shareholder Compact, which translates the DBSA's mandate into strategic priorities and performance expectations aligned with national development objectives.

As the Accounting Authority under the PFMA and Companies Act, the Board oversees strategy, risk, performance, capital stewardship, and governance effectiveness through a structured committee framework, supported by clearly defined delegations of authority and governance processes. The governance and oversight structure of the DBSA is illustrated below.

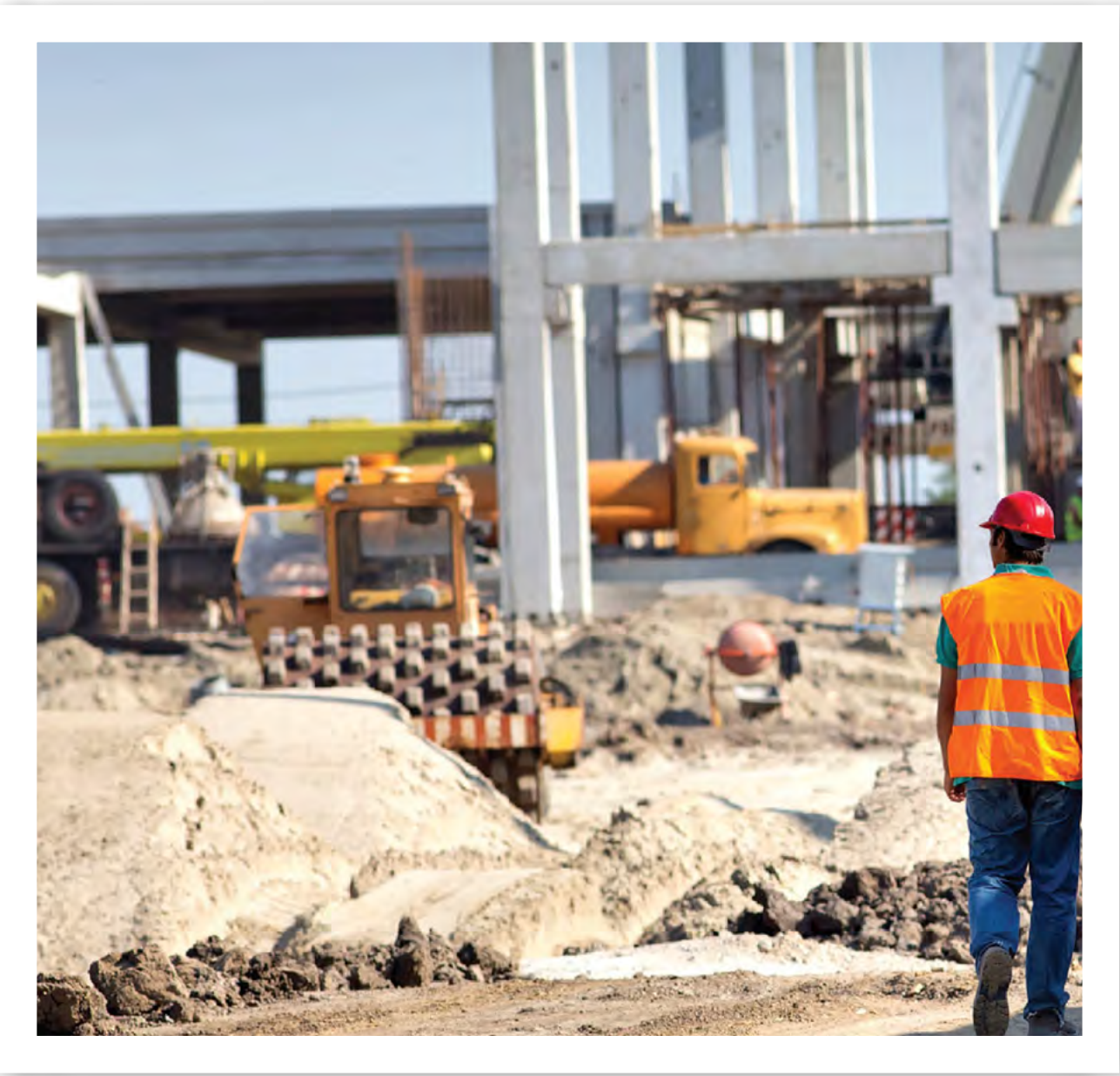
Shareholder					
DBSA Board of Directors					
Audit and Risk Committee	Human Resources and Remuneration Committee	Nominations Committee	Infrastructure Delivery and Knowledge Management Committee	Board Credit and Investment Committee	Sustainability and Ethics Committee
Chief Executive Officer					
Group Executive Committees					
Asset and Liability Management Committee	Investment Committee	Supply Chain Management Committee	Infrastructure Delivery and Knowledge Management Committee (IDKC MANCO)	Social Environmental Ethics Climate Risk Management Committee (SEECR)	

Executive Management and Operational Governance

The Board is supported by the CEO and Executive Management, who are responsible for implementing the Bank's strategy and operational plans within approved governance and delegation frameworks. Management committees provide structured oversight across key operational, investment, risk, infrastructure delivery and sustainability-related functions, strengthening accountability and execution discipline across the organisation.

Company Secretariat

The Corporate Secretariat Unit, led by the Company Secretary, supports effective governance by facilitating the functioning of the Board and its committees and ensuring compliance with applicable legislative, regulatory and governance requirements. The Company Secretary acts as a strategic interface between the Board, management and the Shareholder, supports the execution of the annual Board Programme, and promotes governance discipline and adherence to best practice across the institution.



OUR BOARD

At the heart of the DBSA’s governance framework is the Board, which serves as the custodian of sound governance, ethical leadership, and institutional integrity. Comprising a majority of Independent Non-Executive Directors, the Board sets the tone at the top, fostering a culture of accountability, transparency, and disciplined performance across the organisation.

The Board provides strategic direction and oversight, ensuring that the DBSA remains a well-governed, resilient, and high-performing institution. It approves the Bank’s strategy and monitors performance against defined objectives, with a clear focus on long-term sustainability and development impact. In discharging its responsibilities, the Board considers risks, opportunities, operating models, and sustainability imperatives in an integrated manner, aligned with the Bank’s mandate and strategic priorities.

Key performance measures and targets across the short, medium, and long term are approved and regularly monitored by the Board to ensure that the DBSA delivers measurable value to the economy, society, and the environment. The Board’s commitment to sound governance extends beyond internal oversight to shaping the DBSA’s external relationships, reinforcing trust and credibility with stakeholders through transparent engagement and consistent performance.

Board Composition

The DBSA Board is accountable to the Minister of Finance as the Shareholder Representative. In terms of Section 7 of the DBSA Act, Board members are appointed by the Minister in consultation with Cabinet, based on a balanced mix of skills, experience, and expertise aligned to the Bank’s mandate. The Act also provides for the appointment of the CEO and one other executive as directors.

Board members serve three-year terms and are eligible for reappointment, subject to performance and the evolving needs of the institution. The Board maintains a deliberate focus on succession planning to ensure an appropriate balance between continuity and renewal.

The composition of the Board reflects a diversity of skills, experience, and independence, enabling effective oversight and informed decision-making. This is further reinforced through regular independent Board evaluations, which assess governance effectiveness and support the continuous strengthening of the Board’s performance and overall governance maturity.

The Board maintains a balanced and diverse composition, with gender representation reflecting an equitable mix of male and female members. In line with the DBSA Act and the principles of King IV, progressing towards King V, Board tenure is carefully managed, with no member serving beyond nine years.

To sustain governance effectiveness and institutional continuity, the Board has implemented a structured succession approach. This includes staggered appointments across differentiated term cycles, ensuring an appropriate balance between continuity and renewal. While this approach continues to mature, it is already strengthening Board stability and preserving institutional memory. Succession planning is also extended to Board committees, where potential successors are identified to support seamless leadership transitions and maintain committee effectiveness over time.

Board Committees and Governance Oversight

The Board executes its oversight responsibilities through its committees, which enable focused engagement on key governance and strategic matters. Each committee operates within approved Terms of Reference and reports regularly to the Board, ensuring alignment with strategic priorities and supporting informed decision-making. While specific responsibilities are delegated to these committees, the Board retains overall accountability for governance and oversight. Further details on the composition, roles, meeting attendance, and activities of the Board committees are provided in the sections that follow.

Changes to Governance Structures and Board Membership

Board Leadership

Ms Martie Janse van Rensburg, who served as Interim Chairperson of the DBSA Board, retired on 30 September 2025. Following her departure, Mr David Makhura was appointed as Chairperson of the Board. The transition was carefully managed and executed seamlessly, with a structured and comprehensive handover process to ensure continuity of leadership, preservation of institutional knowledge, and sustained governance effectiveness.

This orderly transition reflects the Board’s commitment to sound governance practices, including proactive succession planning and disciplined leadership continuity. The Board remains focused on maintaining stability, upholding its fiduciary responsibilities, and ensuring that leadership transitions are managed in a manner that supports the long-term sustainability and strategic direction of the Bank.

Board Committees’ Changes

During the year under review, the DBSA implemented targeted changes to the composition and structure of its Board committees. These changes were undertaken as part of the Board’s ongoing commitment to effective governance, informed by succession planning, evolving strategic priorities, and the continuous strengthening of oversight effectiveness.

Audit and Risk Committee (ARC)

During the year under review, Ms Martie Janse van Rensburg ceased to serve as a member of the ARC, owing to her retirement from the Board. Ms Lynette Milne was appointed as a member of the Committee.

Board Credit and Investment Committee (BCIC)

During the year, Ms Martie Janse van Rensburg ceased to serve as a member of the BCIC. Mr David Makhura and Ms Lynette Milne were appointed as members of the Committee.

Human Resources and Remuneration Committee (HRC)

During the year under review, Ms Martie Janse van Rensburg ceased to serve as a member of the HRC and Mr David Makhura was appointed as a member of the Committee.

Nominations Committee (NOMCO)

During the year, Ms Martie Janse van Rensburg ceased to serve as Chairperson of NOMCO. Mr David Makhura was appointed as Chairperson of the Committee, owing to his appointment as Chairperson of the Board.

Infrastructure Delivery and Knowledge Management Committee (IDKC)

During the year under review, Ms Martie Janse van Rensburg ceased to serve as a member of the Committee. Mr David Makhura and Ms Lynette Milne were appointed as members of the Committee.

Transformative Initiative Committee (TIC) (Ad hoc Committee of the Board)

During the year under review, Ms Martie Janse van Rensburg ceased to serve as a member of the Committee. Mr David Makhura was appointed as a member of the Committee, and Mr Jonathan Muthige was appointed as Chairperson of the Committee.

Board attendance for the year under review

	Number of meetings							
	Board and Committee record of attendance							
	Board	ARC	BCIC	HRC	IDKC	NOMCO	SEC	TIC
Scheduled	4	4	11	4	4	4	4	4
AGM	1	-	-	-	-	-	-	-
Strategy	1	-	-	-	-	-	-	-
Risk focused	-	2	-	-	-	-	-	-
Investment valuations ^{1,2}	-	2	-	-	-	-	-	-
Other/special	-	-	-	-	-	-	-	-
Total	6	8	11	4	4	4	4	4
Independent Non-executive Directors								
David Makhura (Chair) ³	5/5	-	3/5	1/1	1/2	2/2	-	
Patience Nqeto (Deputy Chair) ⁴	6	-	11	10 (Chair)	4	4	-	4
Bongani Nqwababa	6	8 (Chair)	9	4	-	-	-	4
Petrus Matji	6	2/2	11	-	4 (Chair)	-	-	-
Dinao Lerutla	6	6	10	-	-	-	-	-
Barry Hore	6	7	-	4	-	-	-	4
Disebo Moephuli	6	7	11 (Chair)	-	-	-	-	-
Jonathan Muthige	4	-	-	4	-	-	3	4
Chantel Naidoo	6	4/4	8	-	-	-	4	-
Edgar Pieterse	5	-	-	-	4	-	-	-
Joel Netshitenzhe	5	-	-	-	4	4	4	-
Lynette Milne ⁵	4/4	4/4	5/5	-	2/2	-	-	-
Directors' Term resigned during the year								
Martie J. van Rensburg (Interim Chairperson) ⁶	2	2/2	6/6	2/2	2/2	2/2	-	4
Executive Directors								
Boitumelo Mosako (CEO)	6	7	10	4	4	-	4	-
Ntombizodwa Mbhele (CFO)	5	8	11	-	-	-	-	-
Non-Executive Director								
Kenneth Brown	6	2/2	11	-	4	-	4 (Chair)	-

Notes:

¹ ARC meets twice a year to consider new investment valuations

² BCIC members are invited to the ARC investment valuation meetings

³ Appointed as the Chair of the Board with effect from 01 October 2025

⁴ Appointed as the Deputy Chair of the Board with effect from 27 November 2025

⁵ Appointed as a member of the Board with effect from 01 October 2025

⁶ Member's term ended 30 September 2025

⁷ The TIC is an ad hoc Board committee with a defined mandate and a limited duration

Board Evaluation and Effectiveness

The Board undertook an independent evaluation of its effectiveness during the year under review, in line with its commitment to maintaining high standards of governance and continuous improvement. The evaluation assessed the performance of the Board, its Committees, and individual Directors across key governance areas.

The Board and Committee evaluation outcomes confirmed strong governance, effective oversight, and an appropriate skills mix. The Board achieved an overall score of 3.6 out of 4.0, placing it within the advanced governance maturity band. The results affirm the DBSA as a well-governed and high-performing institution, with strong leadership, effective oversight, and a stable Board and Committee structure. The outcomes compared favourably with peer financial institutions.

The evaluation confirmed key strengths, including a balanced skills mix, effective Committee performance, robust oversight of risk and financial matters, and strong Board processes. Opportunities for refinement were identified, and focused on enhancing shareholder engagement, strengthening digital and ESG oversight, improving Board pack effectiveness, clarifying the role of the Lead Independent Director, and maintaining an appropriate balance between strategic and operational discussions.

The Nominations Committee will oversee the implementation of these actions, with progress reported to the Board, reinforcing the DBSA's commitment to continuous improvement and governance excellence.

Board’s Key Focus Areas in FY2025/26

- **Approval of Governance Framework and Board Plans** - The Board approved the Annual Board Work Plan, Board Charter, and Terms of Reference for its committees, ensuring continued alignment with governance best practice and effective oversight.
- **Approval of Strategic and Financial Plans** - The Board approved the 2025/26 Corporate Plan, including the Shareholder Compact, and recommended the declaration of dividends to the Shareholder for approval.

- **Oversight of Governance Maturity and Resilience** - The Board maintained a strong focus on governance effectiveness, noting the outcomes of independent Board evaluations and ensuring that governance practices continue to support institutional resilience.
- **Strategic Oversight of Infrastructure Delivery at Scale** - The Board provided direction on scaling infrastructure investments, with an emphasis on high-impact projects that advance the DBSA's development mandate.
- **Monitoring Organisational Capability and Operating Model Alignment** - The Board oversaw management's efforts to strengthen the operating model, including digital transformation and organisational effectiveness, to support strategy execution.
- **Oversight of Talent and Remuneration Matters** - The Board prioritised the resolution of remuneration-related matters to ensure alignment with market benchmarks and support the attraction and retention of critical skills.
- **Guidance on Strengthening Municipal Support** - The Board emphasised the importance of increasing support to municipalities, particularly in project preparation and technical assistance, to enable sustainable infrastructure delivery.
- **Oversight of Strategic Partnerships** - The Board monitored the strengthening of partnerships with key stakeholders, including national and provincial institutions, to enhance the DBSA's role as a development partner.

Board Future Focus

- **Overseeing the Implementation of Board Evaluation Outcomes** - The Board will oversee the implementation of actions arising from the independent Board evaluation, reinforcing its commitment to continuous improvement and governance excellence.
- **Guiding the Scaling of Development Impact** - The Board will continue to provide strategic direction on growing the Bank's balance sheet and expanding its development impact across priority sectors and regions.
- **Strengthening Focus on Local Government Infrastructure** - The Board will maintain oversight on interventions aimed at improving infrastructure delivery at municipal level, while considering associated risks and constraints.

- **Supporting Regional Expansion** - The Board will guide the Bank's approach to expanding its footprint across the African continent, ensuring alignment with its mandate and risk appetite.
- **Maintaining a Balanced Risk Posture** - The Board will continue to oversee the Bank's risk framework to ensure an appropriate balance between prudence and the pursuit of high-impact opportunities.
- **Ensuring Governance Continuity and Succession** - The Board will sustain its focus on Board and executive succession planning to preserve institutional stability and governance effectiveness.
- **Monitoring External and Macroeconomic Development** - The Board will continue to consider global and regional developments and their potential impact on the Bank's strategy, operations, and risk profile.

NOMINATION COMMITTEE REPORT

MANDATE

The Nominations Committee (NOMCO) operates in accordance with its formal Charter, through which it regulates its affairs and discharges its responsibilities. In line with the principles of King IV, NOMCO supports the Board in the execution of its duties with respect to the nomination of directors for the DBSA Board, directors' affairs, and governance-related matters.

NOMCO ensures that the processes for the nomination, election and appointment of Board members are formal, transparent and aligned with good governance practices. NOMCO oversees a transparent and formal process for nominating and appointing Board members, which includes identifying suitable Board members and conducting reference and background checks on candidates prior to nomination, including fit-and-proper and conflict-of-interest assessments.

No. of meetings during the year	4
Independent members (%)	100%
Independent Non-Executive Directors	4

Members	Number of meetings attended
David Makhura (Appointed Board Chairman from 01 October 2025)	2/2
Martie Janse van Rensburg (Member's term ended 30 September 2025)	2/2
Pinkie Nqeto	4
Joel Netshitenzhe (Co-opted effective 30 November 2024)	4

Refer to pages 17 to 21 for details of each member's qualifications

Reflection from the Chair

The Committee discharged its mandate during the year under review in line with its terms of reference,

providing strategic oversight in the execution of its responsibilities relating to the nomination of directors to the DBSA Board, as well as directors' affairs and broader governance matters.

In executing its mandate, the Committee has emphasised the importance of rigorous involvement in Board succession planning to ensure that the institution remains sustainable and possesses the requisite skills to deliver on its strategic objectives.

While the appointment of directors ultimately rests with the Shareholder, the Board supports this process by providing considered input on the skills, experience and composition required to maintain its effectiveness. In this regard, the Committee places emphasis on maintaining an appropriate balance of skills, experience and perspectives, in line with recognised governance frameworks, including the King Code.

The Committee further recognises that an engaged approach to succession planning strengthens organisational resilience and continuity. This extends to executive leadership succession, with the Committee monitoring that the organisation maintains sufficient leadership depth at all levels to support long-term sustainability.

The Committee is satisfied that it has discharged its responsibilities effectively and remains committed to providing strategic oversight of directors' affairs, including Board composition, succession planning, and the assessment of skills, independence and performance in support of the Bank's strategic objectives.

Key focus for FY2025/26

- **Board Composition and Effectiveness** – Considered independent Board evaluation outcomes confirming a high-performing Board with an appropriate balance of skills, experience, and independence. Oversaw the timely appointment and re-appointment of directors to ensure continuity and stability.



- Governance Practices and Regulatory Alignment** – Monitored the strengthening of governance practices and robust engagement on amendments to DBSA Regulations relating to director appointments, ensuring alignment with best practice.
- Director Development and Succession** – Oversaw director induction and ongoing training initiatives and monitored succession planning to align Board capability with strategic requirements.
- CEO Performance Evaluation** – Evaluated the CEO’s performance against agreed objectives, including the determination of performance incentives, and provided recommendations to the Board.

Key Focus Areas for FY2026/27 and Beyond

- Board Composition, Appointments and Succession** – Overseeing the timely appointment and re-appointment of directors, including filling vacancies and managing term expiration, to ensure continuity and stability of the Board.
- Governance Effectiveness and Continuous Improvement** – Monitoring the implementation of Board evaluation outcomes to strengthen governance practices and effectiveness.
- Director Development and Effectiveness** – Overseeing the implementation of the Board development plan, including ongoing training initiatives, to enhance director capability.
- Director Conduct and Compliance** – Monitoring adherence to governance standards, ethical conduct, and statutory responsibilities, ensuring all director-related matters are appropriately addressed.



Mr David Makhura
Chairman of the Nominations Committee



IRREGULAR EXPENDITURE DISCLOSURE

In terms of Chapter 9 of the PFMA Compliance and Reporting Framework issued in December 2022, there is a requirement for disclosure of irregular, wasteful and fruitless expenditure in the annual report, as disclosed below:

1. Reconciliation of irregular expenditure

in thousands of rands	2026	2025
Balance at the beginning of the year	-	-
Add: Irregular expenditure confirmed	-	111
Less: Irregular expenditure condoned	-	(111)
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recovered and written off	-	-
Closing balance	-	-

2. Reconciling notes to the financial statement disclosure

in thousands of rands	2026	2025
Irregular expenditure that was under assessment in 2024/25	-	-
Irregular expenditure that relates to 2024/25 and identified in 2025/26	-	-
Irregular expenditure for the current year	-	111

3. Reconciling notes to the financial statement disclosure

in thousands of rands	2026	2025
Irregular expenditure that was under assessment in 2023/24	-	-
Irregular expenditure that relates to 2022/23 and identified in 2024/25	-	-
Irregular expenditure for the current year	-	111

4. Details of current and previous year irregular expenditure condoned

in thousands of rands	2026	2025
Irregular expenditure condoned	-	-
Total	-	-

5. Details of current and previous year irregular expenditure removed (not condoned)

in thousands of rands	2026	2025
Irregular expenditure condoned	-	-
Total	-	-

6. Details of current and previous year irregular expenditure recovered

in thousands of rands	2026	2025
Irregular expenditure condoned	-	-
Total	-	-

7. Details of current and previous year irregular expenditure written off (irrecoverable)

in thousands of rands	2026	2025
Irregular expenditure condoned	-	-
Total	-	-

8. Details of non-compliance where DBSA is involved in an inter-institutional arrangement and is not responsible for non-compliance

Description
None

9. Details of non-compliance where DBSA is involved in an inter-institutional arrangement and is responsible for non-compliance

in thousands of rands	2026	2025
Summary of incidences		
Service providers were engaged to offer services before variation order was approved	-	-
Variation order exceeded the internally approved threshold, but within limit approved by principal department	-	-
Contractor executed additional work without DBSA's approval	-	-
Service provider with a non-compliant tax status was engaged	-	-
Total	-	-

10. Details of current and previous year disciplinary or criminal steps taken as a result of irregular expenditure

in thousands of rands	2026	2025
	-	-

11. Fruitless and Wasteful Expenditure

in thousands of rands	2026	2025
Fruitless and Wasteful Expenditure assessed and confirmed	314	-
Fruitless and Wasteful Expenditure under determination	-	-
Fruitless and Wasteful Expenditure under investigation		
Fruitless and Wasteful Expenditure transferred to receivables	-	-
Fruitless and Wasteful Expenditure written off as irrecoverable	-	-

Disciplinary steps taken as a result of irregular and fruitless and wasteful expenditure

Incident Description for 2025/26

One case of fruitless and wasteful expenditure was assessed and investigated during the period under review. This related to a payment made to a fraudulent account purporting to be an existing service provider. Forensic investigation and consequence management steps are being taken.

12. Fruitless and Wasteful Expenditure still under assessment at year end

The Bank is currently assessing a potential fruitless and wasteful expenditure amounting to R60 416 430.62 relating to payments made by DBSA for remedial works done to a SAFE programme implemented by the DBSA on behalf of the Department of Basic Education.

UPHOLDING AN ETHICAL CULTURE

The Bank’s values and standards are articulated in the Code of Ethics; to guide Board and employees conduct, it serves as the constitution from which all Bank practices and policies are derived. The Board sets the ethical tone and oversees strategic objectives, governance, and corporate culture. The Board, guided by this comprehensive code of ethics, monitors the Bank’s ethics and sustainability responsibilities, ensuring policies are consistent with its legitimate interests and good business practices. The Bank’s culture, anchored in collaboration, professionalism, commitment to development and customer orientation, is reflected in employee behaviour marked by strong moral conviction, accountability, responsiveness, proactivity, adaptability to change, and innovation.

Governing and Managing Ethics

The Bank recognises the importance of keeping a consistent message of ethical principles and values, which have been a major pillar of its strength. To uphold the highest ethical standards, we have ensured that the DBSA Code of Ethics is fully integrated throughout our organisation, fostering an ethical culture evident in our robust internal control systems, proactive analytics, and firm stance against unethical conduct.

The Board, through the Sustainability and Ethics Committee (SEC), oversees ethical performance and is responsible for reporting to stakeholders. Executive management supports this oversight by ensuring that appropriate structures and resources are in place to manage organisational ethics.

The Ethics Office acts as the custodian of the Code of Ethics and related policies, promoting and enforcing ethical standards across the organisation. This is achieved through effective policy management, training and awareness initiatives, and proactive management of ethics-related risks.

Working in collaboration with key stakeholders, including Internal Audit, Compliance, Legal, Human Capital, and frontline operations, the Ethics Office supports the SEC in ensuring that governance

and ethical standards are consistently upheld. The organisation maintains a zero-tolerance approach to fraud, bribery, and corruption, supported by clear processes for addressing violations.

Quarterly SEC meetings include a closed session dedicated to reported ethics incidents, enabling timely and decisive action. This governance framework reinforces the DBSA’s commitment to ethical conduct and transparent governance, with integrity at the core of all operations.

During the financial year under review, continued efforts were geared towards monitoring of employees’ directorships and outside work interests, as they may pose a conflict of interest and reputational risk to the Bank. Additionally, there was a focus on developing processes to embed the Human Rights policy Framework throughout the Bank’s operations; finalisation (including awareness workshops) is expected during the next financial year.

The DBSA’s Employee Conflict of Interest Policy and processes are increasingly embedded across the organisation, maintaining high-compliance rates. From this embedment drive, we have additionally noted an increase in advisory requests at the transaction level, strengthening the conflict management programme.

The Ethics Office, in collaboration with Internal Audit, strengthened awareness of key ethics programmes, including Conflict of Interest, Gifts, Entertainment and Hospitality, Human Rights, and Fraud. In the fourth quarter of the financial year, the team partnered with Supply Chain Management to host supplier workshop sessions, engaging external stakeholders such as National Treasury, the B-BBEE Commission, SARS, and CIPC. These sessions reinforced the importance of supplier partnerships in ethically advancing the DBSA’s development mandate, while reiterating the Bank’s zero-tolerance stance on fraud, bribery, and corruption.

By year-end, the Bank completed the review of key policies, including the Directors’ Conflict of Interest and the Whistleblowing Policy, while Anti-Bribery and Corruption and Gifts, Entertainment and Hospitality

policies are under review. These, along with the Code of Ethics, Human Rights Policy Framework, Employee Conflict of Interest Policy, and efforts to embed Human Rights Standards, remain central to the DBSA's ethical foundation.

In the upcoming financial year, the Ethics Office will focus on finalising policy updates, deepening the integration of human rights principles across operations, and enhancing the monitoring and reporting of ethics and conflict of interest matters.

Managing Risks of Politically Exposed Persons

The definitions of Politically Exposed Persons (“PEPs”) are wide-ranging. According to the Financial Intelligence Centre (“FIC”), a PEP is an individual who is or has in the past, been entrusted with a prominent public or private sector position. The FIC Amendment Act, Schedule 3, read together with the General Laws Amendment Act 22 of 2022, sets out three categories of PEPs, that is:

- foreign politically exposed person
- domestic politically exposed person
- prominent influential person (PIP)

PEPs are considered high risk as they hold positions of power and influence that may be abused for private gain or to benefit family members or close associates. Due to these risks, it is imperative that the DBSA take steps to identify whether a client or prospective client is a PEP and to ensure that the necessary Enhanced Due Diligence (“EDD”) and enhanced monitoring processes are applied.

By setting up these processes, the DBSA ensures it can appropriately manage any legal and reputational risks arising from entering into business relationships with PEPs. It also ensures compliance with various guidelines and directives issued by the FIC, which aim to combat money laundering and to prevent and detect fraud and other corrupt practices, including terrorist and proliferation financing.

The DBSA is not precluded from doing business with a PEP; therefore, the identification of a PEP does not, on its own, constitute grounds to decline or reject an application for funding. However, when a PEP is identified, an EDD is conducted before a decision is made on whether to establish a business relationship.

The DBSA has adopted a PEP/PIP Policy to mitigate reputational, operational, and legal risks. The policy is based on internationally accepted best practices, standards, and guidelines for the management of PEPs, while also meeting regulatory compliance requirements imposed by the FIC Act. This policy applies to all PEPs that may be interested in obtaining any form of financing from the DBSA. The policy also applies to any DBSA employees who are PEPs, as well as to prospective service providers.

JSE Limited (“JSE”) Debt and Specialist Securities Listings Requirements (“DSSLR”)

It is the function of the Johannesburg Stock Exchange (JSE), under the Financial Markets Act, to provide for the listing, trading, clearing, and settlement of debt securities in a transparent, efficient, and orderly marketplace. The Debt Sponsor’s Declaration of Sustainability-Linked Requirements (DSSLR) reflect, *inter alia*, the rules and procedures governing new applications and the ongoing obligations of applicant issuers and are aimed at providing investor confidence via an orderly, secure, efficient and transparent financial market.

The DSSLR provides for the minimum disclosure that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of the nature and state of an applicant issuer’s business and the terms of the debt securities. Following the JSE Simplification Project, these requirements were substantially updated to improve market competitiveness, enhance clarity, and reduce administrative burdens. The relevant DSSLR sections are as follows:

Domestic Politically Exposed Persons

Section 7.9 – “If the applicant issuer is a state-owned entity or municipality, the applicant issuer must have a current policy dealing with the disclosure and treatment of domestic prominent influential persons (i) at Board level and (ii) for prescribed officers of the applicant issuer in respect of any transactions/dealings by the applicant issuer with domestic prominent influential

persons. The policy must be available on the website of the applicant issuer.”

The DBSA’s PEP/PIP Policy, which is published on the DBSA’s website (<https://www.dbsa.org/about-us/governance>) deals with the disclosure and treatment of PEPs.

Section 7.10 – “A current register of such domestic prominent influential persons and the relationship with the applicant issuer must be maintained by the applicant issuer and must be made available on the website of the applicant issuer when the applicant issuer publishes its Annual Financial Statements. A negative statement must be made if there are no domestic prominent influential persons.”

The DBSA confirms that it had no transactions/dealings with such PEPs during the 2025/26 financial year.

Procurement

Section 7.12 – “If the applicant issuer is a state-owned entity or municipality and has a policy dealing with procurement of services and/or products, this policy must be current and published on the issuer’s website.”

The DBSA’s Supply Chain Management Policy is published on the DBSA’s website (<https://www.dbsa.org/about-us/governance>).

Section 7.13 – “A current register of procurement of services and/or products representing 10% or more of the annual procurement spend of the applicant issuer must be maintained by the applicant issuer and must be made available on the website of the applicant issuer when the applicant issuer publishes its annual financial statements. The register must disclose at least the following:

- Parties to the agreement;
- Brief description as to the nature of the agreement;
- Date of the agreement and duration; and
- Total value of the agreement for the duration period.

A negative statement must be made if there are no such procurement partners at that level.”

The DBSA confirms that it had no such procurement partners at that level during the 2025/2026 financial year.

General: Loans and Procurement

Section 7.15 states that: “If the applicant issuer is a state-owned entity or municipality, the applicant issuer must have a current policy dealing with the disclosure and treatment of loans and procurement, as a minimum, with –

- any related party;
- domestic prominent influential persons; and
- prescribed officers.

The policy must be available on the website of the applicant issuer.”

Both the DBSA’s PEP/PIP Policy and the DBSA’s Supply Chain Management Policy are published on the DBSA’s website (<https://www.dbsa.org/about-us/governance>) and deals with the disclosure and treatment of loans and procurement with the above-mentioned parties, respectively.

Section 7.16 states that: “A current register of such loans and procurement with the applicant issuer must be maintained by the applicant issuer and must be made available on the website of the applicant issuer when the applicant issuer publishes its annual financial statements. The register must disclose at least the following:

- Parties to the agreement;
- Brief description as to the nature of the agreement;
- Date of the agreement and duration; and
- Total value of the agreement for the duration period.

A negative statement must be made if there are no loans or procurement with such parties.”

In accordance with the DBSA’s PEP/PIP Policy, the Bank maintains an internal current register of such loans and procurement.

Reporting of Procurement by Other Means

No.	Project Description	Name of Supplier	Reason for the Procurement by Other Means	Value of Contract	Award Date	Contract Start Date	Contract Expiry
1	Media buying	Media 24 - Die Burger	Sole Source	R12 585.60	1-Apr-25	2-Apr-25	2-Apr-25
2	Media buying	Volt Africa	Sole Source	R35 273.49	1-Apr-25	2-Apr-25	2-Apr-25
3	Fixing and repairs of the entrance door to the CEO's office	Dream Tec Projects	Emergency repairs	R36 961.00	5-May-25	31-Mar-25	8-Apr-25
4	Fixing of water leak and repairing of damaged pipes	Burgess Plumbing	Emergency repairs	R9 681.25	5-May-25	22-Mar-25	8-Apr-25
5	Media Buying - Republish of notice of a road closure	Media 24 - Die Burger	Sole Source	R35 273.49	6-May-25	11-May-25	11-May-25
6	Media Buying - Republish of notice of a road closure	Volt Africa	Sole Source	R12 585.60	6-May-25	11-May-25	11-May-25
7	Advise on and represent DBSA in legal proceedings	Cliffe Dekker Hofmeyr	Continuity of services	R4 000 000.00	7-May-25	8-May-25	8-May-25
8	Azure Devops Licences	Microsoft	Sole Source	R21 340.87	14-May-25	15-May-25	15-Sep-25
9	Facilitation of Infrastructure Fund's Annual Strategy Session	Akwande Communications t/a Conversation Strategists	Strategy Facilitator	R172 500.00	15-May-25	19-May-25	20-May-25
10	Licence renewal for Caseware	ADAPT IT	Sole Source	R157 105.76	23-May-25	9-Jun-25	8-Jun-26
11	Approach to Distribution Asset Management (ADAM) (RFP302/2023)	KwaZulu Environment Airconditioning (T/A Naidoo & Associates CC)	Single Source - Continuity of services	R13 794 250.00	2-May-25	4-Jul-25	31-May-26
12	Catering Cost for WPO Seawater Desalination Programme Workshop	PricewaterhouseCoopers	Sole Source - One supplier can provide the service at PWC premises.	R20 000.00	15-Aug-25	15-Aug-25	15-Aug-25
13	Job Evaluation System	Remchannel Old Mutual	Sole Source	R224 135.00	2-Jun-25	1-Jun-25	31-May-27
14	Replacement of 2 punctured staff bus tyres	Malas	Emergency	R4 210.50	12-Jun-25	12-Jun-25	12-Jun-25
15	Compensation and Benefits (Remuneration Advisory)	Bowmans	Single Source - Continuity advisory services	R2 875 000.00	11-Jun-25	12-Jun-25	31-Mar-26
16	Supply and cleaning of chemical toilets	Zamakhubazi Trading	Emergency	R72 000.00	9-Jun-25	1-May-25	30-Aug-25
17	Gas installation and repairs	Jumbathela Oil & Gas	Emergency	R33 943.97	18-Jun-25	10-Jun-25	11-Jun-25
18	2-day virtual masterclass on Bank Treasury Product and Risk Management	Business Times Streamlines Training Private Limited	Sole Source	R56 731.50	17-Jun-25	9-Jul-25	10-Jun-25
19	Repairs for a circuit breaker	Makgobjana Holdings	Emergency	R29 421.32	26-Jun-25	6-Jun-25	11-Jun-25
20	Approval of Microsoft Enterprise Agreement for 3 years	Microsoft	Sole Source	R41 958 440.61	27-Jun-25	1-Jul-25	30-Jun-28
21	Gas cylinders refill in the Server Room at the basement	Innovation Fire & Security Technologies	Emergency	R117 530.00	30-Jun-25	13-Jun-25	17-Jun-25
22	Service of Serve Room Airconditioner	TWM Projects	Emergency	R46 381.00	30-Jun-25	13-Jun-25	17-Jun-25
23	Supply, Delivery and Installation of Modular Homes, Shower units and Water Tanks	Arnott Panels (Pty) Ltd T/A Cool Maintenance	Emergency	R3 800 000.00	3-Jul-25	4-Jul-25	14-Jul-25

No.	Project Description	Name of Supplier	Reason for the Procurement by Other Means	Value of Contract	Award Date	Contract Start Date	Contract Expiry
24	Mechanical repairs to the DBSA bus	Cargo Commercial Vehicles Airport Franchise	Single Source - Cost-effectiveness and urgent	R78 238.30	16-Jul-25	17-Jul-25	17-Jul-25
25	Single Source: ICT	Open Text	Single Source - Conduct a proof of technology (PoT)	-	16-Jul-25	16-Jul-25	31-Jul-25
26	Training for Job Evaluation System REMeasure	RemchannellOld Mutual	Sole Source	R258 750.00	29-Jul-25	1-Aug-25	31-May-27
27	Security services	HTA Security & Cleaning services	Single Source - Continuity of services	R131 800.00	16-Jul-25	16-Jul-25	31-Jul-25
28	Security services	HTA Security & Cleaning services	Single Source - Continuity of services	R68 025.81	16-Jul-25	16-Jul-25	31-Jul-25
29	Market Intelligence Software tool	Rystad Energy Ltd	Single Source - Complexity of business requirement	R54 480.00	21-Jul-25	21-Jul-25	20-Jul-26
30	Provide Delaware and Luxembourg legal opinions and provide advice on related matters as may be required on an urgent basis	Baker & McKenzie Attorneys	Sole Source - only law firm that will be able to act on behalf of the DBSA in the winding down process due to the complexity and urgency of the matter.	Baker McKenzie (Luxembourg): EUR 35 000 - EUR 50 000 (excl. VAT and disbursements). Morris James (Delaware): USD 50 000 (excl. VAT and disbursements). Baker McKenzie (Johannesburg): USD 20 000 - USD 25 000 (excl. VAT and disbursements).	1-Aug-25	4-Aug-25	31-Oct-25
31	Catering and other costs	PricewaterhouseCoopers	Sole Source - One supplier can provide the service at PWC premises.	R10 000.00	4-Aug-25	15-Aug-25	15-Aug-25
32	Centre Core airconditioner	TWM Projects	Emergency	R159 647.00	4-Aug-25	7-Jul-25	21-Jul-25
33	License renewal for ArcGIS - for the IPPO	ESRI South Africa	Sole Source	R236 210.00	11-Aug-25	17-Aug-25	16-Aug-26
34	Media Buying - The Daily Dispatch	Arena Holdings Pty Ltd	Sole Source	R21 160.00	6-Aug-25	12-Aug-25	12-Aug-25
35	Appointment of an original equipment manufacturer for the design, manufacture, supply, and delivery of specialised formwork and walkways for the construction of the Tzaneen Dam	Peri Formwork Scaffolding Engineering (Pty) Ltd	Single Source	R43 296 935.38	20-Aug-25	20-Aug-25	30-Aug-26
36	Office Rental for a three-year lease for the DBSA office	Skye Development	Single Source Urgency	R4 934 818.67	26-Aug-25	1-Sep-25	30-Aug-28
37	Installation of modular homes, shower	Indlela Growth Strategies (IGS) Pty Ltd	Single Source - Continuity of services	R225 225.00	3-Apr-25	15-Apr-25	31-Oct-25
38	Specialist For The Water Partnerships Office Management Contracts Programme	Mr Malcom	Single Source - Continuity of services	R420 000.00	15-Apr-25	15-Apr-25	30-Dec-25

No.	Project Description	Name of Supplier	Reason for the Procurement by Other Means	Value of Contract	Award Date	Contract Start Date	Contract Expiry
39	Occupational Health and Safety Agent	CSM Pty Ltd Safety Consultants	Single Source -Continuity of services	R687 000.00	11-Jun-25	30-Jun-25	30-Apr-27
40	Maintenance of the Digi-Evolve portal (DT SharePoint) for a period of one (1) year.	ShortPoint	Sole Source	R125 263.88	7-Nov-25	13-Nov-25	13-Nov-26
41	Annual Subscription services for DoCuSign	DocuSign	Sole Source - Subscription services - OEM	R13 330 882.16	4-Nov-25	17-Nov-25	16-Nov-28
42	Servicing and repairing of Mercedes Benz bus	Cargo Commercial Vehicles Airport Franchise	Single Source - Continuity of services	R100 000.00	13-Nov-25	13-Nov-25	13-Nov-25
43	Legal Services	Cliffe Dekker Hofmeyr Inc	Single Source - Continuity of services	Rates based	1-Dec-25	1-Dec-25	30-Jun-26
44	Rail Sector specialist	Gain Group (Pty) Ltd	Single Source - Continuity of services	R1 667 500.00	27-Nov-25	1-Nov-25	31-Jul-26
45	Subscriptions - Global Emerging Markets Risk (GeMs) database	Galytix Limited	Sole Source - Annual Subscription from 2025-2029	USD 105 172.41 ZAR 1 787 510.28	27-Nov-25	1-Dec-25	31-Dec-29
46	Bee hives removal	Servest Landscaping	Emergency	R38 272.00	9-Dec-25	9-Dec-25	9-Dec-25
47	Catering services	Nu-Gili	Single Source - Business continuity	R1 053 227.13	15-Dec-25	15-Dec-25	31-Jul-25
48	Azure storage	Microsoft South Africa	Sole Source - Original Equipment Manufacture	R3 587.94	15-Dec-25	1-Jan-26	30-Jun-25
49	Back-up generator repairs	QOS Consulting CC	Emergency	R140 300.00	15-Jan-26	15-Jan-26	15-Jan-26
50	Provision of the fourth water tanker to iLembe District Municipality	2MC Consulting Engineers (Pty) Ltd	Single Source - Business continuity	R2 107 074.28	Once off	Once off	Once off
51	Back-up generator repairs	Extra Mile Electrical CC	Emergency	R35 467.29	22-Jan-26	4-Jan-26	4-Jan-26
52	Diesel for generators	Jumbathela Oil & Gas	Emergency	R63 600.00	30-Jan-26	28-Jan-26	28-Jan-26
53	Gas installation and repairs	Jumbathela Oil & Gas	Emergency	R28 750.00	2-Feb-26	2-Feb-26	2-Feb-26
54	Supplied and installed under-ceiling airconditioner	GIBELA trade and Invest 1247 cc (GTI 1247 cc)	Emergency	R88 803.00	13-Feb-26	5-Feb-26	5-Feb-26
55	Emergency repairs	Drop Dot	Emergency	R1 852 920.25	9-Feb-26	2-Feb-26	20-Feb-26
56	Psychometric Assessment Tool for graduates	SHL	Sole Source - Assessing the graduates for an internship programme	R183 320.35	3-Mar-26	1-Mar-26	31-May-26
57	Repairs to A-wing electrical	Extra Mile Electrical	Emergency	R57 183.75	5-Mar-26	16-Feb-26	28-Feb-26
58	Public-Private Partnership (PPP) feasibility study and PPP procurement stage activities for the Rooiwal Waste Water Treatment and Water Reuse Project in the City of Tshwane, in accordance with National Treasury PPP guidelines	Bigen Africa	Single Source - Business continuity	R16 161 735.50	6-Mar-26	15-Mar-26	1-Sep-28

No.	Project Description	Name of Supplier	Reason for the Procurement by Other Means	Value of Contract	Award Date	Contract Start Date	Contract Expiry
59	Repairs of ceiling including material supply: Room A2-20, A2-21, A2-kitchen, A2-ladies bathroom and passage	Lapeng La Gae Construction	Emergency	R41 975.00	12-Mar-26	15-Feb-26	18-Feb-26
60	Canteen Fat Trap Service	TDP Technologies	Single Source - Business continuity while concluding of a competitive procurement	R65 000.00	12-Mar-26	18-Mar-26	17-Sep-26
61	Mbuso Kubheka SoE - Emergency Procurement	Mbuso Kubheka SoE - Emergency Procurement	Emergency	R472 006.00	13-Mar-26	6-Mar-26	13-Mar-26
62	Additional Licenses	Cocre8 Technology Solutions	Sole Source	R278 389.70	19-Mar-26	18-Nov-24	17-Nov-27
63	Microsoft Defender for Cloud	Microsoft	Sole Source	R1 727 491.01	19-Mar-26	1-Apr-26	30-Jun-28
64	External Counsel - Presevation or Enforcement of Rights	ENSAfrica	Single Source - Continuity of services	Rates based	24-Mar-26	25-Mar-26	25-Sep-26
65	Repairs to faulty underground cable – Parking Area	Robles Electrical Construction	Emergency	R18 960.00	27-Mar-26	19-Mar-26	20-Mar-26
66	Procurement of a 60m Dikidikini Emergency Candock G2 Modular Floating Walkway Bridge	Dockpro	Emergency	R1 411 588.20	27-Mar-26	1-Apr-26	15-May-26
67	CCMA proceedings	ENSAfrica	Confidential	Rates based	31-Mar-26	31-Mar-26	15-May-26
68	Disaster Repairs	Drop Dot	Emergency	R4 422 200.04	26-Mar-26	30-Mar-26	30-Apr-26
69	ICT Quarterly and Annual License and Subscriptions Renewal FY2026/2027	Different service providers	Subscription	Various	26-Feb-26	Various start dates	Various end dates

No.	Month	Tender Description	Service Provider	RFP Number	Reasons for Extention or Expansion	Original Contract Value	Variation Value Extension	Contract Start Date	Contract End Date
1	3-Apr-25	Appointment of a Professional Service Provider for remedial works at New Assembly Parliament	Parliament Consortium	RFP118/2023	Additional scope of work	R62 437 242.73	R24 222 647.45	14-Oct-23	30-Jun-25
2	3-Apr-25	Appointment of a Professional Service Provider for remedial works at New Assembly Parliament	Parliament Consortium	RFP118/2023	Additional scope of work	R62 437 243.73	R1 751 649.49	14-Oct-23	30-Jun-25
3	11-Apr-25	Approval of variation order no.01 - 02 for the construction of a Multi-Purpose Training Facility at the 4 Special Forces Regiment	Xigua/Midnight Star Trading JV	RFP111/2023	Additional scope of work	R17 599 565.50	R1 461 727.39	24-Apr-24	26-Jun-25
4	11-Apr-25	Execution of the SAFE Programme	Pachedu Trading CC t/a PD Dynamics	Task Order No 052/2024B	Additional scope of work	R4 364 764.80	R396 796.80	11-Nov-24	30-Apr-25
5	17-Apr-25	Decanting Siteworks	SMEC	RFP252/2021	Additional scope of work	R92 311 100.00	R2 736 417.64	1-Mar-23	23-Apr-25

No.	Month	Tender Description	Service Provider	RFP Number	Reasons for Extention or Expansion	Original Contract Value	Variation Value Extension	Contract Start Date	Contract End Date
6	17-Apr-25	Detailed Planning to Implementation-Readiness, Construction Management and Oversight of Rural Community Water Schemes in Five Priority Villages in Vhembe District Municipality	CSIR	RFP247/2023	Additional scope of work	R9 815 035.46	R1 130 000.00	24-Jan-24	5-Nov-25
7	17-Apr-25	Execution of the SAFE	Pachedu Trading CC t/a PD Dynamics	Task Order No 052/2024B	Additional scope of work	R4 364 764.80	R1 700 005.12	11-Nov-24	30-Apr-25
8	17-Apr-25	Financial contract variation for the IPPO lease agreement generator/ UPS levy	Centurion Vision Development	RFP021/2015	Business Continuity	R50 448 445.05	R363 528.72	1-May-23	30-Apr-28
9	17-Apr-25	Capacity constraints within the EMM with specific reference to the procurement of a Contractor on a Performance-based contract basis.	Cambridge Resources International Inc.	RFP062/2024	Business Continuity	R12 000 000.00	R0.00	4-Jun-25	28-Feb-27
10	17-Apr-25	Service Provider to support the Municipalities with the design and procurement of a performance-based management contract.	Malcolm Simpson		Business Continuity	R420 000.00	R0.00		
11	25-Apr-25	Financial Advisory Services under bid window 1 (BW1) and bid window 2 (BW2) of the Gas Independent Power Producers Procurement Programme	Pamoja Asset Management	RFP101/2023	Business continuity, to conclude the project, works	R16 407 999.00	R2 461 201.00	18-May-23	17-May-25
12	25-Apr-25	3D scanning and modelling, for a period of 12 months	Different service providers	RFP197/2019	Business continuity, while testing the market	R0.00	R0.00	6-Mar-20	30-Apr-25
13	25-Apr-25	Employee Wellness Services	Lyra	RFP139/2021	Business continuity, while testing the market	R307 607.00	R56 138.40	1-Dec-21	31-Jul-25

No.	Month	Tender Description	Service Provider	RFP Number	Reasons for Extention or Expansion	Original Contract Value	Variation Value Extension	Contract Start Date	Contract End Date
14	25-Apr-25	Investment Consultant for Investment Consultant for Lomahasha-Namaacha cross border water supply project	Fichtner Water & Transportation Jv	RFP022/2018	To cater for remuneration of the consultant for the already approved 6-months extension of time	R43 391 580.75	R10 881 210.30	10-Dec-19	30-Apr-26
15	16-May-25	Storage of Project Materials (Lifts)	V3f Elevators and Escalators Company		Delayed approvals process	R156 990.48	R119 872.32	1-Dec-24	30-Nov-25
16	16-May-25	Construction, refurbish and upgrade of new Siloam hospital	Siloam Hospital Joint Venture	RFP264/2021	Additional scope of work	R1 177 131 072.93	R198 559 921.00	10-Jun-22	30-Jul-26
17	16-May-25	New lease for the DBSA Office to accommodate the DBSA personnel that are working on the KwaZulu-Natal Department of Education Schools Infrastructure Programme and the Department of Cooperative Governance District Development Model for the Ethekwini Hub Offices	Impilo flat	RFP217/2021	Business Continuity	R5 747 459.95	R552 818.25	1-Jan-22	31-May-28
18	23-May-25	Infrastructure Finance Expert	Rebel Group Consulting South Africa Pty Ltd	RFP221/2022	Business continuity, to conclude the project, works	R15 219.67	R5 396.20	1-Feb-23	31-Jan-26
19	5-Jun-25	Supplier for hiring of tower crane as and when required for the construction of Tzaneen Dam	Limpopo Earthmoving Construction Equipments/ MMS Mobile Crane JV	RFP165/2023	Contractor delays	R14 023 657.75	R12 105 826.96	27-Oct-23	30-May-26

No.	Month	Tender Description	Service Provider	RFP Number	Reasons for Extension or Expansion	Original Contract Value	Variation Value Extension	Contract Start Date	Contract End Date
20	5-Jun-25	Installation of 14 prefabricated structures, 1 prefab admin, 1 prefab library, 1 prefab science lab, staff and leaners toilets. construction of new parking and workways, upgrading of storm water, sewer, water and electricity supply for Enoch Mamba SSS Phase 1 on behalf of Eastern Cape Department of Education (ECDOE)	Counterpoint Trading 420 cc	RFP031/2023	Omission of contingencies, prefabricated toilets for educators, Training for SMMEs and Adverse ground conditions	R19 986 058.25	R518 161.43	10-Jun-24	27-Jul-25
21	5-Jun-25	Management Contractor for the Completion of 31 Abandoned Safe Projects in KZN on Behalf of the National Department of Basic Education	Sinopa Construction and Property Pty Ltd	RFP178/2024	Additional scope of work	R38 714 502.18	R13 767 390.41	11-Feb-25	30-Aug-25
22	13-Jun-25	Total Facilities Management	Tefla Group (Pty) Ltd	T/ O002/2025B	Additional scope of work and scope change	R56 702 457.20	R6 683 512.50	6-May-25	31-Oct-25
23	20-Jun-25	Construction New Maritime School Of Excellence, Umlazi District In Kwazulu Natal For Department Of Education - Variation Order No.5 Approval	GVK Siya Zama Building Contractors (Cape) Pty Ltd	RFP317/2021	Additional scope of work and extension of time costs	R331 583 862.30	R12 236 611.29	15-Jul-22	31-Jul-25
24	27-Jun-25	Design, contract administration, and construction supervision of the Tzaneen Dam Raising	ARQ Consulting Engineers		Contract expansion - Adjustment of remeasured quantities	R40 357 351.00	R33 325 902.90	1-Aug-22	31-Jan-25
25	27-Jun-25	Re-alignment of Toleni JSS	Murray and Dickson Construction (Pty) Ltd	RFP047/2017	Adjustment of remeasurable quantities	R41 937 367.55	R2 300 641.82	21-Jun-17	21-Jun-19
26	27-Jun-25	Suikerbosrand Nature Reserve - Land Surveyor	Aseda Consulting Engineers Pty Ltd	RFP251/2022	Additional scope of work	R0.06	R347 632.12	4-Oct-23	1-Jul-25
27	27-Jun-25	Travel Management Services	Tourvest Travel Services		Business continuity, while testing the market	R4 300 000.00	R638 857.16	1-Jan-23	30-Jun-25
28	27-Jun-25	Fire detection systems replacement	Fire detection systems replacement	RFP191/2024	Additional scope of work and scope change	R4 054 707.870	R145 694.30	1-May-25	30-Apr-30

No.	Month	Tender Description	Service Provider	RFP Number	Reasons for Extension or Expansion	Original Contract Value	Variation Value Extension	Contract Start Date	Contract End Date
29	30-Jun-25	Provision of catering services for staff breakfast and lunch, events (Staff and Executive) and visitors' services	Nu-gilli	RFP180/2019	Business continuity, while testing the market	R3 446 342.34	R526 613.57	1-Jul-22	31-Oct-25
30	11-Jul-25	Water Supply and Basic Sanitation - Consulting services for design and construction supervision of Kazungula Water and Basic Sanitation Project	IncoWest in Association with Rankin Engineering Consultants	RFP229/2017	Additional scope of work and business continuity, to conclude the project, works.	R28 436.00	R6 362.00	25-Jul-19	23-Aug-25
31	11-Jul-25	Members offices refurbishment	Power Construction (Pty) Ltd	RFP103/2023	Additional scope of work	R66 913 792.62	R276 030.28	20-Jun-23	11-Aug-23
32	11-Jul-25	Various projects in the Limpopo and Eastern Cape on Behalf of the Department of Tourism/ OAKS	Mshandukani Holdings	RFP160/2022	Additional scope of work	R25 807 207.29	R784 093.02	23-Feb-23	End date to be revised
33	17-Jul-25	Construction of Nandoni Dam Lodge	Lebo Teo Trading	RFP163/2022	Additional scope of work	R34 170 222.55	R6 143 291.02	8-Sep-23	End date to be revised
34	17-Jul-25	Audit services to the African World Heritage Fund (AWHF)	SNG Grant Thornton	RFP017/2024	Business continuity, to conclude the project, works.	R1 914 701.70	R276 386.40	2-May-24	31-Aug-27
35	17-Jul-25	Construction, Demolishing and Renovation of Emmangweni Primary School in the Gauteng Province	Durban Maintenance & Building PTY LTD	RFP255/2023	Underestimation of provisional sums (during tender stage) related to electrical installations.	R45 825 580.51	R1 554 042.58	8-Jul-24	31-Jul-25
36	17-Jul-25	Employee Wellness Service Provider	Lyra	RFP139/2021	Business continuity, while testing the market	R307 607.00	R56 138.40	1-Dec-21	31-Oct-25
37	30-Jul-25	Construction of Mthonsi Lodge Project, in Eastern Cape province under The National Department of Tourism Programme	Botani Construction	RFP063/2022	Additional scope of work	R27 019 624.00	R33 868 674.12	14-Nov-22	11-Aug-25
38	30-Jul-25	Implementation of internet bandwidth services and support	MTN (Pty) Ltd	RFP199/2021	Business continuity, to conclude the project, works	R3 434 257.18	R495 211.72	1-Feb-22	30-Nov-25
39	30-Jul-25	Implementation and support of a Microsoft Telephony Solution	Argantic (Pty) Ltd	RFP080/2021	Business continuity, to conclude the project, works	R3 994 615.71	R237 576.99	6-Jan-22	30-Jul-25

No.	Month	Tender Description	Service Provider	RFP Number	Reasons for Extension or Expansion	Original Contract Value	Variation Value Extension	Contract Start Date	Contract End Date
40	31-Jul-25	ICT Backups, Restore, Disaster Recovery, Business Continuity, and related solution	Metrofile Vysion	RFP186/2021	Business continuity, while testing the market	R1 041 202.32	R1 041 202.32	1-Mar-25	31-Aug-25
41	14-Aug-25	Professional Services providers for the refurbishment of Government Printing Works administrative headquarters	Zutari (Pty) Ltd	Task Order No 040/2023B	Business continuity, to conclude the project, works	R5 269 723.80	R2 663 676.19	30-Apr-24	31-Oct-25
42	14-Aug-25	Appointment of a service provider to assess the energy infrastructure investments required between now and 2030 (and extended to 2040 and 2050), to achieve the energy and carbon targets	Pricewater-houseCoopers Inc	RFP360/2022	Business continuity, to conclude the project, works	R9 749 213.55	R500 000.00	5-Jun-23	11-Nov-25
43	22-Aug-25	Refurbishment of Government Printing Works administrative headquarters	Zutari (Pty) Ltd	Task Order No 018/2023B	Business continuity, to conclude the project, works	R1 413 078.48	R299 397.90	18-Apr-24	31-Oct-25
44	22-Aug-25	Contract extension on Task Order 002/2025B	Mpamot Africa (Pty) Ltd	Task Order No 002/2025B	Business continuity, to conclude the project, works	R9 990 384.38	R7 440 574.67	1-Apr-25	31-Oct-25
45	22-Aug-25	Performanceof work and construction on the re-alignment of Arthur Ngunga SSS	Murray and Dickson Construction (Pty) Ltd	RFP047/2017	Adjustment of remeasured quantities for Final	R43 732 758.72	R1 201 563.46	21-Jun-17	21-Jun-19
46	22-Aug-25	Construction, demolishing and renovation of Emmangweni Primary School in the Gauteng Province	Durban Maintenance & Building Pty Ltd	RFP255/2023	Underestimation of provisional sums	R45 825 580.51	R2 494 388.92	8-Jul-24	29-Aug-25
47	28-Aug-25	Temporary support system / propping service provider for Charlotte Maxeke Johannesburg Academic Hospital (CMJAH) on behalf of the Gauteng Department of Health (GDOH	VIVA Projects Johannesburg (Pty) Ltd		Business continuity, to conclude the project, works	R69 493 236.50	R24 036 462.34	18-May-22	1-Sep-25
48	28-Aug-25	Execution of the SAFE Programme	Pachedu Trading CC t/a PD Dynamics	Task Order No 052/2024B	Business continuity, to conclude the project, works	R4 364 764.80	R1 700 005.12	11-Nov-24	31-Dec-25

No.	Month	Tender Description	Service Provider	RFP Number	Reasons for Extension or Expansion	Original Contract Value	Variation Value Extension	Contract Start Date	Contract End Date
49	28-Aug-25	Request for approval to add Environmental Specialist into the project	MBSA Consulting	RFP229/2016	Addition of resources to existing contract	R11 949 342.49	R883 062.00	5-Jan-17	15-Jun-26
50	28-Aug-25	Implementation and support of an online pricing tool	Aspect Advisory	RFP110/2023	Additional scope of work	R4 361 950.00	R421 878.00	21-Sep-23	20-Sep-26
51	28-Aug-25	Provision of sanitation facilities on behalf of Limpopo Department of Education	Moago Construction	RFP208/2022	Remeasurables	R43 671 173.61	R1 405 207.28	12-Oct-22	15-Apr-23
52	28-Aug-25	Emerging legal panel and the international legal panel	Different Service providers	RFP112/2019 and RFP178/2019	Business continuity, while testing the market	R0.00	R0.00	30-Mar-20	31-Dec-25
53	5-Sep-25	Construction and Maintenance for Social Housing Programme	Zutari (Pty) Ltd	RFP101/2024	Additional scope of work	R980 500.00	R102 925.00	30-Sep-25	31-Dec-25
54	5-Sep-25	Refurbishment and upgrading of Tompi Seleka 6 Storey Building	Dalas Business Enterprise	RFP110/2024	Scope of work extension and remeasurables	R5 432 031.15	R1 075 272.27	19-Nov-24	10-Oct-25
55	5-Sep-25	Provision of Governance Transaction Advisory Services to the IPP Office and IPP Procurement Programme	Bouwer Cardona Inc	RFP052/2024	Additional scope of work	R1 460 000.00	R690 000.00	15-May-25	15-May-26
56	5-Sep-25	eProcurement	Electronic Supply Chain And Procurement Enterprise		Scope of work extension	R4 528 121.00	R157 872.00	19-Dec-23	28-Feb-27
57	10-Sep-25	Upgrading of the 11km gravel road I Wolkberg Nature Reserve	Chauke Business Enterprise	RFP007/2024	Scope of work extension	R10 631 313.00	R4 529 470.00	18-Jul-24	30-Oct-25
58	10-Sep-25	Upgrading of Gravel Road to Paved Road and Execution of Associated Works I Nylsvlei Nature Reserve	Crystal Sparkle Trading 98cc	RFP023/2024	Re-measurements	R9 911 852.07	R589 489.50	29-Apr-25	31-Oct-25
59	18-Sep-25	Design and construction supervision of Kazungula Water and Basic Sanitation Project	IncoWest in Association with Rankin Engineering Consultants	RFP229/2017	Business continuity, to conclude the project, works	R28 514 891.00	R3 768.00	25-Jul-19	23-Aug-26
60	18-Sep-25	Travel Management Services	Tourvest Travel Services		Business continuity, while testing the market	R4 300 000.00	R851 809.55	1-Jan-23	30-Sep-25

No.	Month	Tender Description	Service Provider	RFP Number	Reasons for Extension or Expansion	Original Contract Value	Variation Value Extension	Contract Start Date	Contract End Date
61	18-Sep-25	Refurbishments and upgrades of The Rooiwal Wastewater Treatment Works Phase 1	Anolog Pty(Ltd)	RFP040/2024	Additional scope of work	R23 914 480.00	R4 239 853.74	2-Jun-24	30-Sep-26
62	18-Sep-25	Framework contract for service providers to provide specialist resources to DBSA and clients on as and when required basis for a period of 5 years	Ebus-Tech (PTY) Ltd	Task Order No 023/2023B	Business continuity, to conclude the project, works	R4 574 592.00	R1 967 965.56	6-Oct-23	6-Oct-25
63	18-Sep-25	Framework contract for service providers to provide specialist resources to DBSA and clients on as and when required basis for a period of 5 years	Iyasa Group	TO007/2023B	Business continuity, to conclude the project, works	R1 896 206.83	R848 951.71	22-Feb-23	30-Sep-25
64	18-Sep-25	Framework contract for service providers to provide specialist resources to DBSA and clients on as and when required basis for a period of 5 years	Senapelo Consulting Engineers	Task Order No 006/2023B	Business continuity, to conclude the project, works	R1 455 521.28	R632 615.18	20-Feb-23	30-Jun-26
65	8-Oct-25	Executive Leadership project under National Treasury	University of Cape Town	RFP011/2021	Business continuity, to conclude the project, works	R5 063 768.55	R743 361.22	1-Jul-22	31-Mar-26
66	8-Oct-25	Capacitation of the current NDoH Programme Management Office	Zutari (Pty) Ltd	Task Order No 014/2022B	Business continuity, to conclude the project, work	R7 614 051.99	R10 955 347.20	1-Sep-22	12-Oct-25
67	27-Oct-25	Technical support to Metropolitan Municipalities on the preparation, process and systems for the roll out of catalytic land development projects	Zutari (Pty) Ltd	RFP072/2022	Business continuity, to conclude the project, work	R6 820 660.18	R995 816.38	1-Jan-23	31-Dec-26
68	27-Oct-25	Employee Wellness Programme	Lyra	RFP139/2021	Business continuity, while testing the market	R307 607.00	R74 855.20	1-Dec-21	31-Oct-25

No.	Month	Tender Description	Service Provider	RFP Number	Reasons for Extension or Expansion	Original Contract Value	Variation Value Extension	Contract Start Date	Contract End Date
69	27-Oct-25	Request SCMC to extend the Psycometrics Assessment Panel for a period of 2 months	Panel	RFP132/2021	Business continuity, while testing the market	R0.00	R0.00	3-Nov-21	31-Oct-25
70	7-Nov-25	Appointment of contractor for construction of additional learning areas and renovations of existing Infrastructure at Sediko Primary School on Behalf Northwest Department of Education	Sun Success Construction Projects CC	RFP013/2022	Additional scope of work	R37 968 996.18	R6 891 676.00	3-Jul-22	21-Jan-26
71	7-Nov-25	Request for Approval of Extension of Time with Costs and Scope Extension I Provision of Prefabricated Classrooms and Construction of an Ablution Block at Ulwazi Secondary School I Eastern Cape Department of Education	Mbokotho Investments t/a ZM Construction	RFP153/2023	Additional scope of work	R22 492 725.00	R376 202.87	1-Jun-24	18-Nov-25
72	14-Nov-25	Matlafalang Primary School Construction	Kuhl'ukwakha Construction	RFP253/2021	To do work on the portion of the work that was damaged by the tornado.	R93 257 940.50	R13 867 295.85	4-Dec-25	8-Jul-26
73	21-Nov-25	Management Contractor for the Completion of 31 Abandoned Safe Projects in KZN on behalf of the National Department of Basic Education (DBE)	Sinopa Construction and Property (Pty) Ltd	RFP178/2024	Additional scope of work	R38 714 502.19	R9 302 194.92	TBC	31-Mar-26
74	21-Nov-25	Design, Installation and Commission of generator in the DBSA Campus	Mogalemole Consulting Engineers	RFP126/2023	Business continuity, to conclude the project, works	R3 655 782.86	R3 701 498.01	1-Aug-23	31-Jul-26
75	21-Nov-25	E-Learning courses	Moody's Analytics		Additional scope of work	R10 120 000.00	R0.00	1-Dec-22	28-Nov-26

No.	Month	Tender Description	Service Provider	RFP Number	Reasons for Extention or Expansion	Original Contract Value	Variation Value Extension	Contract Start Date	Contract End Date
76	21-Nov-25	Appointment of Contractor to execute construction works for the SAFE Programme on behalf of the Department of Basic Education (DBE)	Civmaq Projects (Pty) Ltd	RFP125/2022	Additional scope of work	R22 063 396.48	R371 392.93	26-Sep-22	31-May-23
77	21-Nov-25	Appointment of a Service Provider for the planning, design, documentation and works supervision (Stages 1 – 7) for the refurbishments and upgrades of The Rooiwal Waste-Water Treatment Plant Phase - Professional Fees Adjustment	Anolog Pty(Ltd)	RFP040/2024	Additional scope of work	R28 091 396.64	R5 006 826.21	2-Jun-24	30-Sep-25
78	28-Nov-25	Storage of Project Materials (Lifts)	V3f Elevators and Escalators Company		Delayed Approval Process for Budget Confirmation by the Client	R156 990.00	R413 798.91	1-Dec-25	31-May-27
79	4-Dec-25	Execution of the SAFE Programme	Pachedu Trading CC t/a PD Dynamics	Task Order No 052/2024B	Business continuity, to conclude the project, works	R4 364 764.80	R2 377 114.40	11-Nov-24	31-May-26
80	4-Dec-25	CIDB Graded (GB LEVEL 6-9) Contractors, RFR/ CON/GB/2019, for a period of 7 months	Panel	RFR/CON/ GB/2019	To continue in servicing IDD's project requirements	R0.00	R0.00	25-Jan-25	30-Sep-25
81	4-Dec-25	Leasing of multi-function printers	ITEC Alenti 220 (Pty) Ltd	RFP261/2022	Original monthly printing volume estimates are not sufficient	R6 798 884.56	R920 000.00	1-Jan-25	31-Mar-26
82	12-Dec-25	Office administrative and logistical support to the National Treasury's Neighbourhood Development Partnership Programme as integration liaison for the CSP	Ebus-Tech Consulting (Pty) Ltd	Task Order No 001/2025B	Business continuity, to conclude the project, works	R424 120.00	R63 020.00	24-Dec-25	28-Feb-26
83	12-Dec-25	Construction and maintenance for Social Housing Programme	Zutari (Pty) Ltd	RFP101/2024	Additional scope of work	R908 500.00	R1 901 747.88	1-Jan-26	31-Dec-27

No.	Month	Tender Description	Service Provider	RFP Number	Reasons for Extention or Expansion	Original Contract Value	Variation Value Extension	Contract Start Date	Contract End Date
84	12-Dec-25	Fire Remedial Works at Old Assembly Building, Parliament Precinct, Cape Town, Western Cape Province	Henry Fagan Consulting Engineers and Project Managers	RFP119/2023	PSP Fee adjustment	R36 586 318.28	R52 665 721.43	31-Jul-23	30-Sep-27
85	12-Dec-25	Procurement of an Infrastructure Finance Expert	Rebel Group Consulting South Africa Pty Ltd	RFP221/2022	Business continuity, to conclude the project, works	R15 219 673.00	R1 487 069.37	1-Feb-23	30-Apr-26
86	12-Dec-25	Service providers to Provide Specialist resources to DBSA and clients on an as and when required basis	Panel	RFR/ RESOURCES/ DEC/2020	Business continuity	R0.00	R0.00	20-Aug-21	30-Sep-30
87	26-Jan-26	Physical Security Services at the IPP Office for 3 years	Vela-Tech Security	RFP205/2024	Financial Variation to contract rates	R11 654 972.15	R556 304.06	17-Jun-25	30-Jun-28
88	26-Jan-26	Appointment of Contractor to execute construction works for the SAFE Programme on behalf of the Department of Basic Education (DBE)	Hillpet CC	RFP153/2022	Additional scope of work	R38 660 632.12	R1 472 505.28	26-Sep-22	TBC
89	26-Jan-26	Replacement Learning Areas and Demolition of Existing Infrastructure at Ga-Maloka Primary School for the Northwest Education Infrastructure Programme	MSK Construction (Pty) Ltd	RFP347/2022	Additional scope of work	R65 602 916.04	R2 177 997.68	TBC	TBC
90	28-Jan-26	Travel Management Services	Tourvest Travel Services		Business continuity, while testing the market	R4 300 000.00	R1192 533.37	1-Jan-23	30-Jan-26
91	10-Feb-26	Training Panel of Service Providers to deliver training to DBSA Employees – RFP 102/2021 and RFP 103/2021 for a period of 06 months	Panel	RFP103/2021 and RFP103/2021	Business continuity, while testing the market	R0.00	R0.00	22-Feb-22	18 Aug 2026

No.	Month	Tender Description	Service Provider	RFP Number	Reasons for Extention or Expansion	Original Contract Value	Variation Value Extension	Contract Start Date	Contract End Date
92	10-Feb-26	Framework contract for service providers to provide Specialist resources to DBSA and clients on an as and when required basis for a period of 5 years: 038/2022	Durapi Consulting (Pty) Ltd	RFP/ RESOURCES/ DEC2020	Business continuity, to conclude the project, works	R6 053 762.88	R7 222 955.52	3-Feb-23	30-Sep-29
93	16-Feb-26	Emergency/ Maintenance works at Christiana Hospital in the Northwest Province	Temi Construction	RFP245/2019	Business continuity, to conclude the project, works	R99 505 877.04	R4 855 441.34	8-Jan-24	13-Mar-26
94	16-Feb-26	To provide office administration and logistical support to the National Treasury's Neighborhood Development Partnership Programme in addition to integration liaison for the CS	Ebus-Tech Consulting (Pty) Ltd	Task Order No 001/2025B	Business continuity, to conclude the project, works	R387 240.00	R450 260.00	24-Mar-25	28-Feb-26
95	25-Feb-26	Professional services for the upgrade and extension of Monchusi Secondary School situated in Morokweng within the Northwest Province	CSKO Architects	RFP223/2022	Fee Adjustments - Additional Scope of work and Extension of Time	R6 794 362.79	R2 767 276.35	14-Oct-24	20-Nov-25
96	25-Feb-26	Security Officers for day and night shifts to safeguard Park Road Police Station for a period of nine (09) months.	4 Us 2 C Security (Pty) Ltd	RFQ033/2025	Delayed Budget Confirmation Approval by the Client	R774 800.28	R507 967.93	1-Oct-20	10-Mar-26
97	25-Feb-26	ICT Backups, Restore, Disaster Recovery, Business Continuity, and related solution	Metrofile Vysion		Business continuity, while testing the market	R1 041 202.34	R520 601.24	15-Mar-25	28-Feb-26
98	5-Mar-26	Construction of QwaQwa Guest House and Monontsha Infrastructure	Themolo Business Enterprises	RFP053/2022	Additional scope of work	R27 857 689.07	R7 481 643.40	13-Oct-22	31-May-26

No.	Month	Tender Description	Service Provider	RFP Number	Reasons for Extention or Expansion	Original Contract Value	Variation Value Extension	Contract Start Date	Contract End Date
99	6-Mar-26	Sourcing of Service Provider/ Consultant to develop and update DBSA SCM documents in line with new digitalised SCM process within a period of three (3) months	House of Mash	RFQ047/2025	Business continuity, to conclude the project, works	R497 375.50	R0.00	26-Nov-25	30-Jun-26
100	19-Mar-26	Construction of Bergman Secondary School	Olaoitse Holdings Pty (Ltd)	RFP253/2021	Additional scope of work	R92 311 000.00	R1 330 874.85	10-Apr-23	17-Jun-26
101	25-Mar-26	Revitalisation of Industrial Parks Programme	LedileTrading CC	RFP240/2022	Additional scope of work	R40 511 408.37	R1 316 597.40	15-Jun-23	30-Apr-26
102	25-Mar-26	Service Provider to provide the services at the Site in accordance with the Letter of Appointment detailed in Schedule 2 hereto, amongst which services include to provide Temporary Support of Structures and associated works more fully.	Viva Projects Johannesburg (Pty) Ltd		Additional scope of work	R65 251 865.26	R8 574 798.05	1-Mar-22	30-Oct-26
103	25-Mar-26	Implementation of the COT Rooiwal Programme - Resource Extension	Phanda Personnel	Task Order No 008/2025B	Business continuity, while testing the market	R4 616 542.80	R3 618 846.40	7-Sep-23	30-Apr-27
104	27-Mar-26	Digital Marketing, Social media and design services	FSQ Intergrated Solutions	RFP099/2023	Additional scope of work	R13 361 471.02	R398 475.00	1-Nov-23	30-Oct-26
105	27-Mar-26	Leasing of multi-function printers	ITEC Alenti 220 (Pty) Ltd	RFP261/2022	Business continuity, while testing the market	R6 798 885.57	R250 000.00	1-Jan-25	30-Apr-26
106	27-Mar-26	CISCO Support Smartnet licences and support and maintenance for the Cisco infrastructure	Blue Networks and Infrastructure	RFP002/2025	Business continuity, while testing the market	R6 096 298.20	R1 196 317.10	1-May-25	30-Apr-30
107	27-Mar-26	Development and Implementation of the Revenue Enhancement Programme in support of the Zululand District Municipality	Professional Mobile Mapping	RFP279/2023	Business continuity, while testing the market	R3 801 072.00	R398 475.00	5-Apr-24	30-Sep-26

REFERENCE INFORMATION

6

ANNEXURE A: APPLICATION OF KING IV PRINCIPLES

Following the publication of King V during the 2025/26 financial year, the Bank undertook a preliminary assessment of the revised principles and disclosure requirements to determine the potential implications for its governance framework, policies, practices, and reporting processes. This assessment included identifying areas requiring enhancement to support alignment with the evolving corporate governance landscape and emerging best practices. The disclosures contained in this report remain aligned with the principles and recommended practices of King IV, while also taking into consideration relevant transitional and disclosure practice introduced through King V, where appropriate. The Bank remains committed to continuously strengthening its governance framework and will progressively align its governance practices, policies, and disclosures with King V during the 2026/27 financial year.

King IV Principle	Application
Principle 1: The governing body should lead ethically and effectively.	<p>The Board is responsible for providing ethical leadership, strategic direction, and effective oversight of the Bank. The Board is satisfied that its members, both individually and collectively, demonstrate the characteristics of integrity, competence, responsibility, accountability, fairness, and transparency.</p> <p>The Board promotes ethical and effective leadership through the implementation of robust governance frameworks, including the Board Charter, Code of Ethics, Directors’ Conflict of Interest Policy, and Code of Conduct. Integrity is supported through formal conflict-of-interest declaration and management processes, the maintenance of a conflicts of interest register, and annual fit-and-proper assessments. Accountability, transparency, ethical behaviour, and strong performance are reinforced through well-established governance structures, supported by six Board Committees and a clear separation of roles to promote independent judgement and effective oversight.</p> <p>The Board’s commitment to competence is demonstrated through maintaining a diverse Board with an appropriate balance of skills, experience, and expertise, supported by a structured Board enrichment programme informed by legislative developments, governance practices, and the Bank’s strategic and operational environment. Directors receive regular briefings on emerging risks, regulatory changes, and developments in the broader operating environment of the Bank. The Nomination Committee is responsible for overseeing the development and implementation of ongoing director development programmes, ensuring that directors remain equipped to fulfil their duties in line with the Bank’s evolving requirements. The Board reinforces ethical leadership through regular Board evaluations conducted every alternate year, ensuring continuous improvement in governance effectiveness and leadership practices.</p>

King IV Principle	Application
Principle 2: The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.	<p>The Board, through its committees, oversees and monitors the responsible achievement of the Bank’s strategic objectives and developmental impact mandate, while promoting an ethical culture across the organisation. The Sustainability and Ethics Committee provides oversight of the ethics management programme, including ethics risks, conflicts of interest, whistleblowing matters, and the implementation of ethics-related policies.</p> <p>The Board approved the DBSA Code of Ethics, which outlines the Bank’s core values of integrity, high performance, service orientation, customer focus, and innovation. The Code applies to Board members, employees, and stakeholders, is publicly available on the Bank’s website, and forms part of employee onboarding and awareness initiatives. The Ethics Office is responsible for implementing the Ethics Management Strategy and reports quarterly to the Sustainability and Ethics Committee on the Bank’s ethical performance and related matters. The Board further oversees the annual review of the Fraud Prevention Plan, which reinforces the Bank’s zero-tolerance approach to fraud, supported by whistleblowing arrangements and anti-bribery and corruption measures.</p> <p>During the year under review, the Bank strengthened monitoring processes relating to employees’ directorships and outside work interests to manage potential conflicts of interest and reputational risks. Focus also continued on embedding the Human Rights Policy Framework across the Bank’s operations through awareness and implementation initiatives.</p> <p>The Board ensures that ethical standards and shared organisational values are embedded throughout the Bank’s governance framework, policies, and operations, including the Board Charter, Code of Ethics, Conflict of Interest Policies, Anti-Bribery and Corruption Policy, Politically Exposed Persons Policy, Whistleblowing Policy, and Code of Conduct.</p>
Principle 3: The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen.	<p>The DBSA deliberately integrates responsible corporate citizenship into its business practices and decision-making processes. The Board, through the Sustainability and Ethics Committee, oversees the Bank’s integrated responsible corporate citizenship performance, including sustainability, ethical conduct, and ESG-related matters. During the year under review, the Committee strengthened its oversight role through the approval of key frameworks aimed at reinforcing the Bank’s commitment to sustainability, ethical leadership, and good governance.</p> <p>The Bank continues to embed Environmental, Social, and Governance (ESG) considerations across the full investment lifecycle, including capital raising, capital allocation, and project implementation, to ensure sustainable value creation and developmental impact. In addition, the DBSA’s Corporate Social Investment initiatives, implemented through the Development Labs (DLABs), focus on creating meaningful social and economic impact through initiatives such as job creation, youth skills development, support for future-oriented capabilities including artificial intelligence, and the growth of local businesses and communities.</p>

King IV Principle	Application
<p>Principle 4: The governing body should appreciate that the organisation’s core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.</p>	<p>The Board is satisfied that the DBSA’s purpose, strategy and business model support sustainable value creation within the Bank’s economic, social and environmental context. The DBSA advances sustainable infrastructure and socio-economic development through its 10-year Strategy, Corporate Plan and Shareholder’s Compact, which are anchored on four strategic goals: financial sustainability, accelerating development impact, building a future-fit DBSA and strengthening smart partnerships. Through its business model, the Bank creates and preserves value across the infrastructure development value chain through project preparation, financing, infrastructure delivery, institutional support and partnership mobilisation.</p> <p>During the reporting period, the Board reviewed and approved the Corporate Plan and associated strategic priorities. It also regularly monitored performance against these through reports submitted to the Board and its Committees. The Board is satisfied that the DBSA’s strategy, business model, targets, risk appetite and resource allocation remain aligned to its mandate, stakeholder expectations and long-term sustainable value creation objectives. Further information is provided in the Strategy, Performance, Risk Management and Sustainability sections of the Integrated Annual Report.</p>
<p>Principle 5: The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation’s performance, and its short-, medium- and long-term prospects.</p>	<p>The Board is satisfied that the DBSA’s external reports which enable stakeholders to make informed assessments of the Bank’s short-, medium- and long-term value creation, preservation and potential erosion of its value within its economic, social and environmental context. The Board oversees the integrity, quality and credibility of the Bank’s external reporting and ensures that it provides a balanced and integrated view of the DBSA’s governance, strategy, performance, risks, opportunities and outlook.</p> <p>The DBSA’s reporting framework is guided by applicable legislation and recognised reporting frameworks. The DBSA publishes an Integrated Annual Report, Annual Financial Statements and Sustainability Review, which together provide financial and non-financial information on the Bank’s activities and value creation. The Board is satisfied that these reports, together with disclosures through the Bank’s website and other stakeholder communication channels, support transparency and informed stakeholder assessment of DBSA’s short-, medium- and long-term sustainability and performance.</p>

King IV Principle	Application
<p>Principle 6: The governing body should serve as the focal point and custodian of corporate governance in the organisation.</p>	<p>The Board serves as the focal point and custodian of corporate governance within the Bank and is satisfied that it has fulfilled its responsibilities in accordance with its Charter during the 2025/26 financial year.</p> <p>The directors remain committed to full compliance with relevant domestic and international corporate governance principles and continue to align the DBSA’s governance practices with evolving leading practices. In executing its oversight responsibilities, the Board ensures accountability for the Bank’s strategic direction, performance, and sustainable value creation in line with its developmental mandate and the broader economic, social, and environmental context in which the Bank operates.</p> <p>The Board and its Committees operate in accordance with approved Charters, which were reviewed during the year under review to ensure continued relevance and alignment with governance best practice. The Board convened five meetings during the reporting period, with satisfactory attendance, guided by an approved annual work plan.</p> <p>Performance against strategic objectives is monitored through regular reports to the Board and its Committees, enabling ongoing oversight of the Bank’s strategic outcomes, risks, and opportunities, and supporting timely corrective action where required.</p>
<p>Principle 7: The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity, and independence for it to discharge its governance role and responsibilities objectively and effectively.</p>	<p>In terms of section 7(2) of the Development Bank of Southern Africa Act, 1997 (Act No. 13 of 1997) (“the Act”), read together with the applicable Regulations, the appointment of directors to the DBSA Board is the responsibility of the Minister of Finance, acting as the Executive Authority.</p> <p>In support of this process, the Board, through its Nominations Committee, maintains a structured approach to identifying and assessing potential candidates for Board appointment and re-appointment. This process includes consideration of the Board’s skills requirements, experience, independence, and diversity, aligned to the DBSA’s mandate and governance needs.</p> <p>In line with the Act and applicable Regulations, the Board submits its nominations to the Minister for consideration. Majority of the Board members, including the Chairperson, are independent directors, while the CEO and CFO also serve on the Board. The Board benefits from a wide range of qualifications and experience, contributing to its overall effectiveness and value.</p> <p>The Board has approved representation targets requiring at least 75% black and 50% female representation on the DBSA Board. Current performance against these targets stands at 86% black representation and 46% female representation. In accordance with the Board Charter, any tenure exceeding nine years (three three-year terms) for an independent non-executive director is subject to rigorous review; currently, no Board members have served beyond this period.</p> <p>For more detail on the composition of the Board of Directors, refer to pages 17 to 21. The skills and experience of the Board is disclosed in the Governance Report. Furthermore, the Board demonstrates adequate diversity across skill sets, race, age, and gender.</p>

King IV Principle	Application
Principle 8: The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement and assist with balance of power and the effective discharge of its duties.	<p>The DBSA Governance Framework ensures that delegation to Board Committees within its governance structures supports the objective and effective discharge of the Board’s governance responsibilities. The Board is supported by six Committees, each operating under clearly defined terms of reference approved by the Board.</p> <p>These Committees assist the Board in fulfilling its oversight responsibilities and contribute to the overall governance and operational effectiveness of the Bank. Each Committee operates in accordance with its approved terms of reference, which were reviewed annually during the year under review to ensure alignment with evolving governance best practices. The Committees report regularly to the Board on their activities, key focus areas, and decisions.</p> <p>While certain responsibilities are delegated to the Committees, the Board retains overall accountability and fiduciary responsibility for the governance and performance of the Bank. Further details on the Board Committees, including their composition, responsibilities, and focus areas, are provided in the Governance Report, and the Committees’ terms of reference are available on the DBSA website.</p>
Principle 9: The governing body should ensure that the evaluation of its own performance and that of its committees, its chairman and its individual members, support continued improvement in its performance and effectiveness.	<p>The Board undertook an independent evaluation of its effectiveness during the year under review, in line with its commitment to maintaining high standards of governance and continuous improvement. The evaluation assessed the performance of the Board, its committees, and individual Directors across key governance areas.</p> <p>The Board achieved an overall score of 3.6 out of 4.0, placing it within the advanced governance maturity band. The Board is satisfied with the outcome of the evaluation, which affirms the DBSA as a well-governed and high-performing institution, with strong leadership, effective oversight, and a stable Board and Committee structure.</p> <p>The results affirm the DBSA as a well-governed and high-performing institution, with strong leadership, effective oversight, and a stable Board and Committee structure. The outcomes compared favourably with peer financial institutions. The evaluation confirmed key strengths, including a balanced skills mix, effective Committee performance, robust oversight of risk and financial matters, and strong Board processes.</p> <p>Opportunities for refinement were identified, focusing on enhancing shareholder engagement, strengthening digital and ESG oversight, improving Board pack effectiveness, clarifying the role of the Lead Independent Director, and maintaining an appropriate balance between strategic and operational discussions. The Nominations Committee will oversee the implementation of these actions, with progress reported to the Board, reinforcing the DBSA’s commitment to continuous improvement and governance excellence.</p>

King IV Principle	Application
Principle 10: The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities.	<p>The Board is satisfied that the Bank’s delegation of authority framework promotes role clarity, accountability, and the effective exercise of authority and responsibilities across the organisation. To support timely, effective, and high-quality decision-making, while maintaining appropriate control, assurance, and oversight, there is a clearly defined delegation of authority from the Board to its Committees and to the Chief Executive Officer (CEO), as articulated in the Committee Charters and the DBSA Delegation of Authority (DoA) Framework.</p> <p>The CEO is appointed for a five-year term, and the Bank has an approved succession strategy in place, which includes CEO succession planning. Any additional commitments held by the CEO, including directorships, are disclosed through the Conflict-of-Interest Register available on the DBSA website.</p> <p>The Board continues to review the effectiveness of the DoA Framework to ensure alignment with the Bank’s operating model, strategic priorities, and governance requirements. This review incorporates ongoing assessments of management committee effectiveness and operational efficiency to ensure that the framework remains fit for purpose.</p> <p>The Board is further satisfied that adequate arrangements are in place to provide directors with access to professional corporate governance advice and support through the Company Secretary and other independent advisers where required.</p> <p>The Board is satisfied that the Company Secretary maintains an arm’s-length relationship with the Board and provides independent guidance on governance matters.</p>
Principle 11: The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives.	<p>The DBSA recognises that the effective governance of risk and opportunities is fundamental to achieving its developmental mandate and ensuring long-term sustainability. The Board retains ultimate accountability for risk governance and oversees the effectiveness of the Bank’s risk management and internal control systems, supported by the Audit and Risk Committee and other Board Committees within their respective mandates.</p> <p>A combined assurance model is applied to strengthen oversight, clarify responsibilities across the lines of defence, and reinforce management’s accountability for risk ownership across the organisation. The Board approves the Bank’s risk appetite and tolerance levels, which guide the management of key strategic and operational risks. Performance against these parameters is monitored regularly through risk reporting and the Enterprise Risk Register to ensure alignment with the Bank’s strategic objectives. The Bank’s top 10 principal risks and mitigating actions are disclosed in the Integrated Annual Report.</p> <p>The Enterprise Risk Management (ERM) function is subject to regular independent reviews by external auditors to assess the adequacy and effectiveness of the control environment. During the year under review, the ERM control environment was assessed as “Good”, providing reasonable assurance that key risks are appropriately managed and that business objectives are likely to be achieved. Management addresses actions arising from findings and recommendations where applicable. The ERM unit further implements an annual Enterprise Risk Management Plan approved by the Audit and Risk Committee.</p>

King IV Principle	Application
Principle 12: The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.	<p>The Board places the importance of technology and information as it is interrelated with the strategy, performance and sustainability of the DBSA.</p> <p>The Audit and Risk Committee oversees the governance of the Bank’s information, communication, and technology function. The operationalisation of Information and Communication Technologies (ICT) governance and compliance has been delegated to management. Management monitors the implementation and compliance of ICT Governance, ICT Risk Management (aligned to the Bank’s ERM framework), IT infrastructure and Architecture and implementation of Business and Information Technology (IT) projects aligned to the Bank’s priorities through the ICT Steering Committee. Priorities for the enterprise data and analytics platform are elevated, whilst Cybersecurity capability, cloud migration and optimisation of existing ICT infrastructure processes are continuously enhanced. Cybersecurity awareness and hardening of the ICT infrastructure are ongoing processes. Simulation tests are conducted periodically, and gaps identified are addressed through ICT operational and monitoring processes.</p> <p>The Internal Audit function and Auditor-General South Africa (AGSA) annually issue written assessments to the Audit and Risk Committee (ARC), providing assurance on the overall control environment, taking into account the governance of Information Technology. The assurance provided is informed by the outcome of the audits/ reviews conducted based on an approved risk-based audit plan.</p> <p>The Digital Transformation journey initiated in the previous reporting period underpins transforming the business and ensuring the bank’s long-term sustainability. The focus business processes are investment, procurement, project preparation, construction processes, and development impact. In addition, business productivity and efficiency initiatives are underway.</p>

King IV Principle	Application
Principle 13: The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen.	<p>Regulatory and best practice requirements, as well as ongoing changes to the regulatory environment within which the DBSA operates, require an increased focus on compliance. This includes the need to ensure compliance with not only the applicable legislation but also supervisory requirements and industry guidelines.</p> <p>The DBSA’s compliance risk management programme is aligned to King IV’s principle 13, as well as the Generally Accepted Compliance Practice Framework of the Compliance Institute Southern Africa. A compliance framework has been implemented to ensure effective compliance management. The compliance framework supports the active management of compliance risk, which entails a four-phase cyclical approach to identify, assess, manage, and monitor compliance risk. Furthermore, this framework sets out arrangements for governing and managing compliance, evident in the DBSA’s respective compliance policies.</p> <p>Compliance has adopted a risk-based approach to the compliance management process within the DBSA. This pragmatic approach recognises that there is a need to prioritise regulatory requirements based on their relative risks and implications. During the year under review, Compliance continued its focus on ensuring familiarity with, and stringent adherence to, all enhanced legislative aspects pertaining to KYC, ultimate beneficial ownership and due diligence requirements.</p> <p>Key compliance focus areas approved annually by the Audit and Risk Committee include strengthening compliance with anti-money laundering and counter-terrorism financing legislation, environmental, social and governance (ESG) requirements, public finance and supply chain management regulations, and data privacy and cybersecurity laws. Focus is also placed on strategic initiatives, including compliance with the South African Reserve Bank (SARB) requirements under the Banks Act and shareholder diversification initiatives, while ensuring alignment with evolving governance standards, including King V principles.</p> <p>The status of DBSA’s compliance is still within our risk appetite, relationships are being well managed with our respective regulators, and no fines and/or penalties have been incurred in the financial year. The DBSA Board and executive management formally endorse the establishment of the compliance function and are committed to ensuring that business within the DBSA is run with integrity, complies with all regulatory and best practice requirements, and is conducted in accordance with the highest ethical standards.</p>

King IV Principle	Application
Principle 14: The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.	<p>The Bank remains committed to sound, fair, and responsible remuneration practices across all operating jurisdictions. In this regard, the Bank complies with the principles and requirements outlined in King IV, the Companies Act, and the Public Finance Management Act (PFMA).</p> <p>The Human Resources Committee (HRC), acting under a mandate from the Board, oversees all remuneration-related matters. Operating within approved terms of reference, the HRC promotes transparency, accountability, and good governance in remuneration practices. Outcomes and recommendations from HRC meetings are regularly reported to the Board, and the committee undertakes periodic evaluations to assess its effectiveness. Independent remuneration advisors provide strategic guidance and benchmarking insights aligned with market best practice.</p> <p>The Chief Executive Officer (CEO) is primarily responsible for implementing the decisions and resolutions of the HRC. The Group Executive: Human Capital supports both the CEO and the HRC by recommending enhancements to remuneration policies and practices to ensure effective day-to-day application of the Remuneration Policy. Together, these governance structures support responsible remuneration practices that contribute to the Bank’s long-term sustainability and success.</p> <p>Commitment to Fair and Responsible Remuneration</p> <p>The Bank strives to ensure that remuneration practices remain externally competitive, internally equitable, and free from unfair bias. Annual salary benchmarking exercises and analyses of income differentials, including gender pay considerations, are conducted to promote market-related and equitable remuneration outcomes. Independent salary surveys and benchmarking data inform remuneration decisions across the organisation. In determining competitive remuneration levels, the Bank considers factors such as organisational size, revenue, profitability, employee complement, market dynamics, and the availability of critical skills. The Bank also remains committed to remunerating employees above the earnings threshold prescribed by the Minister of Employment and Labour.</p>
Principle 15: The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation’s external reports.	<p>The DBSA has established an effective Internal Audit Unit that reports functionally to the Board Audit and Risk Committee. It provides independent assurance on key and high-risk areas, amongst others to senior management and the Audit and Risk Committee quarterly in line with an approved audit plan.</p> <p>In addition, the DBSA has implemented a combined assurance framework which the Internal Audit function facilitates and coordinates, ensuring that the assurance of all assurance providers are consolidated and presented to the Audit and Risk Committee. A combined assurance policy exists, which includes the formation of a formal Combined Assurance Working Committee comprising representatives from business, risk management, compliance, business continuity, credit and market risk, IT, as well as internal and external audit. This ensures that all levels of assurance can be provided by the various assurance providers, supporting the independent assurance provided by both internal and external audits. Quarterly assurance reporting is done by the Combined Assurance Working Committee to the Audit and Risk Committee. In line with Combined Assurance, Internal Audit also provides the Auditor General their approved audit plan and working papers with the view to place reliance on their work and reduce duplication. The Board is satisfied that assurance provided results in an adequate and effective control environment and integrity of reports for better decision-making.</p>

King IV Principle	Application
Principle 16: In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time.	<p>The DBSA is committed to a stakeholder-inclusive and customer-centric approach to business and recognises stakeholder relationships as critical to creating sustainable value and maintaining its social licence to operate. Stakeholder engagement is governed through the Stakeholder Relations Management Framework and the Memorandum of Understanding/Agreement Management Framework, supported by an internal stakeholder coordination forum to ensure coordinated and effective engagement across the Bank. The DBSA continuously identifies and engages emerging stakeholder groups, including civil society, and provides a grievance redress mechanism to address material stakeholder concerns and support continuous improvement.</p> <p>The Bank monitors the effectiveness of stakeholder engagement through the biennial Brand Health Study and Client Satisfaction Survey, which inform the Stakeholder Management and Client Management Strategies and related engagement plans. During the 2024/25 financial year, the Brand Health Study recorded an improvement in the DBSA’s stakeholder relationship quality index to 3.55 out of 5, reflecting strengthened relationships with governance, ownership, client, agency, and funding stakeholders. The revised client satisfaction methodology implemented during 2025/26 further enhanced the Bank’s understanding of client pain points across the value chain, informing improvements to the client engagement strategy. In support of proactive stakeholder engagement, the DBSA plans to host a civil society engagement workshop during the 2026/27 financial year.</p>

ACRONYMS AND ABBREVIATIONS

AADFI	Association of African Development Finance Institutions
AGSA	Auditor-General South Africa
ARC	Audit and Risk Committee
AU	African Union
B-BBEE	Broad-Based Black Economic Empowerment
BCIC	Board Credit and Investment Committee
CEO	Chief Executive Officer
CFF	Climate Finance Facility
DBE	Department of Basic Education
DBSA	Development Bank of Southern Africa
DFI	Development Finance Institution
DLAB	Development Labs
DSSLR	Debt and Specialist Securities Listings Requirements
ERM	Enterprise Risk Management
ESG	Environmental, Social and Governance
FIC	Financial Intelligence Centre
GCF	Green Climate Fund
GDP	Gross Domestic Product
GFCF	Gross Fixed Capital Formation
GP	Guaranteed Pay
GRI	Global Reporting Initiative
HRC	Human Resources and Remuneration Committee
IAR	Integrated Annual Report
ICT	Information and Communications Technology
IDD	Infrastructure Delivery Division
IDKC	Infrastructure Delivery and Knowledge Management Committee
IFRS	International Financial Reporting Standards
IPP	Independent Power Producers
IPPO	Independent Power Producers Office
JSE	Johannesburg Stock Exchange
King IV	King IV™ Report on Corporate Governance for South Africa
NDP	National Development Plan
NII	Net Interest Income
PEP	Politically Exposed Person
PFMA	Public Finance Management Act, No 1 of 1999
PFF	Project Preparation Facility
PPP	Public-Private Partnerships
PSP	Private Sector Participation
RoA	Rest of Africa
ROE	Return on Equity
SADC	Southern African Development Community
SAFE	Sanitation Appropriate for Education
SARB	South African Reserve Bank
SDG	Sustainable Development Goal
SEC	Sustainability and Ethics Committee
SOE	State-Owned Entity
SMME	Small, Medium and Micro Enterprises
STIs	Short-term Incentives
TIC	Transformative Initiatives Committee
UN	United Nations

FINANCIAL DEFINITIONS

Callable capital	The authorised but unissued share capital of the DBSA
Cost-to-income ratio	Operating expenses (including personnel, general and administration, depreciation and amortisation expenses), project preparation and development expenditure as a percentage of income from operations
Income from operations	Net interest income, net fee income and other operating income
Interest cover	Interest income divided by interest expense
Long-term debt-to-equity Ratio	Total liabilities, excluding other payables, provisions and liabilities for funeral benefits, as a percentage of total equity
Long-term debt-to-equity ratio (including callable capital)	Total liabilities, excluding other payables, provisions and liabilities for funeral benefits as a percentage of total equity and callable capital
Net interest margin	Net interest income (interest income less interest expense) as a percentage of interest-bearing assets
Return on average assets	Net profit or loss for the year expressed as a percentage of average total assets
Return on average equity	Net profit or loss for the year expressed as a percentage of average total equity
Sustainable earnings	Profit or loss from operations before net foreign exchange gain/(loss) and net gain/(loss) from financial assets and financial liabilities, but including revaluation on equity investments

GENERAL INFORMATION

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Banker

Standard Bank of South Africa

Registered auditor

Auditor-General of South Africa

Company registration number

1600157FN

JSE debt sponsor

Standard Bank of South Africa Limited

Primary Debt Listings

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**DELIVERING IMPACT
IN A CHALLENGING
ENVIRONMENT**