



# BRAC UGANDA BANK LIMITED

—  
**ANNUAL REPORT 2023**





**Don't ever lose sight of the mission to extend a hand to those who need it the most.**

---

**Sir Fazle Hasan Abed KCMG**  
1936 - 2019

## TABLE OF CONTENTS

- 01 ——— Message from the Board Chairperson
- 03 ——— Message from the Chief Executive Officer
- 05 ——— Our Origin
- 08 ——— BRAC International Microfinance
- 09 ——— BRAC Uganda Bank Limited
- 17 ——— BRAC Across the World
- 19 ——— Financial Highlights



“ We extend our heartfelt gratitude to the Government of Uganda for their support and belief in us. We hope to continue to power the potential of women and girls across the country to create a better future for themselves and their communities. To our investors, partners and supporters, I am grateful for your support in this journey - as we listen and learn together, and scale evidence-based approaches that address the needs of the clients we serve.

**Albert Elasu Obongonyinge**  
Board Chairperson  
BRAC Uganda Bank Limited

## MESSAGE FROM THE BOARD CHAIRPERSON

BRAC began microfinance in Uganda in 2006 as part of BRAC Uganda’s social development programmes. It transformed into a tier 2 Credit Institution to become BRAC Uganda Bank Limited (BUBL) in 2019. The goal of this transformation was to provide diversified financial services, including savings mobilisation, to people at the bottom of the pyramid, particularly women in Uganda. BUBL strives to responsibly deliver a spectrum of financial services to those at the bottom of the pyramid, primarily women and the youth living in poverty, rural, and hard-to-reach areas. By empowering women and communities, we are not only transforming lives but also shaping a more inclusive and sustainable world.

In 2023, BRAC BUBL were honoured to receive the Silver Award from the 2023 Global SME Finance Awards for Best Financier for Women Entrepreneurs. This recognition is a testament to our commitment to empowering women and promoting financial inclusion in Uganda.

Financial inclusion remains a critical challenge in Uganda, particularly for women who constitute a significant portion of the unbanked population. BRAC Uganda Bank Ltd (BUBL) is bridging this gap by providing financial services tailored to the needs of women, thereby enabling their economic empowerment and fostering sustainable community development.

We achieved significant milestones in 2023. We exceeded our portfolio outstanding target, reaching UGX 191 billion against a target of UGX 176 billion. We also participated successfully in the savings challenge from the Bank of Uganda and Uganda Bankers Association, where we emerged as the second-best bank in the industry. Our loan disbursement reached UGX 427 billion, the highest amount in the history of our bank, reflecting our continued support for businesses and individuals in Uganda.

Our strategic initiatives in 2023 were aligned with our priority areas: Social Performance Management (SPM), Product Development, Digital Transformation, and HR and Talent Management. We have implemented robust SPM frameworks to ensure that our services are socially responsible and meet the needs of our clients. Our product development strategy focused on creating innovative financial

solutions tailored to the specific needs of our customers, especially women and small business owners. We have made significant strides in digital transformation, piloting and scaling up the Digital Field Application and Mobile Banking to our entire network, ensuring a balance between high-tech and high-touch for our target customers. In HR and talent management, we have rolled out several initiatives aimed at enhancing employee engagement and productivity, thereby improving our overall service delivery.

Being in the community and listening to clients has always been part of BRAC’s DNA. In Sierra Leone and in other countries where we have microfinance operations we continued to listen and learn from our clients through the annual Lean DataSM impact surveys. Our results show that clients are able to earn more, save more and manage their finances better after engaging with BRAC, demonstrating the impact of our services in the lives of our clients.

Looking ahead to 2024, our focus will be on sustainable growth. We will drive growth in deposits and loans, continue to scale our digital banking solutions, and enhance our staff value proposition to boost productivity. In line with BRAC’s philosophy of “impact at scale,” we will implement initiatives to improve employee engagement and maintain our commitment to delivering high-quality financial services to the most vulnerable communities.

We extend our heartfelt gratitude to the Government of Uganda for their support and belief in us. We hope to continue to power the potential of women and girls across the country to create a better future for themselves and their communities. To our investors, partners and supporters, I am grateful for your support in this journey - as we listen and learn together, and scale evidence-based approaches that address the needs of the clients we serve.

Our dedicated staff, particularly those working in the field, are the backbone of our efforts, reaching the most marginalised communities with relentless dedication. They are the reason why BRAC gets to dream big - and deliver.



“A significant achievement in the past year has been the remarkable growth of our customer base, driven by our dedication to exceptional service, building long-term relationships, and innovative solutions. By the end of 2024, we served 178,188 clients, 95% of whom were women.

**Nkosilathi Moyo**  
Chief Executive Officer  
BRAC Uganda Bank Ltd.

## MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

In the dynamic landscape of business, BRAC Uganda Bank Limited (BUBL) has demonstrated unwavering determination and adaptability. Despite facing numerous challenges, both local and global, we have remained steadfast in our commitment to creating value for our shareholders, customers, employees, and communities. Through leveraging our strengths, seizing growth opportunities, and maintaining a focus on operational excellence, customer satisfaction, and responsible business practices, we have not only weathered the storms but emerged stronger and more resilient.

A significant achievement in the past year has been the remarkable growth of our customer base, driven by our dedication to exceptional service, building long-term relationships, and innovative solutions. By the end of 2024, we served 178,188 clients, 95% of whom were women.

Our commitment to leveraging technology has been pivotal in transforming our operations and enhancing customer experiences, while optimising internal processes and reducing operating costs. Key digital initiatives include the rollout of mobile banking, scaling up agent banking solutions and upgrading the Core Banking System. This digital journey has enhanced our agility in responding to market dynamics and customer needs, positioning us at the forefront of the digital landscape.

For five years in a row, BUBL has continued to measure its social performance through an independent survey conducted by 60 Decibels using the Lean Data<sup>SM</sup> Methodology. The year 2023 was no different, and our clients spoke: 96% said their quality of life improved, 97% said they earned more, and 96% of clients said they managed their finances better after engaging with BRAC. This is a clear testimony that we have continued to reach those who were previously unreached and are designing client-centric products that put clients' needs at the core.

Looking ahead, BUBL remains focused on achieving its strategic plan, particularly in providing financial services to underserved populations, including women and those in rural areas. Sustainability is integrated into our business operations, with the initiation of an Environmental, Social, and Governance system to reinforce our commitment. Management is dedicated to sustainable growth and delivering value to all stakeholders while prioritising strategic objectives.

In closing, I extend sincere appreciation to our partners, shareholders, Board of Directors, dedicated staff, and loyal customers. Their unwavering support, trust, and dedication have propelled us forward, enabling us to surpass expectations and achieve significant milestones to achieve our mission.

## OUR ORIGIN

---

**In 1972, in Bangladesh, Sir Fazle Hasan Abed laid the foundation for an organisation that would go on to impact the lives of millions around the world.**

BRAC's journey began in a remote village in the newly independent Bangladesh, supporting refugees returning to a war-ravaged country to build back their lives. Today, BRAC partners with over 100 million people living with inequality and poverty globally to create sustainable opportunities to realise potential.

BRAC designs proven, scalable solutions that equip people with the tools, support and confidence they need to achieve their potential. With origins and roots in the Global South and a commitment to continuous learning, BRAC has a depth of experience and evidence that enables us to respond to the needs of diverse communities with humility and courage.



## OUR VISION

---

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



## OUR MISION

---

Our mission is to empower people and communities in situations of poverty, illiteracy, disease, and social injustice. Our interventions aim to achieve large-scale, positive changes through economic and social programmes that enable men and women to realise their potential.



## OUR VALUES

---

Integrity  
Innovation  
Inclusiveness  
Effectiveness



## BRAC INTERNATIONAL MICROFINANCE

BRAC believes that sustainable, large-scale change must address and deliver both economic and social progress. Access to financial services is a central part of BRAC’s holistic approach to development, equipping people who would otherwise be excluded from formal financial systems with the tools to invest in themselves, their families, and their communities.

BRAC first started microfinance in 1974 and has been one of the pioneers. BRAC first expanded its microfinance operations internationally in 2002 and now operates in seven countries outside of Bangladesh - Myanmar, Tanzania, Uganda, Rwanda, Sierra Leone, Ghana and Liberia. Together, these seven entities serve nearly 830,000 clients, 96% of whom are women.

Our mission is to provide a range of financial services responsibly to people at the bottom of the pyramid. It particularly focuses on women living in poverty in rural and hard-to-reach areas, to create self-employment opportunities, build financial resilience, and harness women’s entrepreneurial spirit by empowering them economically.

## OUR REACH



**7**  
countries



**96%**  
of clients are women



**829,791**  
borrowers



**750,454**  
savers



USD **417.09 M**  
disbursed in loans

\* As at December 2023

## STICHTING BRAC INTERNATIONAL

Stichting BRAC International is a non-profit foundation formed in the Netherlands. It governs all BRAC entities outside Bangladesh with the objective to engage in charitable and social welfare activities in any country of the world.

## BRAC INTERNATIONAL HOLDINGS B.V.

BRAC International Holdings B.V. (BIHBV) was set up in 2010 as a private limited liability company and is a wholly-owned subsidiary of Stichting BRAC International. BIHBV is a socially responsible for-profit organisation engaging people in sustainable economic and income-generating activities.

# BRAC UGANDA BANK LTD

Our mission is to provide a range of financial services responsibly to people at the bottom of the pyramid. We particularly focus on women living in poverty in rural and hard-to-reach areas to create self-employment opportunities, build financial resilience, and promote women's entrepreneurial spirit by empowering them economically.

## OPERATIONAL HIGHLIGHTS



**162**  
branches



**178,188**  
borrowers



**95%**  
of clients are women



**73%**  
outreach to people living in poverty\*



**88%**  
outreach to people living in rural areas



USD **112 M**  
disbursed in loans

\* As of December 2023  
\* People living below USD 5.5 per day.



## ALICE'S UNBREAKABLE SPIRIT

Alice Nalubega is a businesswoman and mother of five from Kajansi.

Before joining BRAC, Alice ran a retail shop, selling refreshments and beverages in her neighbourhood. However, she didn't have a refrigerator and this limited her sales because people prefer chilled drinks, especially on hot days.

In 2007, with her first loan of 107.81 USD from BRAC, Alice decided to pivot and start a different business. She bought her first consignment of second-hand clothes. Since she didn't have a store, she would carry the clothes in a backpack and sell them door-to-door. Through word-of-mouth from satisfied customers, her customer base grew steadily. The clothing business became even more successful than her beverage shop, and she was able to contribute to her household's needs and financial decisions.

Unfortunately, in 2010, disaster struck. Alice's husband fell ill, and she found herself as the sole breadwinner. Hospital bills, school fees, rent - they all added up, but she didn't let it discourage her. With a loan of 269.53 USD, Alice rented a space for her business while taking care of her husband and the family. Her business transformed into a roadside boutique.

Even in the face of adversity, Alice persevered. She supported her husband, covered medical expenses, and provided an education for her children. She even grew her business ventures. In addition to her boutique, she now also supplies local schools with food.



## OUR PRODUCTS

Our core products include a collateral-free, group-based microloan provided exclusively to women and small enterprise loans for entrepreneurs seeking to expand their businesses.

Additionally, we provide five types of savings products: Flex Save, a transactional account tailored for borrowers and mid-to-low-income households; Wise Save, intended for both formal and informal entrepreneurs and salaried individuals aiming to save for specific goals; Safe Save, developed for community-based savings and credit groups; a Fixed Deposit account offering competitive interest rates for investment purposes; and a Corporate Account specifically for registered corporate business entities.

## DIGITAL TRANSFORMATION

The client value proposition is at the core of our digital transformation efforts, with a particular emphasis on reducing the gap in women’s digital financial inclusion. We are embracing financial technology by digitising field operations and adopting alternative delivery channels to increase operational efficiency and offer greater convenience to our clients.

In 2023, agent banking was scaled up to 144 agents across the country, providing services like deposits, withdrawals, and balance inquiries. By December 2023, over 347,000 transactions were processed, amounting to over UGX 28 Billion. Account opening will be implemented at agent points by mid-2024.



The mobile push and pull service, which allows customers to deposit and withdraw from their accounts, experienced growth in 2023. It gained 55,000 new customers and facilitated a total of 253,702 transactions worth UGX 32.6 billion.

BUBL acquired a USSD code \*226# to bring services closer to customers, offering cash deposits, withdrawals, balance inquiries, mini statements, airtime, and internet subscriptions. The USSD Pilot commenced with 12 branches, a pilot review is to be conducted in March 2024, with a report to be presented ahead of scale-up to all 162 branches by the end of 2024.

## FINANCIAL LITERACY

In 2023, BUBL launched the Financial and Digital Training programme for group loan clients, all of whom are women, to provide them with the necessary knowledge and skills to manage their finances better and strengthen their financial resilience. The training included topics on personal well-being, financial literacy, business development, and digital skills. By the end of the pilot, BUBL had reached 20,797 women, all of them living in rural areas.

This effort complements BUBL’s existing initiatives to improve clients’ financial awareness, such as the pre-disbursement orientation training for new clients, which provides detailed information about BUBL’s products and services, including loan amounts, pricing, repayment methods, interest rates, complaint channels, and other relevant terms and conditions.

## SOCIAL PERFORMANCE

In 2023, we partnered with 60 Decibels to conduct our fifth impact survey, utilising the Lean Data<sup>SM</sup> methodology to evaluate five social outcome focus areas for BRAC International Microfinance: quality of life, financial resilience, women’s economic empowerment, self-employment and livelihood opportunities, and household welfare.

This annual assessment supports our Social Performance Management and Client Protection initiatives, helping us set targets and strategies to expand our reach to more individuals living in poverty and achieve sustainable, large-scale impact. All respondents in the survey were women.

### HIGHLIGHTS FROM THE 2023 LEAN DATA<sup>SM</sup> IMPACT SURVEY

#### AFTER ENGAGING WITH BRAC



**96%**

of clients said their quality of life had improved



**97%**

of clients earned more



**96%**

of clients managed their finances better



**92%**

of clients saved more



**92%**

of clients contributed more to important household decisions

\* As at December 2023

## BUBL BOARD OF DIRECTORS

Albert Elasu Obongonyinge	Board Chairperson
Shameran Abed	
Kamau Anthony Peter Wainaina	
Farkas Orsolya	
Nakimbugwe Florence Nsubuga	
Rumanyika-Mulira Mbabazi Annette	
Spengler Laurie Jean	
Seewoosagur Domun	
Nkosilathi Moyo	Chief Executive Officer
William Mawejje	Chief Operations Officer

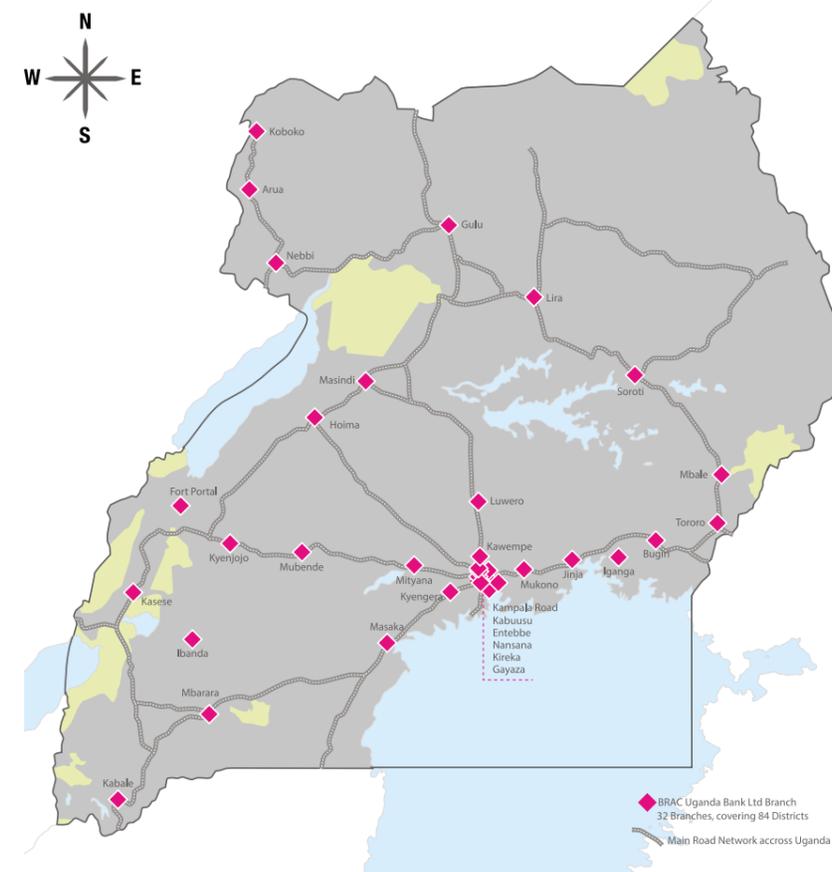
## BUBL MANAGEMENT TEAM

Nkosilathi Moyo	Chief Executive Officer
William Mawejje	Chief Operations Officer
Stella Agaba	Head of Finance
Bob Paul Lusembo	Head of Business Business Growth
Kevin Ssendendo	Head of Risk
Jenah Nyende Kirabo	Head of Banking Operations
Max Manzi	Head of Legal
Miriam Echeru	Head of HR & Training
Polycarp Mugizi	Head of ICT
Anne Ritah Namunyaako	Head of Internal Audit
Lawrence Omony	Head of Compliance

## DONORS AND PARTNERS



## BRANCH LOCATIONS



We have been here for more than a decade, providing access to finance for people living in rural and low-income communities of Uganda. We have transformed into a tier 2 bank. We are BRAC Uganda Bank Ltd. Now you can do more.

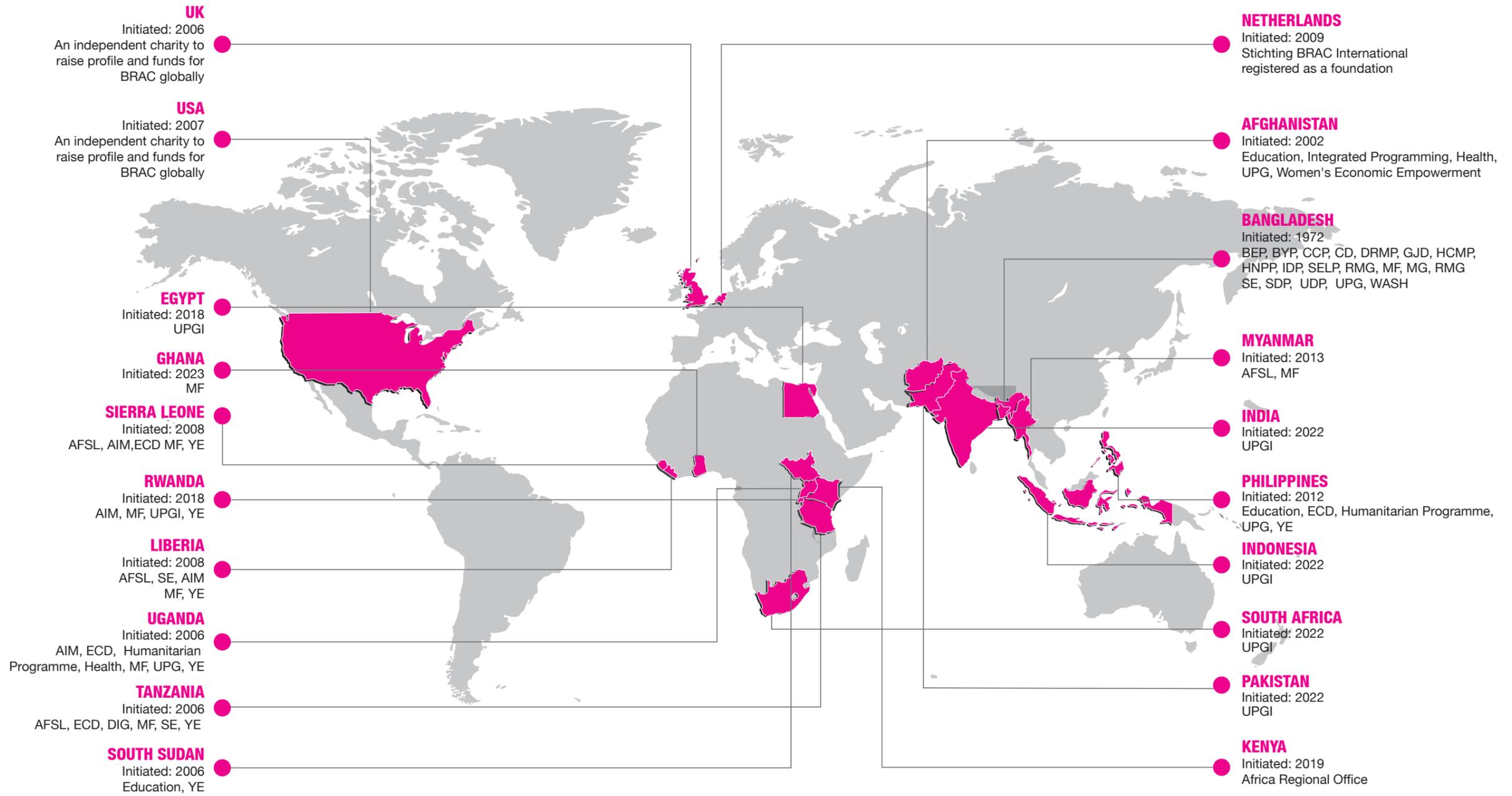
BRAC Uganda Bank Ltd  
P.O. Box 6582 Kampala  
Plot 201, Mengo, Kabususu Rd, Rubaga

Tel (General): 0200 900 720  
Toll Free: 0800 399 999  
0800 399 990

customerservice@bracugandabanktd.com  
bracugandabanktd@brac.net

BRAC Uganda Bank Ltd is regulated by Bank of Uganda and deposits are protected by the Deposit Protection Fund.

# BRAC ACROSS THE WORLD



AFSL: Agriculture, Food Security and Livelihood  
 BEP: BRAC Education Programme  
 BYP: BRAC Young Professionals  
 CCP: Climate Change Programme  
 CD: Communicable Disease  
 DIG: Disability-Inclusive Graduation Programme  
 DRMP: Disaster and Risk Management Programme

ECD: Early Childhood Development  
 EPRP: Emergency Preparedness and Response Programme  
 GJD: Gender Justice and Diversity  
 HCMP: Humanitarian Crisis Management Programme  
 HNPP: Health, Nutrition and Population Programme  
 HRLS: Human Resources and Legal Aid Services

IDP: Integrated Development Programme  
 MF: Microfinance  
 MG: Migration  
 RMG: Readymade Garments  
 SE: Social Enterprises  
 SELP: Social Empowerment Legal Protection

SDP: Skills Development Programme  
 UDP: Urban Development Programme  
 UPG: Ultra Poor Graduation  
 UPGI: Ultra Poor Graduation Initiative  
 WASH: Water, Sanitation and Hygiene  
 YE: Youth Empowerment

## FINANCIAL HIGHLIGHTS

## OPERATIONAL AND FINANCIAL HIGHLIGHTS

### NET INCOME

BRAC Uganda Bank Ltd. completed 2023 by registering pretax profit of USD 734,739 compared to profit of USD 481,496 in 2022. The company slowly recovered from impact of COVID-19 with 53% year-on-year growth in operating income which was reflected in the positive bottom line.

### OPERATING EXPENSES

Total operating expenses for the year 2023 was USD 21,081,715 as against USD 20,077,121 in 2022 showing an increase of 5%. The increase was mainly due to the increase in staff cost & travelling expense as travelling restrictions due to COVID-19 was reduced.

### FINANCIAL POSITION

In 2023, the company's total assets decreased by 1% to USD 70,216,330 compared to the previous year's total assets of USD 70,799,047 and the company holds a key position in the market. Loans and advances to customers increased by 21% and is now 69% of total assets. Net equity increased by 0.08% to USD 13,989,521 from USD 13,978,643 in 2022.

### PROVISION FOR IMPAIRMENT LOSSES

In 2023, amount charged for impairment on loans was USD 860,388 compared to write-back of USD 152,242 in 2022. The company followed IFRS 9 provisioning policy to be inline with Bank of Uganda's guidelines. Portfolio at Risk (PAR>30) is 3.62%.

### CONTRIBUTION TO GOVERNMENT EXCHEQUER

BRAC Uganda Bank Ltd. regularly contributes government exchequer through providing tax on its income and withholdings and deposition tax from its employees and suppliers and contributing to The National Social Security Fund (NSSF). Total contribution to government exchequer for the last two years as follows:

Particular	2023	2022
Withholding Tax	700,557	422,050
Social Security	1,344,656	1,233,945

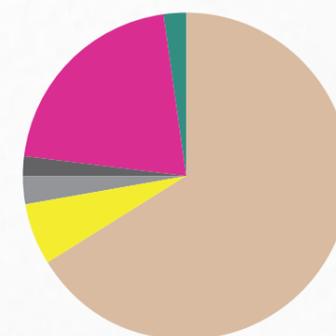
## VALUE ADDED STATEMENTS

A value added statement provides a detail account of total value addition and the distribution of value created by the organization. BRAC Uganda Bank Ltd contributes positively to overall economic development by empowering the poor people (especially females) through micro-credit and employees through creating opportunities for the Ugandan youth population by providing them with a dynamic working environment and capacity building through on the job and international training. BRAC also assists the local regulatory authorities by paying taxes regularly.

Value added	2023		2022	
	USD	%	USD	%
Service charge on loans	23,855,092	122%	21,082,776	118%
Membership fees	2,215,782	11%	2,294,256	13%
Other income	925,391	5%	1,299,988	7%
Grant income	850,972	4%	535,381	3%
Forex gain/(loss)	16,470	0%	(136,754)	-1%
Other operating exp.	(7,506,266)	-38%	(7,382,562)	-41%
Expected credit loss	(860,388)	-4%	152,242	1%
<b>Total Value Added</b>	<b>19,497,053</b>	<b>100%</b>	<b>17,845,327</b>	<b>100%</b>

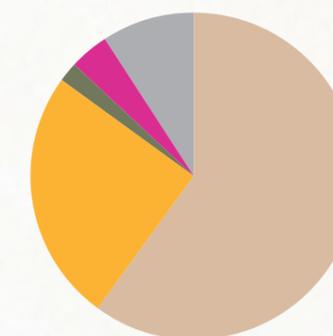
Value Distributed	2023		2022	
	USD	%	USD	%
<b>Employees</b>				
Salary and allowances	11,535,020	61%	10,697,245	61%
<b>Creditors</b>				
Financial Expense	5,032,340	26%	4,494,463	25%
<b>Local Authorities</b>				
Income tax	467,038	2%	(194,789)	1%
<b>Growth</b>				
Retained Income	267,701	1%	286,707	2%
Depreciation	2,040,430	11%	1,997,314	11%
<b>Total Value Distributed</b>	<b>19,020,505</b>	<b>100%</b>	<b>17,572,478</b>	<b>100%</b>

Value added 2023



- Service charge on loans
- Membership fees
- Other income
- Grant income
- Other operating exp.
- Expected credit loss

Value distributed 2022

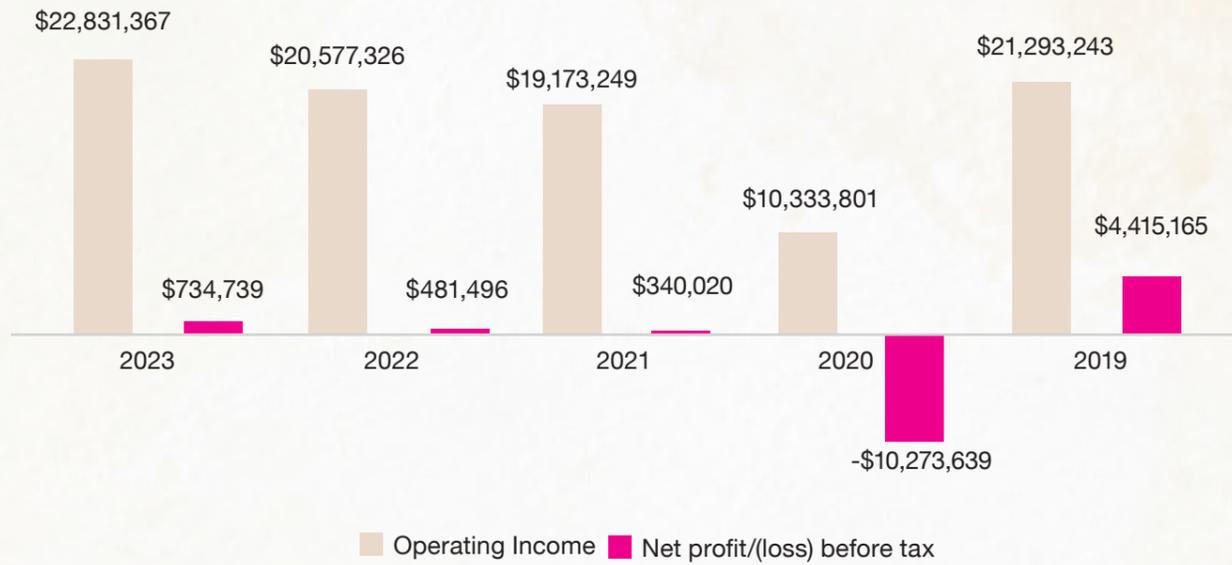


- Salary and allowances
- Financial Expense
- Income tax
- Retained Income
- Depreciation

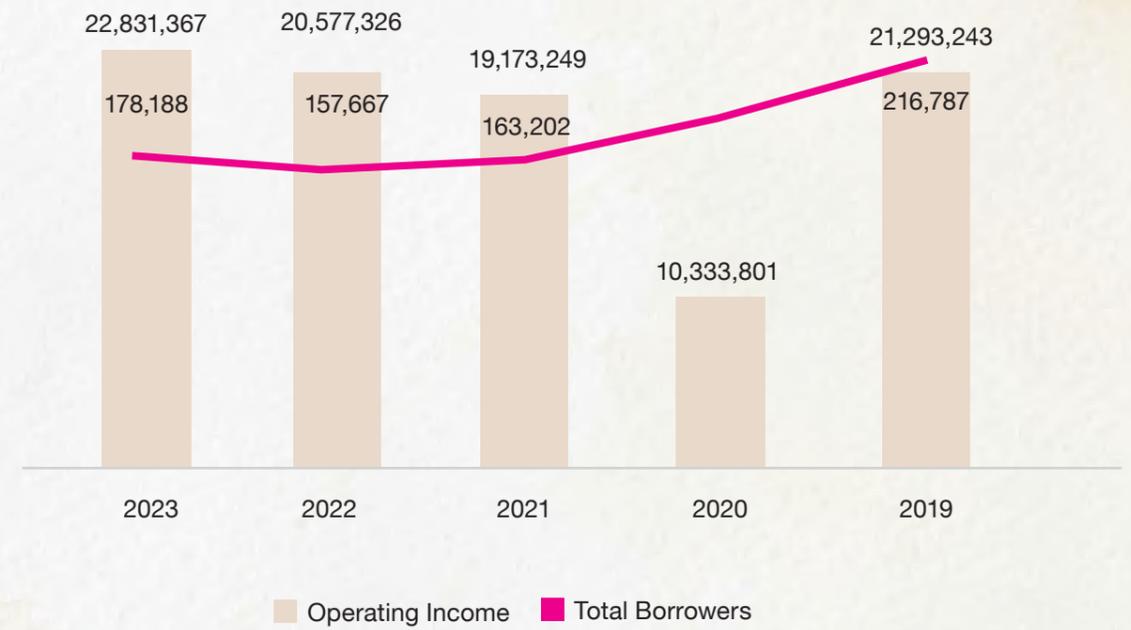
## PERFORMANCE REVIEW

Particulars	2023 USD	2022 USD	2021 USD	2020 USD	2019 USD
<b>Income Statement</b>					
Operating Income	22,831,367	20,577,326	19,173,249	10,333,801	21,293,243
Net profit/(loss) before tax	734,739	481,496	340,020	(10,273,639)	4,415,165
<b>Financial Position</b>					
Total Asset	70,216,330	70,799,047	6,46,05,407	7,10,38,940	7,07,38,325
Loans to Customer (net)	48,696,350	40,320,752	40,535,397	41,942,978	51,274,234
Cash in Hand	443,752	648,833	752,285	810,914	513,035
<b>Returns and Ratio</b>					
Return on Asset	1%	1%	1%	-14%	6%
Cost to Income	97.36%	97.11%	108%	76%	82%
<b>Operational Statistics</b>					
Total Borrowers	178,188	157,667	163,202	193,731	216,787
PAR>30	3.62%	4.44%	12.96%	19.61%	3.45%

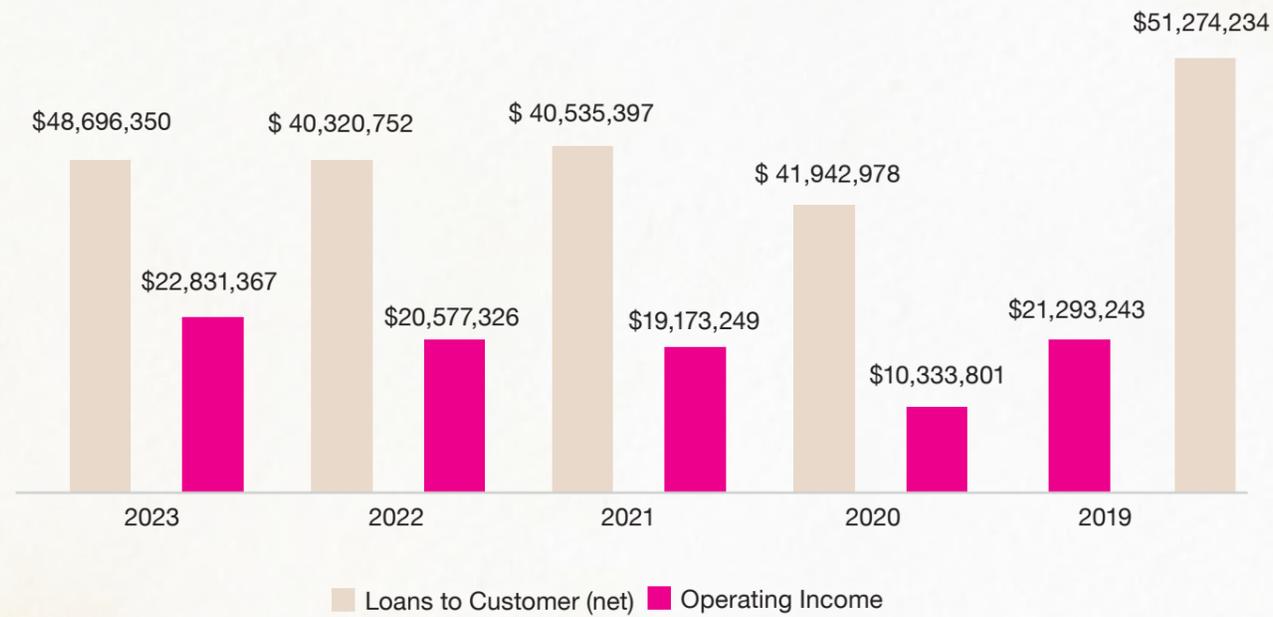
## OPERATING INCOME VS PROFIT BEFORE TAX



## OPERATING INCOME VS BORROWER



## PORTFOLIO VS OPERATING INCOME



## **CONTACT DETAILS**

### **BRAC UGANDA BANK LIMITED**

Plot 201, Mengo, Kabuusu, Rubaga  
P O Box: 6582 Kampala, Uganda  
T: +256 200 900720  
Email: [bracugandabankltd@brac.net](mailto:bracugandabankltd@brac.net)

### **BRAC INTERNATIONAL HOLDINGS B.V.**

Zuid-Hollandlaan 7,  
2596 AL Den Haag  
The Netherlands  
E: [info@bracinternational.nl](mailto:info@bracinternational.nl)

---

### **EDITOR AND CONTRIBUTOR**

Tahjib Shamsuddin  
Michelle Wandia

### **PHOTOS**

BRAC

### **DESIGN**

Communications, BRAC International