FNB Eswatini
Integrated Report 2026



Table of contents

What you need to know about this report.

About this report

1 Navigating this report
1 Scope and boundary
1 Reporting standards
1 Our integrated approach
1 Materiality
1 Data assurance
1 Stakeholder feedback
1 Forward-looking statements
1 Board approval

Who we are and what we do to create shared value.

Who we are

3 Our year at a glance
4 About FNB Eswatini
4 Our unique positioning
5 How we think
5 How we work

The context that influences our value creation story.

Our operating environment

8 Message from the Chairperson
10 Our operating landscape
11 Working with our stakeholders
13 Identifying our material matters
14 Managing risk

Our strategic blueprint for creating value.

How we create value

17 Message from the CEO
19 Our strategy
19 Our business model
20 Integrating our people and culture
23 Integrating technology and our customer experience
25 Integrating sustainability

Our operational progress, achievements, and segmented performance.

Our performance

30 Message from the CFO
32 Message from the Treasurer
34 Segmenting our performance

Our governance and oversight approach.

Our approach to governance

39 Our governance framework
40 Our Board and leadership
43 Governance overview
44 Our Board committees
46 Board committee reports

Our remuneration approach.

Remuneration

50 Remuneration overview and background statement
50 Remuneration policy
51 Remuneration implementation

Our financial performance and supporting information.

Financial statements and other important information

52 Abridged Financial Statements
55 Glossary
55 Company information

About this report

We are pleased to present our integrated report for FY2026, in which we offer a structured view of how we create, sustain and share value for all our stakeholders. Throughout the report, we aim to highlight how our core purpose is fulfilled for all our stakeholders in the context of our operating environment.



Navigating this report

To enhance ease of navigation, a quick navigation bar is incorporated at the top of each page, and we support integrated reading through the application of relevant icons across our report.

Our strategic pillars

1. Customer experience
2. Employee experience
3. More customers
4. More to customers
5. More efficiency
6. Shared prosperity

Our six capitals

- Financial
- Intellectual
- Human
- Social and Relationship
- Manufactured
- Natural

Our stakeholders

- Our customers
- Our people
- Our shareholders
- Eswatini government and regulators
- Our business partners and suppliers
- Our communities

Scope and boundary

The information contained within this integrated report relates to First National Bank of Eswatini Limited (the Bank) for the financial year ended 30 June 2026.

First National Bank of Eswatini Limited is a registered financial services provider. The Bank is part of the FirstRand Group of companies, and is listed on the Eswatini Stock Exchange. This integrated report provides a comprehensive view of our performance, strategy, governance, risk management, and outlook for the period from 1 July 2025 to 30 June 2026.

Reporting standards

The Bank adheres to internationally recognised integrated reporting principles. This report was compiled and considered in line with the:

- International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB)
- Integrated Reporting Framework (<IR> Framework) of the IFRS Foundation
- Eswatini Stock Exchange (ESE) Listings Requirements 2022
- ESE Environmental, Social and Governance (ESG) Reporting Guide
- United Nations Sustainable Development Goals (UN SDGs)
- Sustainability Accounting Standards Board (SASB) framework for commercial banks
- Institute of Directors in South Africa (IoDSA) King IV Report on Corporate Governance for South Africa™, 2016 (King IV™) as voluntarily adopted by countries in Southern Africa, including Eswatini

Our integrated approach

We apply integrated thinking to inform decisions that balance financial resilience, operational efficiency, and long-term sustainability. This approach enables us to anticipate risks, explore opportunities, and ensure our business objectives remain aligned with external developments. In practice, our leadership evaluates financial performance alongside regulatory shifts and evolving customer expectations to drive well-grounded, future-focused outcomes.

- Integrated thinking
- Strategic decision-making
- Governance and risk oversight
- Financial and operational performance
- Stakeholder engagement
- Sustainability and market adaptation
- Long-term value creation

Materiality

This integrated report addresses the material themes that we believe could substantively affect our ability to create and preserve value for our stakeholders over the short, medium and long term, as well as the related risks and opportunities.

Refer to our **material matters**, including our determination process on page 13, and our **risk management process** and top risks and opportunities from page 14.

Data assurance

We employ robust internal controls, audit mechanisms, as well as external assurance procedures to validate financial and non-financial disclosures. Our data assurance measures include:

- Independent external audits of financial statements
- Internal governance structures overseeing risk management and compliance
- Stakeholder engagement processes ensuring data relevance and completeness

We maintain an audit trail for key disclosures to ensure transparency and accountability in the reporting process.

Stakeholder feedback

Stakeholder engagement plays a central role in shaping this report. We actively seek input from investors, employees, customers, regulators, and community partners to enable our report to meet diverse information needs. Insights from stakeholder engagement inform our strategic priorities and help align business operations with market expectations.

Refer to our **stakeholders** from page 11.

Forward-looking statements

Certain forward-looking statements are made in this report. Such statements involve both known and unknown risks, uncertainties and other factors in the short, medium and long term, which we define as one year, two to three years, and three to five years respectively. Such unknown factors may cause our actual results, performance, objectives or achievements to be materially different from future results, performance, objectives or achievements expressed or implied by these forward-looking statements.

Board approval

The Board of directors (the Board) confirms that it has collectively reviewed the preparation, content, and presentation of this report. The Board is satisfied that the material matters have been accurately and comprehensively addressed, and that all data and information presented is reliable. The Board further concludes that this integrated report has been prepared in accordance with the relevant reporting principles and frameworks, and approves it for publication on 30 October 2026.

On behalf of the Board of Directors.

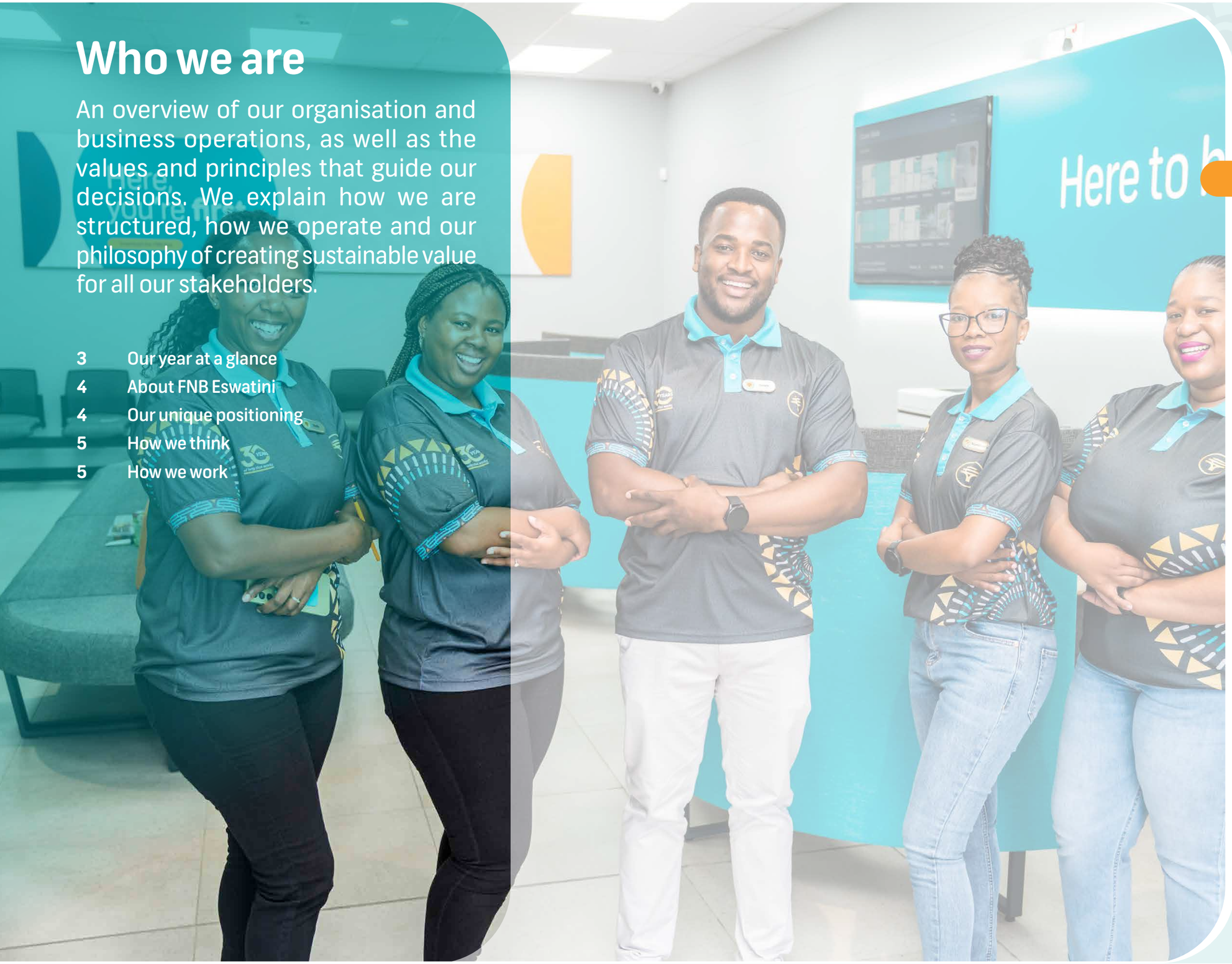
Elizabeth Arden
Chairperson

Thokozani Dlamini
CEO

Who we are

An overview of our organisation and business operations, as well as the values and principles that guide our decisions. We explain how we are structured, how we operate and our philosophy of creating sustainable value for all our stakeholders.

3 Our year at a glance
4 About FNB Eswatini
4 Our unique positioning
5 How we think
5 How we work



Key statistics

E12.1 billion
total assets value

9.9% YoY Growth
customers served

15
branches

13% YoY Growth
CashPlus agents

Who we are (continued)

Our year at a glance

Financial performance

4.1% E257.7 million
Profit after tax
(FY2025: E268.8 million)

17.5% E12.1 billion
Total assets
(FY2025: E10.3 billion)

20.3% E5.8 billion
Gross advances
(FY2025: E4.82 billion)

19% E154.3 million
Dividends paid
(FY2025: E176.9 million)

24.2% E8.2 billion
Total deposits
(FY2025: E6.6 billion)

Financial inclusion and MSME support

9 215
MSMEs supported

34%
Increase in digital banking volumes

E363.19 million
SME loan book
(FY2025: E373 million)

6 828
Number of previously underbanked customers reached through Sicalo accounts.

E188 million
Green use of proceeds

Customer growth and reach

+9.9%
Active customers

13% YoY Growth
CashPlus Agents



Our people and communities

504
Employees
(FY2025: 505)

Top employer global certification
Eswatini and Africa, 2026

E5.49 million
Community investment

Who we are (continued)

About FNB Eswatini

First National Bank of Eswatini Limited is a registered financial services provider that has been operating in Eswatini since 1995. The Bank is part of the FirstRand Group of companies and is listed on the Eswatini Stock Exchange. We are a full-service corporate, commercial, and retail bank, committed to driving sustainable economic growth, financial inclusion and responsible banking innovation.

As a duly licensed financial institution in Eswatini, our core mandate is to accept deposits, provide lending solutions, and offer financial services that support economic activity and protect customer funds.

Retail banking



Serving individual customers across Eswatini, we aim to redefine the retail channel network, with a focus on efficiency, inclusion, access and convenience.

Refer to retail banking from page 34.

Commercial banking



For commercial businesses, we strive to be the transactional banking platform of choice, backed by trusted financial service providers.

Refer to commercial banking from page 35.

Corporate and investment banking



Corporate banking includes services for large companies, multinational organisations, and government institutions, and we invest in key industries that drive Eswatini's economy.

Refer to corporate and investment banking from page 37.

Delivering a seamless experience based on **evolving customer-centric innovations**

Lend | Invest | Transact | Insure

Supported by a stable and sound governance structure

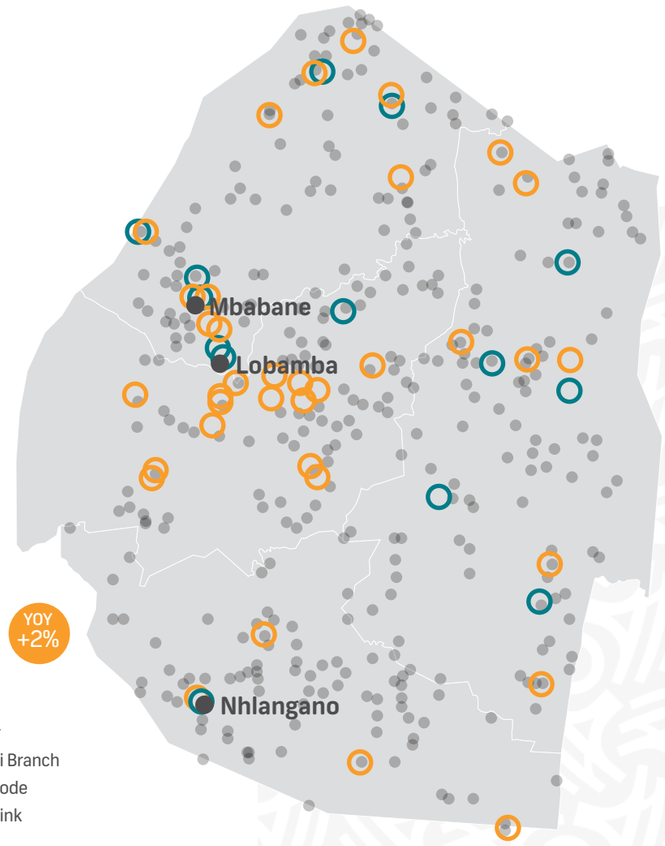
Refer to our leadership and approach to governance from page 39.

Our unique positioning

For over three decades, FNB Eswatini has been providing help that works, as reflected in our legacy: from the first swipe in 1996 through to cardless cash access, introduced in 2007 and our most recent participation in the **Eswatini Payment Switch**, providing inter-bank convenience.

Having cemented our presence in the Kingdom, our brand promises to continue ensuring that help is for everyone through meaningful capital allocation to inclusive access, services and community support.

Our value propositions, sponsorships and initiatives contribute to upliftment, expanded opportunities and financial inclusion for all citizens. In addition, our integrated digital infrastructure, online banking app, footprint of branches, self-services devices, and CashPlus retailer agent network extends across Eswatini, ensuring that help is available for everyone, everywhere.



Our presence

9.9%+
Growth in customer base

15 YOY +2
Branches
NEW
- Siphofaneni Branch
- Mbabane Digital Node

103 YOY +2%
ATMs
NEW
- Hilltop Spar
- Siphofaneni Branch
- Mbabane Node
- Matsapha Link

46 YOY +24%
ADTs
NEW
- Luve Filling Station
- Boxer Mathangeni
- Mpaka
- Matsapha Link
- Siphofaneni Branch x2
- Mbabane Node x2
- Mahhala Lobby
- Corner Plaza

1 029 YOY +13%
CashPlus Agents

Who we are (continued)

How we think

We operate on foundational principles centred around sustainability, customer-centric innovation, and robust governance. Key strategic pillars include a commitment to shared value, rigorous environmental and social risk management, and high standards of accountability.

Our purpose, vision and values

Our primary purpose

We exist to **help people to help themselves.**

In all our endeavours, we strive to deliver a reliable, accessible and seamless banking experience for our customers. We pursue and prioritise the continuous evolution of our financial offerings and services through customer-centric innovation.

Our vision

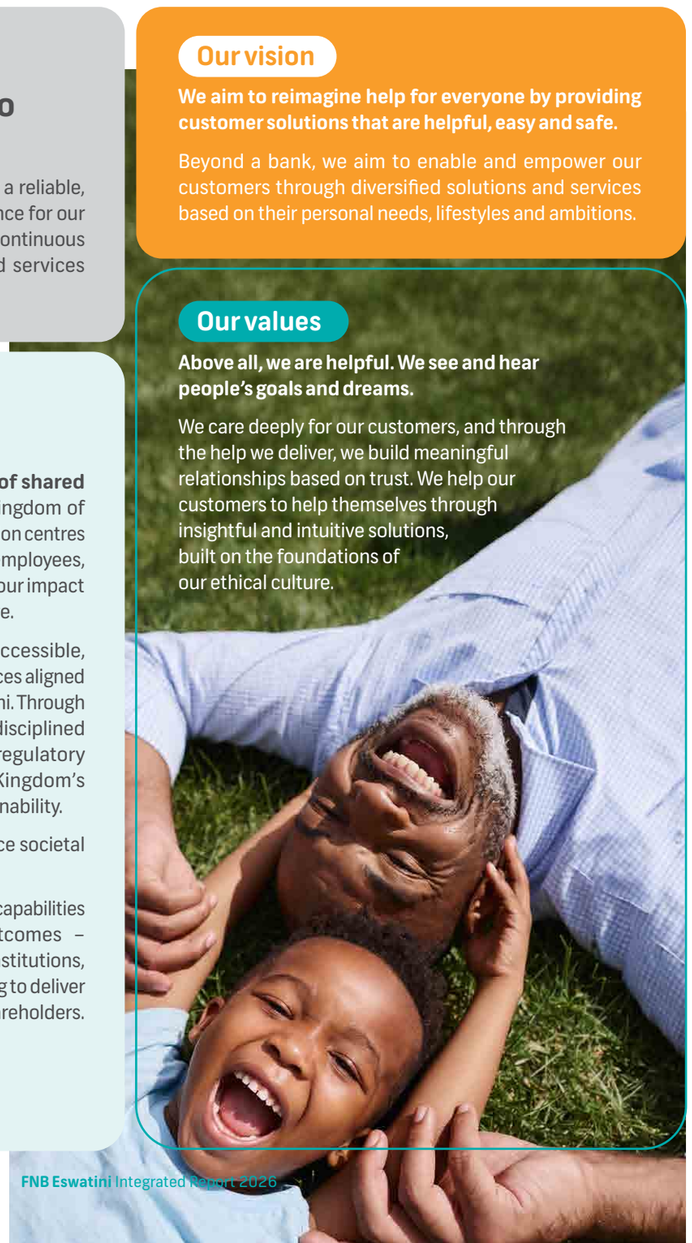
We aim to reimagine help for everyone by providing customer solutions that are helpful, easy and safe.

Beyond a bank, we aim to enable and empower our customers through diversified solutions and services based on their personal needs, lifestyles and ambitions.

Our values

Above all, we are helpful. We see and hear people's goals and dreams.

We care deeply for our customers, and through the help we deliver, we build meaningful relationships based on trust. We help our customers to help themselves through insightful and intuitive solutions, built on the foundations of our ethical culture.



Our commitment to our stakeholders

We are committed to shaping a **future of shared prosperity** by actively supporting the Kingdom of Eswatini's growth and development. Our vision centres on enriching the lives of our customers, employees, and the communities we serve – ensuring our impact is inclusive, meaningful and transformative.

This commitment drives us to deliver accessible, forward-looking and secure financial services aligned with the aspirations of the people of Eswatini. Through strategic investment in digital banking, disciplined market participation, and unwavering regulatory compliance, we aim to reinforce the Kingdom's economic resilience and long-term sustainability.

We believe business success must advance societal progress.

Accordingly, we dedicate our resources and capabilities to generating scalable, high impact outcomes – empowering individuals, strengthening institutions, and fostering innovation – while continuing to deliver sustainable growth and returns for our shareholders.

How we work

We balance risk management with high-impact, responsible investments and banking innovation to ensure sustainable returns to our shareholders, while contributing to the country's economic development and social and environmental health. We believe that a structured approach to governance and risk management strengthens financial integrity and promotes responsible banking, and we subscribe to the FirstRand Promises:

We are deeply invested

We take the initiative and place our time, passion and energy into serving our customers' needs, because we are empowered, entrusted and accountable.

We value our differences

We build an environment where everyone's views and contributions can be heard and seen. We stay focused on the talent and ability of those around us. We listen, reflect and only then respond.

We build trust, not territory

We are team players who act for the long-term interests of the group. Everyone is encouraged to contribute outside their area of expertise, so we can unlock our collective wisdom and achieve the very best results.

We have courage

We've built a culture of bravery by speaking our minds and encouraging others to do the same. We enable bravery with a tolerance for failure, resilience, the courage to speak up and express and share opinions, and a spirit that is adventurous and ambitious.

We always do the right thing

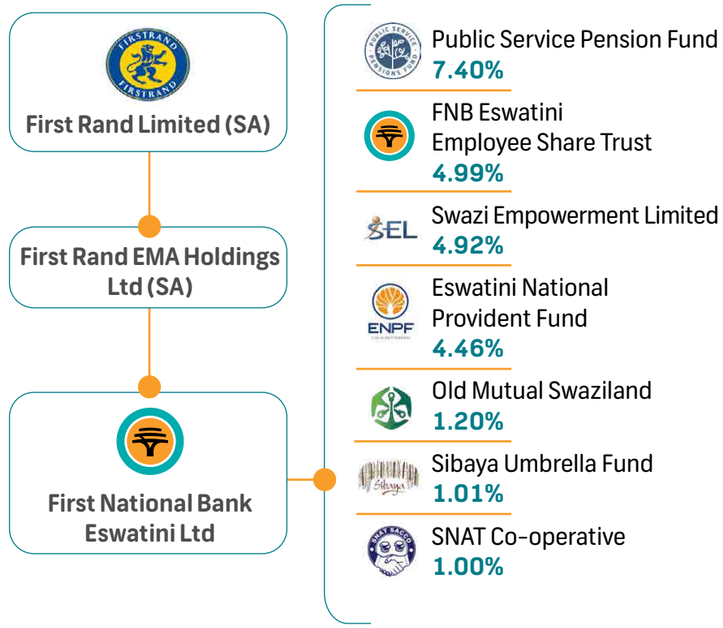
We are committed to ethical conduct and transparency. We champion honourable behaviour and excellent service and treat our customers, colleagues and partners fairly, to build value for our communities and shareholders.

We stay curious

We think differently. We believe in insight, creativity and its power to unlock value. We encourage curiosity, and make an effort to question the status quo, even when it is uncomfortable.

Ownership structure

FirstRand EMA Holdings (Pty) Ltd holds 75.01% of the Bank's listed shares, with the balance comprising a diverse local shareholder base. This includes a 4.99% holding by the FNB Eswatini Employee Trust, as well as holdings by pension funds representing a broad cross-section of Emaswati and co-operatives linked to the civil service. The structure reflects the Bank's commitment to broad-based local ownership and meaningful participation in the value created through its continued growth and success.



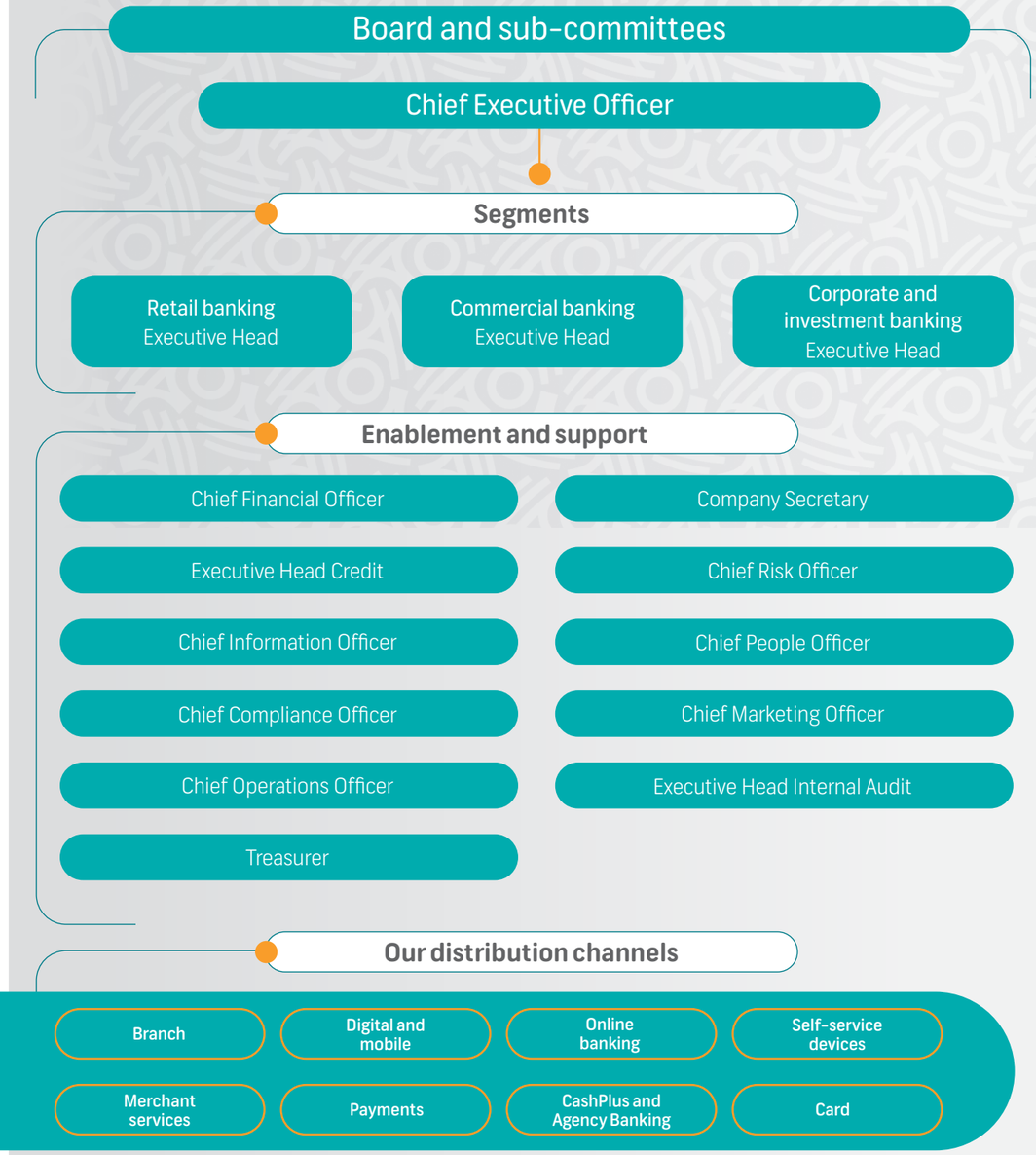
Who we are (continued)

How we work (continued)

Our corporate structure

Our corporate culture is built on principles of responsible banking, ethical leadership, and accountability. Our governance structure ensures that financial and non-financial considerations influence our decision-making. The Board and executive leadership assess how key business choices affect financial stability, stakeholder confidence, and future growth.

Refer to our leadership and approach to governance from page 39, and integrating our culture from page 20.



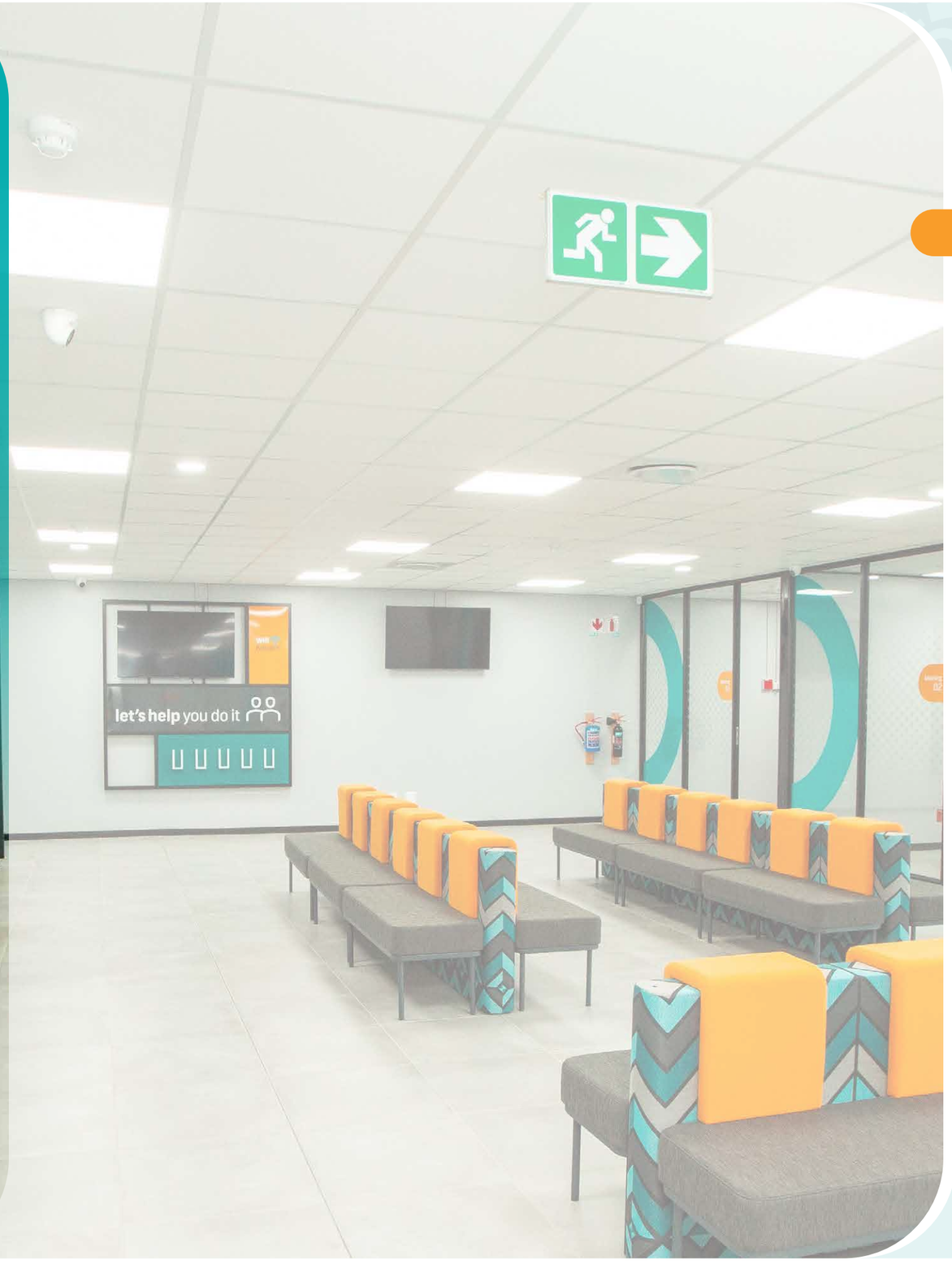


Delivering customer value through technology, trust and shared prosperity

Our operating environment

Exploring the context that influences our value creation story, our inclusive stakeholder approach, and how we identify opportunities in this landscape while managing the bank's approach to mitigating risks and meeting evolving legal, regulatory and industry standards.

8 Message from the Chairperson
10 Our operating landscape
11 Working with our stakeholders
13 Identifying our material matters
14 Managing risk



Key statistics

4.8%
Eswatini GDP growth year-on-year 2025

2.4%
Average inflation July 2025–June 2026

6.75%
Discount rate (for the period end June 2026)

E23.8 B
Total private sector credit extension as at June 2026

Our operating environment (continued)

Message from the Chairperson



> The year under review demonstrated the strength, adaptability and determination of our business. Encouraging sales momentum and strong market engagement reflected the relevance of our proposition, while persistent cost pressures required continued discipline and sharper focus on efficiency. Despite these challenges, the organisation showed resolve, agility and operational focus, positioning us to build on the progress made and continue creating sustainable value for all stakeholders.

Elizabeth Arden | *Chairperson*

I would like to recognise the valuable contribution of my predecessor, Mr Joseph Ndlangamandla, who retired as Chairperson and Board member on 31 October 2025 after many years of dedicated service. I am honoured to build on the strong foundation established during his tenure as we continue to drive sustainable growth and create value for our stakeholders.

The year also affirmed the importance of balancing growth with sustainability. While the Bank delivered encouraging commercial momentum, the operating environment required continued discipline, sound oversight and careful prioritisation. As a Board, we are encouraged by the strategic progress made in extending the Bank's relevance across customers, businesses and communities, and remain committed to guiding the organisation in a manner that preserves resilience, strengthens trust and ensures that help is made more accessible to every stakeholder we serve.

Operating environment

As a small, open economy, the Kingdom of Eswatini remains highly exposed to external developments through trade, investment flows, commodity markets and its close economic relationship with South Africa. At the same time, the financial year also underscored the resilience of the economy. Infrastructure investment, private sector participation in construction and renewable energy projects, improvements in agricultural conditions, and continued growth in services activity provided important support to economic growth.

From a Board perspective, however, it is important to recognise that economic volatility is not a temporary phenomenon. The global economy has moved through multiple cycles over the past three decades, including financial crises, pandemics, geopolitical conflicts, commodity shocks and climate-related disruptions. While the nature of these events differs, they all test the resilience of institutions. The question is therefore not whether volatility will occur, but whether organisations are sufficiently resilient to navigate it.

This reality is particularly relevant for Eswatini given its deep integration with South Africa through trade, investment, monetary arrangements and financial markets. Developments in South Africa's inflation outlook, interest rate cycle, fiscal position and economic growth trajectory inevitably influence domestic conditions. Exchange rate movements can affect inflation, input costs and business confidence, while changes in interest rates influence borrowing behaviour, investment decisions and household affordability.

While these dynamics create risks, they also create opportunities. Periods of uncertainty often reinforce the value of trusted financial institutions, prudent risk management and strong client relationships. They can also encourage investment in productivity-enhancing infrastructure, innovation and economic diversification. Viewed through this lens, volatility can serve as a catalyst for long-term improvement rather than simply a source of risk.

Against this backdrop, FNB Eswatini's response has been guided by a long-term perspective. The Board's focus is not on predicting every short-term economic development, but on ensuring that the institution remains resilient through changing economic cycles. This includes maintaining strong governance standards, preserving capital strength, exercising disciplined risk management, investing in people and technology and supporting sustainable growth across the economy. Our objective is to ensure that short-term decisions remain consistent with long-term value creation.

Importantly, our role extends beyond managing our own resilience. As one of the Kingdom's leading financial institutions, we recognise our responsibility to contribute meaningfully to Eswatini's national development agenda. Sustainable economic progress requires investment, entrepreneurship, job creation, financial inclusion and the expansion of productive capacity. Through responsible lending and continued support for households, businesses and strategic sectors of the economy, the Bank seeks to play its part in addressing some of the structural constraints that continue to limit growth and opportunity.

Our vision

Our vision is to position FNB Eswatini as a broader, more diversified and resilient financial services business, while safeguarding the strength, relevance and profitability of our core banking franchise. Achieving this ambition will require disciplined execution, with cost containment and operational efficiency remaining key priorities as we selectively pursue adjacent opportunities that broaden revenue streams and deepen customer relationships. Central to this journey are our people: attracting, developing, engaging and retaining the capabilities required to deliver our strategy and serve customers with distinction. Our priorities remain aligned to the six strategic pillars of customer experience, employee experience, more customers, more to customers, greater efficiency and shared prosperity. Shared prosperity underpins each pillar, ensuring that our growth creates sustainable value for our customers, employees, shareholders and the broader Eswatini economy.

The Board has full confidence in the executive team's ability to execute the strategy, and recognises the disciplined leadership and meaningful progress achieved during the year in translating our vision into tangible outcomes.

Our operating environment (continued)

Message from the Chairperson (continued)

Changes to the Board

The year was marked by significant developments in Board leadership and composition. Former Chairperson, Mr JV Ndlangamandla, completed his nine-year tenure, and the Board successfully implemented its succession plan, ensuring a seamless transition and continuity of leadership. In addition to the retirement of the Chairperson, two other directors, Mr David Wright and Ms Samantha Balsdon, completed their term in office, while a further director, Mr Vahid Monadjem stepped down due to competing professional commitments. To support the Bank's evolving strategic priorities, three new directors, Mr Banele Nyamane, Mr Dumsani Dlamini and Mr Warren Adams were appointed during the year, bringing valuable skills, experience and perspectives to the Board.

These developments formed part of the Board's ongoing commitment to maintaining an appropriate balance of skills, experience, independence and diversity. The departure of a female director during the year reduced female representation on the Board to 20%, reinforcing the need for continued progress in this area. The Board remains committed to enhancing gender diversity through future succession and appointment processes, recognising that a diversity of perspectives strengthens oversight, enriches deliberations and supports more effective decision-making.

Ethical leadership

Effective governance remains fundamental to the Bank's ability to create sustainable value and maintain the confidence of shareholders, customers, regulators and other stakeholders. Guided by the principles and intended outcomes of King IV™, the Board continued to promote ethical and effective leadership, responsible corporate citizenship and sound decision-making, ensuring that governance remained closely aligned with the Bank's strategic objectives and long-term sustainability.

Board focus areas

The Eswatini Payments Switch still remains critical for the country and for the Bank.

The Board oversaw the Bank's continued participation in the Eswatini Payment Switch as a key payments modernisation initiative, focusing on regulatory compliance, operational resilience and leveraging increased interoperability to enhance customer convenience, support financial inclusion and strengthen the Bank's digital payments proposition.

The Board also continued to strengthen its effectiveness through regular evaluations and ongoing director development initiatives, ensuring that it remains well positioned to provide strategic guidance, constructive challenge and robust oversight in a rapidly evolving operating environment.

Board future focus areas

The Board will continue to oversee the embedding of King V™ following its adoption from 1 July 2026, with particular focus on strengthening governance practices, enhancing disclosures, and ensuring that the Bank's governance framework remains aligned with evolving governance standards and stakeholder expectations.

Outlook

The World Bank's forecast of approximately 4% GDP growth for 2026 remains broadly consistent with current economic conditions, reflecting an economy that has continued to demonstrate resilience despite a challenging global environment. Nevertheless, risks remain, including global trade uncertainty, climate-related shocks, volatile commodity markets and fiscal pressures.

As FNB Eswatini builds on more than 30 years of serving the Kingdom, our perspective remains firmly through the cycle. Economic conditions will continue to evolve, and periods of uncertainty will inevitably arise. What remains constant is our commitment to building an institution that will continue serving customers, communities and the broader economy for decades to come, while supporting the creation of a more inclusive, resilient and prosperous Eswatini.

Acknowledgements

On behalf of the Board, I extend my sincere appreciation to all our stakeholders for their continued confidence, partnership and support during the 2026 financial year. To our customers, employees, shareholders, regulators, communities, suppliers and broader partners, your trust and commitment continue to anchor our progress and strengthen our purpose. Guided by this year's theme, "**Help is for everyone**", we remained focused on delivering meaningful support, innovative and inclusive financial solutions, as well as responsible growth across the communities we serve.

Elizabeth Arden | *Board Chairperson*



Our operating environment (continued)

Our operating landscape

The operating environment continues to reshape financial services by accelerating technology adoption, increasing compliance demands and intensifying competition from digital entrants. Macroeconomic shifts, evolving customer behaviours and stringent regulatory requirements are compelling banks to rethink revenue models and redesign core operational processes.

Global

Overview

In 2026, the global economy navigated a period of **heightened uncertainty** shaped by shifting US trade and foreign aid policies, rising geopolitical tensions, commodity market volatility and growing climate-related risks. Overall, the global environment remained increasingly fragmented and uncertain, characterised by evolving trade relationships, geopolitical realignments, commodity market volatility and **climate-related risks** that continued to shape the global growth and inflation outlook.

Our response

Refer to pages 13 to 15.

- Maintained robust management of prudential limits on **foreign exposures.**
- Our **climate change initiatives, such as sustainable finance**, aim to support customers, employees, partners and communities transition to a low-carbon economy and to improve their resilience against extreme weather events and changing weather patterns.
- Through our **digital and economic transformation** initiatives, we aim to create opportunities for all people in the societies we serve.

Related material matters and risks:

MM7 Geopolitical uncertainty
MM5 Decreasing foreign direct investment
R9 Climate and sustainability risk

Regional

Overview

The Southern African economy experienced two distinct phases during 2026. The first half of the financial year was characterised by a disinflationary environment, supported by lower global oil prices, improved agricultural output following favourable rainfall across much of the region, and easing food price pressures. Conditions shifted in the second half of the year as geopolitical tensions pushed oil prices higher, increasing imported inflation pressures across the region and prompting a more hawkish monetary policy stance in South Africa, culminating in a South African Reserve Bank (SARB) rate hike. Overall, the region remained resilient, but faced a more challenging environment characterised by rising inflation, tighter monetary policy and intensifying trade competition.

Our response

Refer to pages 13 to 15.

- Our dedicated exchange control advisory service facilitates domestic and cross-border economic activity.
- Transitioned to the SADC Harmonized Codes for CMA, in accordance with regulatory requirements, for consistent and aligned Balance of Payments reporting across the regions.
- Continued to monitor the potential impact of higher energy costs and imported inflation on future monetary policy and funding conditions.

Related material matters and risks:

MM1 Increasing competition
MM7 Geopolitical uncertainty

Domestic

Overview

In 2026, Eswatini's economy demonstrated resilience despite an increasingly uncertain global environment. The financial year began in a largely disinflationary environment, supported by lower global oil prices and favourable La Niña-related rainfall, which boosted grain production and contributed to food price deflation. Conditions shifted during the second half of the financial year as higher global oil prices increased fuel import costs. An average electricity tariff increase of 11.74% and a 4% increase in water tariffs added to domestic cost pressures. Despite these pressures, inflation remained relatively contained by historical standards, reflecting the offsetting effects of strong grain harvests, lower food prices and stable domestic demand conditions. However, higher fuel and utility costs introduced renewed upside pressures to inflation towards the end of the financial year. Monetary policy remained broadly stable, despite evolving regional and global pressures. Overall, real GDP growth was strong at 4.8% in 2025, and it expected to remain stable at around 4% in 2026.

Our response

Refer to pages 13 to 15.

- Maintained a **disciplined and phased approach** to innovation and growth.
- Enhanced **funding diversification,** resilience, and liquidity risk management.
- **Enhanced customer analytics** to inform better product development and customer experience.
- Defined our policies related to **sustainable finance.**
- Contributed to **national infrastructure development** through the Eswatini Payment Switch integration.
- Supported productive capital formation by **broadening access to finance**, particularly for SMEs and start-up businesses.
- Enhanced **household access to finance** by expanding home loans in rural areas.
- Enhanced the **future skills development** of our people through our talent development programmes.
- Contributed to financial wellbeing through our **financial literacy initiatives.**

Related material matters and risks:

MM1 Increasing competition
MM7 Geopolitical uncertainty
R3 Strategic project risk
R9 Climate and sustainability risk

Our operating environment (continued)

Working with our stakeholders

Having entrenched our legacy of firsts over our 30-year history, our FY2026 brand position aims to evolve our communication beyond strengthening awareness, by developing the concept and promise that help is for everyone. This positioning statement aims to be the foundation of how we serve customers, support employees, create value for shareholders, partner with suppliers, contribute to national development and help build a more inclusive and prosperous Eswatini.

Our inclusive stakeholder universe

We strive to form mutually beneficial engagement with all our stakeholders and maintain productive dialogue and feedback to ensure we are both responsive and proactive in meeting their evolving needs, preferences and requirements.

Our customers | **Our people** | **Our shareholders** | **Eswatini government and regulators** | **Our business partners and suppliers** | **Our communities**

Stakeholder engagement

How we engage with **our customers**

RELATIONSHIP STATUS 17

Our customer engagement extends across all points of contact:

- Full service branches.
- Customer events.
- Social media channels.
- Online banking and self-service devices.
- CashPlus agents at retail outlets.
- Direct relationship banking specialists.
- Public media (including radio and television).

Needs and preferences

- Established trust and experiential reputation.
- Flexibility of service options, both self-service and via direct branch contact.
- Accessibility to credit, and fair pricing.
- Secure transactional capabilities, and privacy of information.
- Customised business solutions and support.
- Ease of transactions and clear communication.
- Responsive and prompt resolution of queries.
- Financial wellbeing advice and financial literacy support.

How we help

- The rollout of EPS supports customer flexibility through interoperability.
- Continued digital channel enhancements.
- Increasingly tailored savings and lending offerings.

5-10 Good 11-15 Strong 15-20 Growing 20+ Healthy

How we engage with **our people**

RELATIONSHIP STATUS 16

- Annual Indaba, people townhall.
- Connect sessions.
- Reciprocal meetings and performance reviews.
- Leadership communication and engagement.
- Internal brand communication.
- Training and development.

Needs and preferences

- Culture of wellbeing and safety.
- Work-life balance.
- Fair remuneration, recognition and reward.
- Career development and personal growth.
- Learning and skills development.
- Acknowledgement and resolution of concerns.

How we help

- Maintaining an attractive employee value proposition (EVP).
- Certified as a Top Employer in Eswatini and Africa.
- Developing our culture of care, performance and trust.
- Personal and career development.
- Upskilling our people towards digital transformation.

How we engage with **our shareholders**

RELATIONSHIP STATUS 18

- Annual Integrated Report and Financial Results Publication.
- Financial Results Presentation.
- Annual General Meetings.
- Eswatini Stock Exchange news portal.
- In-person representation at shareholder meetings.

Needs and preferences

- Access to timely financial and governance information.
- Dialogue and feedback at the annual AGM
- Sustainable capital returns.
- Responsible investment and consideration of environmental, social and governance (ESG) factors.

How we help

- Publishing timely integrated annual reports.
- Facilitating dialogue at the annual AGM and listening to feedback to further inform our strategies.
- Prudent treasury management and comprehensive risk management.
- Forward-looking strategies to stay abreast of an evolving operating environment.
- Embedding economic, environmental and social sustainability into our business model and governance structure.

Our operating environment (continued)

Working with our stakeholders (continued)

5-10 Good 11-15 Strong 15-20 Growing 20+ Healthy

How we engage with **government and regulators**

RELATIONSHIP STATUS 18

- Annual briefing meetings with the Governor of the Central Bank of Eswatini.
- Participation in public policy consultations.
- Annual bilateral meetings with key regulators on compliance status.
- Participation in monthly Governor's meeting.
- Participation in industry-related conferences and workshops.
- Lobbying and advocacy efforts in support of financial policies and regulations, and legislative developments.

Needs and preferences

- Adherence to all Eswatini's applicable laws, and compliance with all financial service regulations.
- Economic development of the Kingdom, including job expanding and deepening financial inclusion.
- Promotion of social and environmental stewardship.
- Good governance and corporate citizenship.
- Tax compliance.
- Data privacy and protection, and consumer protection.

How we help

- Participation in national infrastructure development, and on matters affecting the banking sector, economy and financial inclusion through industry structures.
- Contribution to economic development through job creation, and providing trusted financial services for business and commerce.
- Providing responsible and inclusive access to credit for small businesses, start-ups, households, and individuals.
- Expanded product offerings for lower segments.
- Annual tax contribution.
- Maintaining transparent engagement with relevant regulatory authorities on prudential, conduct, governance, compliance and other regulatory matters.
- Leadership drives consistent compliance tone across the enterprise.
- Development of compliance automation tools and periodic regulatory reporting.
- Expanded participation on the instant payment rail (Eswatini Payment Switch).

How we engage with **our business partners, suppliers and strategic partners**

RELATIONSHIP STATUS 18

- Regular meetings with business partners to ensure strategic alignment.
- Collaboration on meaningful initiatives supporting the health of the economy.
- Regular supplier reviews to ensure contractual obligations and standards.

Needs and preferences

- Meaningful business opportunities and growth.
- Reliability and integrity of business partnerships, supported by transparent communication.
- Clearly defined supplier contracts.
- Timeous supplier payment and payment terms.
- Support of local suppliers.
- Clear process communication.

How we help

- Our initiatives with strategic partners include the Business Reporting Workshop, FNB Property Indaba , Forex and Trade Solutions Seminar and the SME Growth Forum. We also conduct regional engagement in collaboration with Eswatini Revenue Services.
- With our business partners, we co-create solutions to problems and proactively seek mutual opportunities for sustainable growth.
- Regular direct communication and updates with our business partners.
- Prioritising local supplier procurement through our Buy Swazi initiative.
- Centralised procurement processes and clearly communicated changes to enhance understanding.

How we engage with **our communities**

RELATIONSHIP STATUS 20

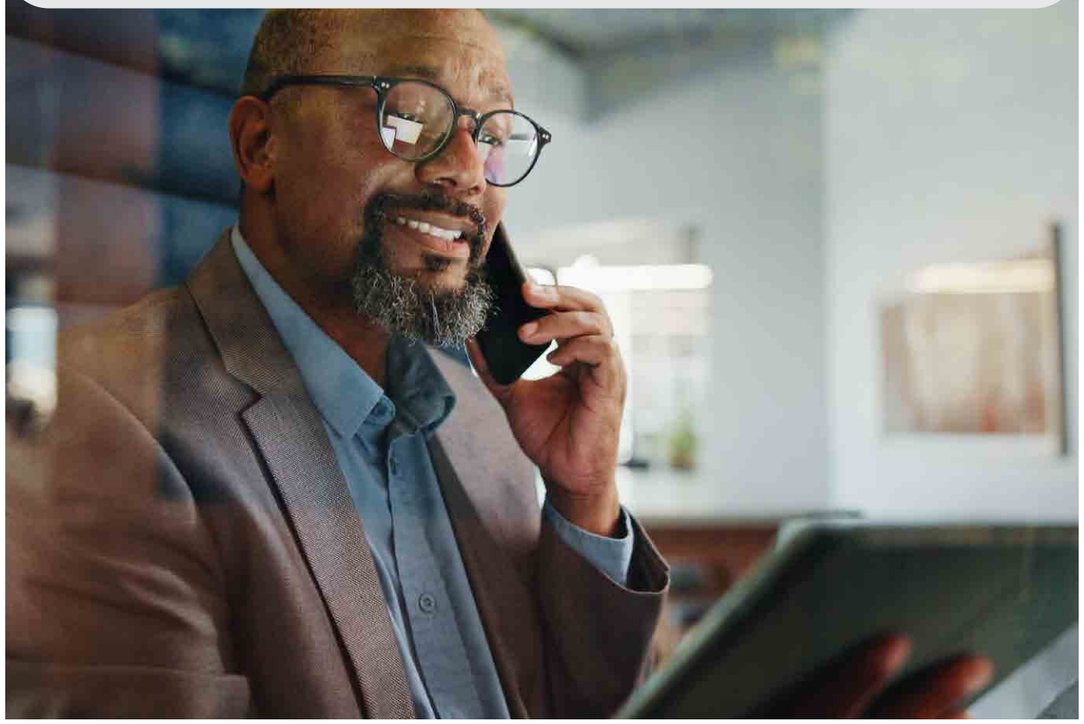
- Sponsorship of events and initiatives.
- FNB Foundation outreach programmes.
- Communication of inclusive and accessible services for everyone.
- Encouraging the adoption of renewable energy alternatives.
- Consumer protection and fraud awareness initiatives.

Needs and preferences

- Access to banking services
- Financial inclusion
- Financial literacy support
- Social upliftment
- Employment opportunities
- Environmental care and preservation

How we help

- Through our shared prosperity strategic pillar, we provide access to affordable housing loans, access to essential services and renewable energy finance, small agricultural production loans and ongoing development of inclusive services.
- We are committed to the effective management of environmental and social risk associated with its lending and investment decisions, through our sustainable finance framework.
- We allocate corporate social investment funds to support education, entrepreneurship, arts and culture, sports development and humanitarian aid.



Our operating environment (continued)

Identifying our material matters

We monitor structural megatrends across our external environment to understand how they may influence our ability to create value over the short, medium and long term. These insights inform our identification and management of material risks and opportunities and help us anticipate developments that may affect our strategy and business model.

During FY2026, our executive management team conducted a multifunctional review and evaluated the material trends outlined below, which were subsequently endorsed by Exco and approved by the Board.

MM1	MM2	MM3	MM4	MM5	MM6	MM7
Increasing competition	Rapidly evolving technology	Cybercrime and fraud	New regulators and compliance requirements	Decreasing foreign direct investment	Small and stagnant population, and competition for talent	Geopolitical uncertainty

Material macrotrends

MM1 Increasing **competition**

National policy and regulator communication indicates a desire to open Eswatini to more international banks. At the same time, the Eswatini Payment switch enables more emerging FinTechs in the financial ecosystem.

Our focus areas

Our strategy is to defend our positive brand position through developing even stronger value propositions, cementing customer loyalty across all channels, and build for growth through **business diversification**. We aim to be a re-imagined financial services business by 2030, with both bank and non-bank service offerings.

Capitals affected

MM2 Rapidly evolving **technology**

GenAI tools are increasingly used for innovation and productivity, resulting in shorter speed-to-market for businesses, and more specialised customer preferences.

Our focus areas

We are investing in developing our AI capabilities and analytics tools to **improve our customer experience**, and simultaneously exploring partnerships with vendors for faster delivery. We are also upskilling our own talent through graduate programmes and internal tech academies.

Capitals affected

MM3 **Cybercrime** and **fraud**

In Eswatini, there is a nation-wide increase in cybercrime, primarily involving hacking, data breaches and malware attacks. At the same time, fraud risk types are becoming more diverse and increasingly difficult to abate.

Our focus areas

We maintain stringent cybersecurity controls and safeguards, and did not experience any cybersecurity breaches in FY2026. However, we are also supporting critical human judgement in the protection of personal information through our comprehensive, responsible use of AI essentials training, which is compulsory for all employees.

Capitals affected

MM4 New regulators **and compliance requirements**

Existing Regulators are introducing more stringent regulatory rules, and there are also new regulators entering the landscape with new compliance obligations and sanction risk threats.

Our focus areas

We strive for full regulatory compliance. Regulatory compliance, such as those related to the Eswatini Payment Switch, data protection, and the Eswatini stock exchange listing requirements all require financial investment, affecting our operating costs. As such, cost containment remains a focus of our operations.

Capitals affected

MM5 Decreasing **foreign direct investment**

There is a decline in foreign direct investment into Eswatini, and protectionist policies are likely to exacerbate this as the focus shifts to using wealth to grow own economies instead of trade expansion.

Our focus areas

We are constantly evaluating our business and our purpose in society, as we aim to think differently and find new growth avenues. Our strategic pillar of **shared prosperity** and financial inclusion ensures that we create **meaningful** relationships with existing and emerging customers.

Capitals affected

MM6 Small and stagnant population and **competition for talent**

Eswatini's population of 1.27 million people in 2026 has a historically low growth rate of just over 1% per annum. This results in limited opportunities for growth in terms of customer numbers and new business ventures.

Our focus areas

One of our primary focus areas is on supporting small and medium enterprises, as well as igniting micro business start-ups with potential by providing access to credit and business support via our enhanced scored-lending model. We also support women in business through various sponsorships.

A small population and our preference for local procurement, also requires investment into retaining our top talent and developing future skills across our supply chain.

Capitals affected

MM7 **Geopolitical** uncertainty

Increasing global and regional uncertainty affects Eswatini's GDP and inflation dynamics.

Our focus areas

We recognise that a rapidly evolving global and regional political landscape affects business activity and planning ability. As such, **business resilience** is one of our key focus areas.

Capitals affected

Financial | Intellectual | Human | Social and Relationship | Manufactured | Natural

Our operating environment (continued)

Managing risk

We recognise that diligent risk management, supported by a strong and transparent governance framework, is essential to the Bank's long-term stability and sustainability. Our proactive approach is grounded in established risk management principles and leverages data-driven tools and systems across the business to enhance oversight and decision making.

Our risk framework

Our Enterprise Risk Management Framework (ERMF) embeds risk management within the Bank's governance architecture, with the strategic objective of proactively identifying, assessing, monitoring and mitigating risks. The Board, together with Executive Management, provides risk governance oversight and promotes a culture of sound risk awareness across the organisation.

Our risk governance and accountability

While risk management is fully integrated into our business and decision-making, the Board holds ultimate responsibility for risk oversight, setting the Bank's risk appetite and ensuring that risk management remains aligned with strategic objectives. The Risk, Capital and Compliance Committee (RCCC), a subcommittee of the Board, supports this mandate by overseeing the implementation of risk frameworks, monitoring risk exposures, and ensuring compliance with regulatory requirements.

Refer to our approach to governance from page 39.

Strengthening our Combined Assurance Forum

Our Combined Assurance Forum met consistently regarding its terms of reference with quarterly reports and escalations tabled at Risk, Capital and Compliance Committee as well as Audit Committee. The Forum continues to devise strategies to improve risk maturity and has, in the year under review, ensured implementation of the risk maturity programme, which resulted in positive outcomes in 2nd line management shifting from risk defined to risk managed. Demonstrable efforts are continually devised to shift the overall rating from risk defined to risk managed, a commitment that has been embedded in performance measurement, particularly the tone at the top.

We follow the three lines of defence model to support our governance of risk:

1ST line: **Risk ownership** business units identify and manage risks within their operations and ensure they maintain a sound control environment

2ND line: **Risk oversight** risk management and compliance management teams provide independent oversight and guidance

3RD line: **Independent assurance** internal and external auditors assess the effectiveness of risk controls and governance

Our risk strategy

Our objective is at a Bank-wide improvement on ERM Maturity from "Risk Defined" to "Risk Managed" as guided by our risk maturity model. In FY2026, we held workshops with each responsible business unit and the segments responsible for driving our strategic pillars. We detailed the results and grouped them into high-level themes: operational risk, legal risk, fraud and forensics risk, and sustainability. We then embarked on a Bank-wide series of initiatives aimed at mitigation and identification of opportunities.

Increasing | Decreasing | Emerging | Stable | Residual

Top risks and opportunities

R1 Strategic project risks

In ensuring that strategic projects land on time and within budget, there is potential for strain on human capacity, as well as a potential competitive risk in terms of speed-to-market.

OUTLOOK: Stable

Mitigation
- Prioritising projects according to both regulatory and our own strategic pillar requirements.
- Implementing productivity enhancements, such as workflow automation.

Opportunities
- Engaging third parties vendors to ensure adequate capacity and timely delivery.
- Balance a high-performance culture with employee wellbeing support.

Strategic pillars affected:
2 Employee experience | 3 More customers | 4 More to customers | 5 More efficiency

R2 Regulatory compliance risk

The potential to attract regulatory fines/penalties if not fully compliant with the regulatory requirements.

OUTLOOK: Increasing

Mitigation
- A comprehensive compliance programme is in place and is regularly reviewed, with governance oversight over its implementation.

Opportunities
- Exploring the identification and execution of automation opportunities of legal processes.
- Investigating opportunities in emerging legislations.
- Exploring opportunities for automation of some compliance processes.

Strategic pillars affected:
5 More efficiency

R3 People risk

The risk of not attracting, developing and retaining the skills and capabilities required to deliver our strategy in an increasingly competitive and evolving talent environment.

OUTLOOK: Increasing

Mitigation
- Achieved top employer status in Eswatini and Africa.
- Continue implementing our talent development programme.

Opportunities
- Enhancing our employee value proposition.
- Rewarding and recognising to retain top talent.
- Initiating skills for the future to enhance digital transformation.

Strategic pillars affected:
1 Customer experience | 2 Employee experience

Our operating environment (continued)

Managing risk (continued)

Increasing | Decreasing | Emerging | Stable | Residual

R4 Reputational risk

The potential for loss of trust, brand value, or market standing due to negative public perception.

OUTLOOK

Mitigation

- Improved focus on customer experience and inclusive solutions.
- Vastly increased processing times through process automation.

Opportunities

- Leveraging data analytics for more relevant and faster help.
- Developing a more quantitative and predictive approach to differentiate the customer experience.

Strategic pillars affected:

1 Customer experience 6 Shared prosperity

R5 Financial crime risk

The risk of exposure to illegal acts – such as fraud, money laundering, bribery or corruption.

OUTLOOK

Mitigation

- Continued prioritisation of financial crime prevention and detection in our regulatory compliance programme.

Opportunities

- Strategies for maintaining trust and integrity of the financial system while ensuring compliance with the law.
- Greater process standardisation across the Bank.

Strategic pillars affected:

5 More efficiency

R6 Information risk

Breaches in protection of data and private information.

OUTLOOK

Mitigation

- Upskilling all employees on threat detection and prevention strategies.

Opportunities

- Leverage technology in deploying advance detective controls.

Strategic pillars affected:

1 Customer experience 2 Employee experience

R7 Fraud risk

The risk, particularly of cybercrime such as cyber scams, phishing emails and hacking.

OUTLOOK

Mitigation

- Maintaining a robust cybersecurity architecture.
- Multi-layered customer authentication on our platforms.
- Hosted fraud-awareness activations and roadshows.

Opportunities

- Leveraging of AI for fraud detection.
- Ongoing fraud awareness roadshows for public and businesses.

Strategic pillars affected:

1 Customer experience 5 More efficiency

R8 Execution risk

The potential for business plans or strategies to fail before, during or after implementation.

OUTLOOK

Mitigation

- Carefully mapping our journey to our 2030 ambition.
- Aligning our strategy and strategic pillars with clear accountability.

Opportunities

- Leveraging data-driven tools and systems to enhance oversight and management.

Strategic pillars affected:

5 More efficiency

R9 Climate and sustainability risk

The risk of not-complying with emerging carbon rules, and shifting consumer habits towards more environmentally and socially conscious choices.

OUTLOOK

Mitigation

- Implementing our sustainability-related frameworks and policies.
- Contributing to the global drive towards renewable energy through sustainable finance mechanisms.
- Embedding sustainability governance into our organisation.
- Ensuring financial inclusion through our value propositions and reach.

Opportunities

- Mapping our own energy output and mix and setting targets to reduce carbon footprint.

Strategic pillars affected:

6 Shared prosperity

How we create value

Our strategic blueprint for creating value extends across our defined, business-wide strategic pillars, our model for preserving and creating value over time, and how we integrate people, processes and shared prosperity into our daily activities and vision for the future.

17 Message from the CEO
19 Our strategy
19 Our business model
20 Integrating our people and culture
23 Integrating technology and our customer experience
25 Integrating sustainability



Key statistics

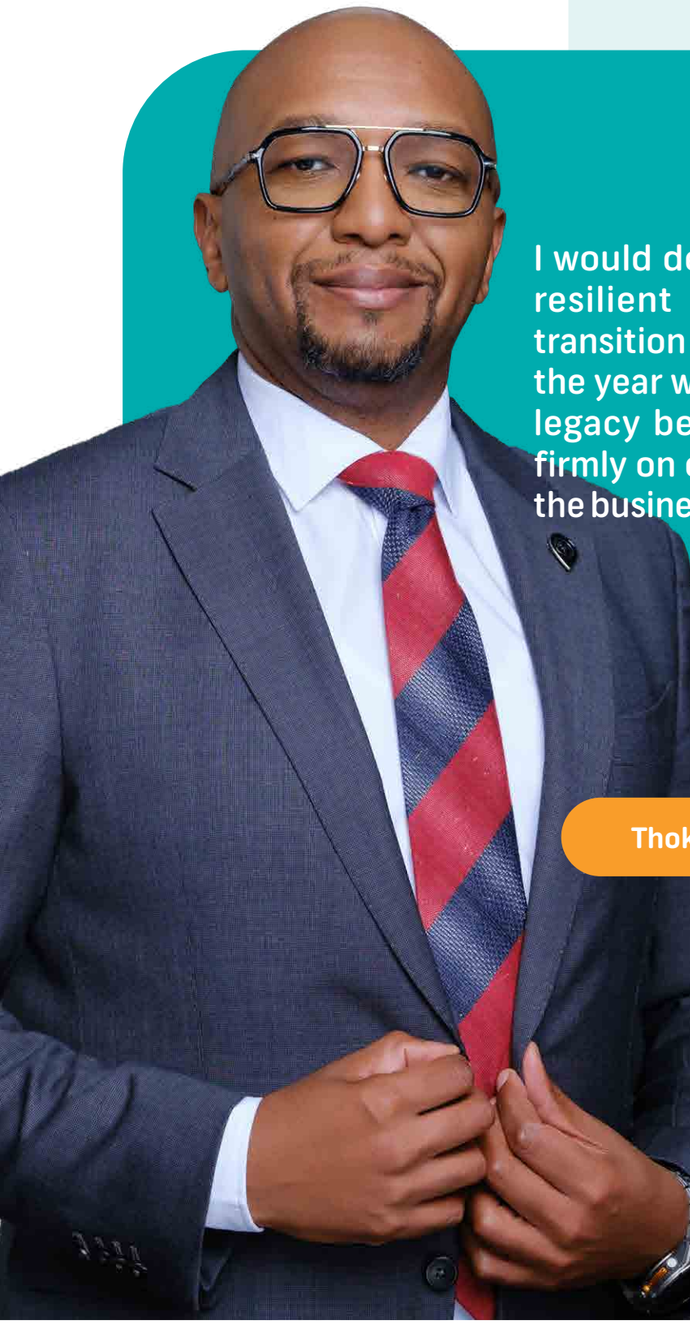
E8.1 B
Deposits

E5.84 B
Advances

E12.1 B
Total assets

How we create value (continued)

Message from the CEO



> I would describe FY2026 as a year of resilient execution and purposeful transition for FNB Eswatini. We entered the year with the strength of a 30-year legacy behind us, but our focus was firmly on execution and on positioning the business for its next phase of growth.

Thokozani Dlamini | *Chief Executive Officer*

Given a dynamic operating environment, our financial performance remained relatively stable. Yet the most meaningful value we created this year lies beyond the numbers. We strengthened the foundations of a more inclusive, responsive and future ready financial services business.

We advanced the modernisation of payments, expanded both digital and physical access, improved employee engagement, accelerated shared prosperity initiatives and built capabilities that enhance the efficiency and quality of customer service. These achievements matter because they reinforce the long-term relevance of FNB Eswatini's role as a responsible corporate citizen – ensuring our contribution to the country endures well beyond this year's financial results.

Ensuring stability in an uncertain environment

Although the external environment was sufficiently stable to support growth, it demanded disciplined execution and sustained management attention. Eswatini remained shaped by regional and global dynamics – including trade uncertainty, geopolitical risk, inflationary pressures, SACU receipts volatility and policy rate developments within the Common Monetary Area. Domestically, infrastructure investment, agriculture, rising interest in renewable energy and private sector activity provided important support, while fiscal execution risk and limited large scale foreign direct investment continued to constrain momentum.

Recognising early in the financial year that organisational alignment would be critical, we convened a **Leadership Indaba** to ensure our management teams were fully synchronised around the strategy, operating context and execution priorities. This created a shared leadership language and helped maintain focus, agility and consistency in how we responded to both challenges and opportunities in the market.

The operating environment remained complex, with economic, regulatory and competitive pressures becoming more pronounced. However, our business continued to show encouraging momentum through disciplined delivery, balance sheet growth, digital enablement and a sharper focus on our customers, our people and our contribution to shared prosperity.

Delivering on our purpose

We have spent the past 30 years building a reputation as a bank that is here to help. As we evolve, we are broadening this purpose to reflect a more inclusive ambition – one that makes clear that *help is for everyone*. This purpose is the lens through which we intend to create sustainable value for all stakeholders well into the future. We have already begun diversifying our offerings to deliver more customised, relevant and meaningful solutions. Our objective is to extend our legacy of trust into a more diversified, digitally enabled and future fit business that can serve a wider spectrum of financial needs.

At the same time, customer expectations continue to shift toward faster, more convenient and more reliable channels. This is reshaping how banks compete, how customers transact and how financial institutions design service delivery. Our recent innovative offerings include the Lifestarter loan, scored lending, and an annuity-based investment product for retirees.

Our FY2026 strategy centred on protecting core market positions, expanding into new territories, and attracting and retaining best-in-class talent – laying the foundation for our forward-looking ambition to become a re-imagined financial services business by 2030, with both bank and non-bank offerings.

Strengthening the foundations for our next phase of growth

The key foundations that will enable us to deliver on our strategic commitments are very clear. We have aligned our priorities to the FirstRand Group's Broader Africa segment's **People, Platform and Customer** approach. This approach creates a meaningful foundation for translating our strategy into the capabilities, behaviours and operating disciplines that allow our business to deliver strong results.

Our strategy is anchored in three foundations: people, platform and customer. Our **people** remain central to our success. By attracting, retaining and developing the talent needed for an increasingly complex financial services environment – and ensuring they understand the strategy, believe in the purpose and are equipped to deliver – we strengthen our ability to serve customers and create sustainable value. Our **platform** is the engine that enables solution development and protects our market position. Continued investment is a business imperative that determines how quickly and effectively we can respond to customer. Our customer foundation underpins all others, ensuring shared prosperity and diversified products to support our promise that help is for everyone. We maintain a customer-led approach to innovation, strengthening the core banking model by attracting new customers and deepening engagement with those we already serve.

How we create value (continued)

Message from the CEO (continued)

Progress against our 2026 strategy

We continue to structure our strategic framework against our six primary pillars, and embed these principles across all our operations. As such, **customer experience** remained central to our strategy throughout the year. We continued modernising channels, strengthening digital enablement and advancing integration initiatives. Progress was evidenced by the Eswatini Payment Switch (EPS) go-live, enabled account-to-account payments, integration work with Eswatini Water Services Corporation (EWSC) and Royal Science and Technology Park (RSTP), the opening of the **Siphofaneni Branch and Mbabane Digital Node**, and our continued focus on customer-led service and branch transformation.

Our **employee experience** was also one of the most visible areas of progress in FY2026. I am particularly pleased to report that in January 2026, FNB Eswatini achieved Country and Regional **Top Employer Certification for 2026**, as assessed by the Top Employers Institute's global HR Best Practices standards. FNB Eswatini was also placed joint first among Broader Africa colleagues in the Group Engagement Survey, indicating that our people are increasingly aligned with the culture, leadership direction and purpose of the business, strengthening the foundation for sustained delivery. FY2026 also saw the launch of our **World Class Manager programme**, reinforcing our commitment to an excellent employee experience.

Our next stage of growth is not only about serving **more customers, but also about doing more for the customers** we already have. This requires deepening relationships and increasing the relevance of our solutions across every segment. Over the year, this was evident in workplace banking, lifecycle management, advisory-led propositions, merchant services and structured finance. Each of these areas helps us shift from transactional interactions to more meaningful, needs-based partnerships.

Efficiency remained a critical strategic pillar, particularly in an environment where cost pressures continue to increase and customers expect faster, simpler service. Our focus was on improving productivity, simplifying processes and strengthening cost discipline without compromising customer experience. Key initiatives included SLA deep-dives, branch transformation, process optimisation, automation, cash network optimisation and localisation of payment processes.

Shared prosperity also became more deeply embedded in our operations during the year, reinforcing our commitment to ensuring that business success translates into broader economic participation and long-term societal value. We advanced this philosophy by localising the shared prosperity operational framework and tagging the current balance sheet to shared prosperity intent. We also progressed key initiatives – including start-up value propositions, alternative energy solutions and strategic partnerships – that demonstrate how the strategy is being translated into practical, high-impact areas of delivery.

Outlook

FNB Eswatini's outlook remains constructive, grounded in opportunity and guided by disciplined execution. We see clear potential to grow our business, deepen customer relationships, expand advances and deposits, modernise our platforms and continue contributing meaningfully to Eswatini's economic development. At the same time, the operating environment demands focus, selectivity and strong delivery.

Looking ahead, the landscape presents both material tailwinds and notable headwinds. On the positive side, Eswatini continues to offer opportunities in infrastructure investment, renewable energy, agriculture, ICT, payments modernisation and financial inclusion. These sectors align closely with FNB Eswatini's strengths, creating avenues to support clients through lending, transactional banking, trade solutions, project finance, merchant services and broader digital financial services. The Eswatini Payment Switch, in particular, has the potential to lift transaction volumes, enhance customer convenience and accelerate financial inclusion across the market.

We are equally mindful of the headwinds. Global trade policy remains volatile, SACU receipts are subject to significant fluctuation, and wage and cost pressures persist. Fiscal execution risk remains a key consideration. We also recognise the impact of national project-execution delays, elevated real interest rates, climate-related events, agricultural disease risks such as foot and mouth-related meat movement restrictions, and competitive pressure in sectors like textiles. These dynamics can influence business confidence, household affordability, portfolio quality and the pace at which growth opportunities translate into bankable activity.

Our immediate priorities

For FNB Eswatini, the priority is to remain constructive but disciplined. We aim to position ourselves to benefit from the tailwinds while protecting against the downside risk. For us, that means supporting sectors where we have conviction, tightening where risk is rising, maintaining a dynamic risk appetite, managing capital and liquidity prudently, and ensuring that growth does not compromise portfolio quality. In practical terms, our approach is to continue enabling economic activity while remaining careful stewards of shareholder capital, customer trust and the long-term resilience of the business.

The immediate priorities for the year ahead remain anchored in our strategy. We will continue to align with the Group's Broader Africa **People, Platform and Customer** priorities, and executing through our six-pillar strategic framework. We will continue investing in our people through care, impactful communication, and conduct excellence. We will continue to modernise our platform so that it is resilient, efficient and responsive to changing customer expectations. We are committed to keeping the customer at the centre of every decision, whether that is through digital adoption, channel transformation, workplace banking, merchant services, private banking or broader solutions that help customers participate more fully in the economy.

Looking forward, we remain clear on the balance between protecting the core and building for the future. The core banking business remains the primary engine of value creation, supported by more customers, deeper relationships and disciplined cost management. Alongside this, we will remain deliberate in assessing adjacent growth opportunities that complement the core bank, deepen customer relationships and enhance the long-term resilience of the business.

Ultimately, our prospects are strong if we remain focused on disciplined execution. Our value creation North Star is united under the slogan: **One Team, One Vision, One Billion**. It reminds us that sustainable growth will come from aligning our people, our platforms and our customer focus under a common ambition, while ensuring that FNB Eswatini continues to deliver help that works for customers, employees, shareholders, partners and communities.

Looking ahead towards our 2030 ambition

Our 2030 ambition is to re-imagine FNB Eswatini as a broader financial services business while keeping the core bank strong, relevant and profitable. The roadmap to 2030 is deliberately sequenced. In the near term, our focus is on defending and strengthening the core banking offering, while at the same time, we are building the capabilities that will allow us to move toward our 2030 goals.

Beyond customer-facing propositions, there are also important institutional priorities. The evolution of our treasury function towards a more Group Treasury-aligned capability is a key part of strengthening balance sheet management, liquidity discipline and market responsiveness. Lending to the sovereign remains an area where we can support national development responsibly, within our approved credit risk appetite and risk return frameworks. Renewable energy is another important focus area, given the role it can play in supporting economic resilience, sustainability and long-term infrastructure development in Eswatini.

Importantly, our 2030 ambition is not diversification for its own sake. Each opportunity must be commercially sound, strategically aligned and appropriately governed. By 2030, I would like to see FNB Eswatini recognised not only as a leading bank, but as a broader financial services partner that helps individuals, businesses, institutions and communities participate more fully in the economy.

Acknowledgements

I would like to begin by acknowledging the FNB Eswatini staff. FY2026 required resilience, focus and teamwork, and our employees continued to demonstrate commitment to the business, to our customers and to one another.

Their dedication, excellence and willingness to live our purpose of help made a meaningful difference throughout the year.

I am particularly grateful for the way our teams contributed to strengthening our customer experience promise and continued to show pride in being part of our journey together.

I would also like to thank our customers for their continued trust and loyalty. Their needs and expectations continue to evolve, and that challenges us to keep improving. Every investment we make in customer experience, digital adoption, payments modernisation and service reliability is ultimately about serving them better and making banking more accessible, convenient and meaningful in their everyday lives.

I am grateful to our Board and shareholders for their continued guidance, confidence and support. Their oversight has been instrumental as we strengthen our core banking model, manage risk responsibly and position FNB Eswatini for sustainable long-term growth. Their support provides management with both the discipline and the confidence to execute with ambition while maintaining prudence.

Finally, I would like to acknowledge our regulators, government stakeholders, business partners, suppliers and the communities we serve. Their collaboration is essential to the progress we are making. We do not operate in isolation; our success depends on strong partnerships, responsible conduct and a shared commitment to building a more inclusive and resilient economy. To all our stakeholders, thank you for your trust, partnership and continued support.

Thokozani Dlamini | *Chief Executive Officer*

How we create value (continued)

Our strategy

Our core strategic pillars demonstrate how we deliver responsible, customer-led innovation in the context of our social and economic environment in Eswatini. This integrated approach encompasses people, processes, platforms, place and prosperity.



How we measure our success

1 Customer experience

Delivering ongoing customer experience improvement through combining processes, people, platforms and place while maintaining an active lead role in payments solutions.

- Fewer forms and reduced waiting times.
- Faster turnaround for account opening and maintenance requests.
- Customer Satisfaction (CSAT) and Net Promoter Score (NPS) surveys across key customer journeys.

2 Employee experience

Investing in an employee experience that mirrors our investment in customer experience through our people-centred culture, and maintaining a top employer status.

- Clearer procedures and reduced manual workarounds.
- Better access to information and workflow tracking.
- Improved employee engagement scores.

3 More customers

Refining our value propositions with greater emphasis on targeted quality and customised solutions in specific industries and ecosystems.

- New customer acquisition growth year-on-year.
- Active customer growth year-on-year.

4 More to customers

Committing resources to bridge natural gaps that complement and expand our ability to provide a compelling customer experience.

- Launch new value propositions.
- Improved customer loyalty and reward propositions.
- Value Service Index (VSI).

5 More efficiently

Streamlining and simplifying the Bank's operations, and amplifying the value of data and technology for the benefit of all our stakeholders.

- Infrastructure, technical integration and cost-optimisation projects.
- Improved process visibility.
- Reduced operational risk through standardised processes.

6 Shared prosperity

Strategically allocating capital to address financial inclusion, financial well-being, climate change and economic transformation.

- Developing meaningful, inclusive solutions via our business segments.
- Continued community support via the FNB Foundation.

Our business model

Our strategic, pillar-based business model is enabled by our capital resources, it defines how we grow sustainably, meet customer needs and create value for all stakeholders. Through integrated digital transformation, customer-centric innovation and regulatory alignment, we balance growth, risk and sustainability to deliver long-term financial and societal impact.

E651 M
Non-interest revenue
(FY2025: E579 million)

E5.84 B
Gross advances
(FY2025: E4.82 billion)



E8.1 B
Deposits
(FY2025: E6.6 billion)

E10.2 M
Commissions
(FY2025: E9.4 million)

Financial

Inputs

Equity of **E1.54 billion**
(FY2025: E1.44 billion)

Total assets value:
R12.1 billion
(FY2025: E10.3 billion)

Outputs

E257.7 million profit after tax
(FY2025: E268.8 million)

7% increase in net asset value per share

E154.4 million total dividends paid (FY2025: E176.9 million)

Outcomes and constraints

- Successful execution of our stable deposit imperative.
- Strong liquidity position.
- Stable dividends (over five-year period).
- Continued cost pressures.

Intellectual

Inputs

0.7% credit loss ratio
(FY2025: 0.6%)

34% increase in digital banking

1 029 CashPlus agents

Outputs

9.9% growth in active customers

22% growth in customer deposits

21% growth in advances

34% growth in mobile and online usage

31.5% growth in CashPlus transactions (FY2025: 20%)

Outcomes and constraints

- Increased financial inclusion through digital transformation.
- Faster, more personalised service.
- Managing multiple change initiatives simultaneously.
- Ensuring systems and operations remain resilient and secure.

How we create value (continued)

Our business model (continued)

Human

Inputs

540 employees
(FY2025: 521)

E3 900 880 invested in employee and skills development
(FY2025: E3 453 000)

Outputs

4.7% employee retention rate

27 new fixed term employees

6 interns contracted

40 new permanent employees

40 employees trained in customer-facing skills

445 employees trained in future skills (digital)

Outcomes and constraints

- Achieved Top Employer status in Eswatini and Africa.
- Focus on talent development and retention given a small talent pool in Eswatini.

Social and relationship

Inputs

E2 087 920 invested via our CSI sponsorships and initiatives
E3 400 434 invested via the FNB Foundation

Outputs

Business Reporting Workshop, FNB Property Indaba

Forex and Trade Solutions Seminar

SME Growth Forum and Regional Engagement in collaboration with Eswatini Revenue Services

Outcomes and constraints

- Launched BizHub, in support of small business development.
- Strengthened partnerships to promote enterprise development, financial inclusion and sustainable economic growth.

Manufactured

Inputs

15 full branches nationwide
(FY2025: 13 branches)

103 ATMs
(FY2025: 101)

46 ADTs

10 coin depositors
(FY2025: 10)

Payment Switch integration

Outputs

2 new branches

2% increase in ATMs

24% increase in ADTs

Maintained 10 coin depositors

Ongoing implementation of EPS

Outcomes and constraints

- Increase in CashPlus network, expanding reach and financial inclusion.
- Merchant inclusion in our banking ecosystem.
- Interoperability through EPS.
- Maintaining strong controls as processes become more digital.

Natural

Inputs

Energy and fuel consumed across our operations.

Environmental and social risk assessment embedded in relevant lending decisions.

Sustainable finance solutions supporting renewable energy and other eligible activities.

Outputs

Total CO_2 emissions
755 tCO_2e

754.78 tCO_2e
total GHG emissions

315.20 tCO_2e
Scope 1 emissions

317.72 tCO_2e
Scope 2 emissions

121.86 tCO_2e
Scope 3 emissions

Renewable energy and sustainable finance solutions

Outcomes and constraints

- Improved visibility of our operational carbon footprint as we establish our emissions baseline.
- Environmental and social considerations increasingly embedded in responsible capital allocation.
- Supporting renewable energy and broader sustainable economic activity through our financing solutions.
- Carbon baselines and reduction targets remain under development.
- Managing climate and sustainability risks as regulatory requirements and stakeholder expectations evolve.

Integrating our people and culture

Our people are the first and most important expression of the FNB Eswatini brand, which is founded on the promise of **help**. The employee experience and culture is critical in driving exceptional client experience across all points of presence.

We therefore integrate our people and culture with our brand promise through respect, empathy, collaboration and innovation. **In FY2026, FNB Eswatini was certified as Top Employer in Eswatini and Africa by the Top Employers Institute.**

Setting the tone and defining our culture

The culture we are building is one of accountability, care, collaboration, performance and trust. We believe that the FNB Eswatini culture is supported when people are aligned behind one vision, clear on their role in delivering our strategy, and confident enough to speak openly, challenge constructively and act with purpose. Culture is not built through slogans alone; it is built through repeated leadership behaviours, transparent communication, consistent accountability, and the everyday experience our people have with their leaders, colleagues and customers.

In FY2026, we reinforced this culture deliberately through leadership alignment and engagement.

We held the inaugural FNB Leadership Indaba under the theme, **Lead the Shift: Transforming Culture, Inspiring Change.** That was more than a leadership event; it was a call for our managers to lead with intention, humanity and ambition. It gave us an opportunity to align our leaders on the realities of the market, including growing competition, cost management, the need to defend market share and our diversification ambition. It also reinforced the importance of openness and bold thinking, captured in the message that: **"I say what I see, and you say what you see."**

The Indaba also emphasised that leadership starts with how we treat our clients, colleagues and teams, and how consistently we live our values of transparency, integrity, accountability, authenticity and inclusion. The culture conversation was grounded in our **Foundations of Promises** and reinforced the message that leadership integrity is not only about compliance, but about trust. That is why conduct excellence, care, impactful communication and responsible leadership remain central to the culture we are seeking to build.

Beyond the Leadership Indaba, we continued to reinforce culture through regular communication and engagement platforms such as leadership messaging, CEO roadshows and internal broadcasts. These channels help us keep colleagues informed, aligned and connected to the strategic priorities of the business.



Delivering customer value through technology, trust and shared prosperity

How we create value (continued)

Integrating our people and culture (continued)

Our people philosophy and approach

Our approach aims to create an empowering workplace where every employee feels valued, engaged, and equipped to reach their full potential, and is based on four key imperatives:

Strategic talent and career development

Our talent management model includes workshops to identify talent and foster feedback. We also leverage data-driven talent insights to monitor skills gap, development opportunities and leadership readiness. We continuously upskill our people for future-readiness, and we provide accelerated paths for high-potential employees to build future leadership and support succession planning.

Performance-driven compensation

FNB is a high-performance based organisation, and our reward philosophy is governed by principles that include differentiated reward outcomes to reinforce a performance-led culture and enable talent retention in critical roles and capabilities. Our annual performance assessment process is underpinned by a structured governance approach designed to ensure consistency, fairness and appropriate calibration of performance outcomes across the Bank.

Holistic wellbeing support

We aim to create a caring, connected and high-performing workplace where employees can thrive and contribute their best. To enable a resilient and engaged workforce capable of delivering long-term value for customers and stakeholders, our employee assistance programme includes physical, mental, emotional, financial and social support initiatives.

Inclusive and innovative culture

Through our integrated infrastructure and digital platforms, we foster collaboration, innovation and shared learning. Our multi-channel approach creates opportunities for collaboration and dialogue. This approach means that leadership is able to share strategic updates, while employees can raise concerns, share insights, and contribute to organisational discourse.

Our employee experience

Our employee value proposition is best illustrated following a successful assessment against the Top Employers Institute's global HR Best Practices standards, FNB Eswatini achieved Country and Regional Top Employer Certification for 2026, with the certification announced in January 2026. The certification recognises the Bank's commitment to leading people practices across areas such as talent acquisition, learning and development, wellbeing, diversity and inclusion, employee experience and people strategy.

The effectiveness and impact of our employee experience initiatives are independently validated through the rigorous assessment processes of the Top Employers Institute. As part of this process, the Bank provides comprehensive evidence of the practices, programmes, and interventions implemented to **enhance the employee journey**, ensuring that our people practices are benchmarked against globally recognised standards and continuously improved to meet the evolving needs of our workforce.

The areas against which we were successfully assessed include:

People strategy	Workforce and people strategy alignment
Work environment	Employee experience and workplace practices
Talent acquisition	Recruitment and employer branding
Learning and development	Upskilling, training and career development
Wellbeing	Employee wellbeing and support programmes
Diversity, equity and inclusion	Inclusion, belonging and diversity practices
Performance and leadership	Leadership effectiveness and performance management
Organisational purpose and values	Culture, ethics and employee engagement

Our people development highlights

Best in Class Talent and World Class Manager programmes

Our Best in Class Talent programme focuses on building a high-performing workforce capable of delivering the Bank's strategic ambitions. During FY2026, we launched the World Class Manager programme, a strategic leadership development initiative designed to strengthen people management capabilities, cultivate internal talent, and reinforce our commitment to growing our own future leaders. With 21 managers enrolled in 2026, the programme seeks to equip managers with the skills to lead, coach, and develop their teams effectively, which contributes directly to a more engaging, supportive and high-performing employee experience.

Young Talent Development programme

As part of our talent attraction and succession management strategy, we continue to invest in the development of future-critical skills through our Young Talent Development programme. During 2026, the Bank engaged seven graduates and strategically placed them across key business areas, including data analytics, operations, payments, risk, credit, information technology and retail banking. The programme is structured around the 70:20:10 learning and development framework, ensuring a balanced and comprehensive approach to capability building through on-the-job practical experience as well as mentorship and coaching.

Know Your Customer (KYC) programme

Centralisation of this role has resulted in improved coordination of efforts to strengthen the control environment. The co-location of the team has facilitated fluid interaction and coaching opportunities, resulting in improved skills and competency. This has resulted in gradual uptick on the quality of engagements with customers. The compliance matrix benefitted with the bank maintaining elevated KYC compliance rates averaging at 99% in the financial year compared to previously fluctuating levels of between 95% and 98%.

Pinnacle Awards and Talent Mobility programme

Our annual Pinnacle Awards is a recognition aimed at honouring individuals whose excellence, impact and contribution have been recognised by their peers across the business. We further advanced talent mobility through a cross-border talent exchange programme between FNB Eswatini and FNB Mozambique, providing opportunities for skills transfer, knowledge sharing, and professional development. The programme enhanced collaboration between the countries, and broadened employee exposure to different operating environments.

Employee composition and training

FNB Eswatini is committed to fostering a diverse, equitable and inclusive workplace where all employees are treated with dignity, fairness and respect. The Bank promotes equal opportunity through transparent recruitment and selection practices, non-discriminatory employment policies, equitable access to learning and development opportunities, and initiatives that support employee wellbeing and belonging.

Employee composition by gender



Male: **33.89%**
Female: **66.11%**

Employee composition by age



23–28 years: **10.7%**
29–35 years: **30.6%**
36–42 years: **33.2%**
43–48 years: **13%**
49–54 years: **9.9%**
55–60 years: **2.6%**

How we create value (continued)

Integrating our people and culture (continued)

Employee composition by type



Permanent: **90.74%**
Contract: **9.26%**

Employee composition by occupational level



Senior management: **7.4%**
Middle management: **25.6%**
Skilled workers: **48.0%**
Semi-skilled workers: **9.6%**
Unskilled workers: **0.2%**
Fixed Term Contractors: **9.3%**

E3.9 million
Total training spend

=

The FirstRand philosophy encourages a **70–20–10** split of employee training between on-the-job training, coaching and mentorship, and formal training.

Employee wellbeing, health and safety

In FY2026, FNB Eswatini enhanced its holistic wellness approach by expanding beyond traditional health and safety initiatives to include mental, emotional, financial, social and preventative health interventions.

A significant milestone was the launch of the Lyra Wellbeing Programme, providing employees and their families with access to confidential 24/7 counselling, coaching, financial wellbeing support and educational resources.

We also continued our partnership with **Eswatini Business Health** to provide health screenings and psychosocial support sessions, with 192 employees participating in wellness screenings during the year. In addition, **Oracle Medical Aid** quarterly health analytics were introduced, enabling the Bank to identify health trends and target interventions relating to chronic disease management, health literacy and preventative care. Further initiatives focused on financial wellbeing, employee resilience and work-life balance, including leave utilisation campaigns, wellbeing webinars and structured awareness programmes. Together, these initiatives reflect FNB Eswatini's commitment to creating a healthy, resilient and high-performing workforce.

Health and safety training was undertaken for designated **Safety, Health and Environment (SHE) Representatives, First Aiders and Fire Fighters/Fire Marshals** to ensure that the Bank maintained appropriately trained resources capable of responding to workplace incidents and emergencies. Training and awareness programmes form a core component of the Bank's safety management approach and support compliance with the **Occupational Safety and Health Act**. Overall, FNB Eswatini's health and safety approach reflects a commitment to providing a safe, healthy and supportive working environment. Through robust governance structures, mandatory safety training, wellness programmes, incident reporting processes and employee support initiatives, we seek to protect the wellbeing of our employees while maintaining compliance with applicable occupational health and safety requirements.

The Employee Value Proposition (EVP) was further enhanced through the introduction of **improved staff lending rates.** This initiative was implemented to strengthen the Bank's talent attraction and retention proposition in response to the competitive nature of staff lending offerings within the financial services sector, while carefully balancing the impact on the Bank's financial performance and overall financial position.

Our people policies and procedures

FNB Eswatini subscribes to the **FirstRand Code of Ethics,** which serves as the primary ethical framework guiding employee conduct, ethical decision-making and responsible business behaviour. The Code applies to all employees and representatives of the Bank and is supported by mandatory annual attestations, declarations of interest and ongoing ethics awareness initiatives. Locally, the ethical governance framework is further strengthened through the FNB Eswatini Conflict of Interest Management Policy, **Ethics Line and Whistleblowing Framework**, Disciplinary Code and Procedures, Employee Appointments to External Entities Policy, and other governance standards that promote integrity, accountability, transparency and the responsible management of ethical risk. These mechanisms are overseen through formal governance structures, including Ethics Committee reporting and Compliance function monitoring.

Future focus areas

- **Further** workforce optimisation and organisational effectiveness
- **Ongoing focus** on talent management
- Leadership **skills and development**
- **Continue embedding** our high-performance, caring culture



Delivering customer value through technology, trust and shared prosperity

How we create value (continued)

Integrating technology and our customer experience

We understand that banking modernisation is **business transformation programme**, not merely a technology upgrade. Data migration, integration management, dependency discovery and organisational change all sit inside its scope.

In essence, transformation and process simplification means making it easier for customers to do business with us, easier for employees to serve customers and easier for the Bank to manage risk effectively.

Rapid advances in AI, rising expectations for digital experiences, escalating cyber risks, stricter privacy and resilience regulation, intensifying competition from FinTechs, and the shift toward platform-based models are reshaping the operating environment. These trends are redefining banking and elevating the importance of data, technology resilience, automation and innovation. In response, FNB Eswatini continues to invest in AI, analytics, automation, cybersecurity and infrastructure modernisation.

How digital transformation and process simplification supports our key strategic pillars

Customer experience and process simplification are deeply interconnected. Streamlined processes enable faster service, lower operating costs and higher customer satisfaction, while unnecessary complexity creates delays, frustration and ultimately erodes loyalty. Our aim is therefore on building clear, consistent communication that reduces confusion and strengthens trust, supported by seamless omnichannel journeys, intuitive digital interfaces and simplified workflows that minimise human error. Together, these elements form the foundation of our strategy for operational excellence and a more rewarding customer experience.

		Key outcomes
1	**Customer experience** A centralised data dashboard and AI-enabled insights improve customer relationship management. Technology also supports improved channel availability, digital payments and self-service enhancements.	More than **12 000 customer waiting hours eliminated** through digital lending and workflow automation.
2	**Employee experience** GPT@Work, workflow automation, AI copilots, data products and process digitisation have improved employee productivity and decision making, along with the requisite training for the responsible use of AI. Refer to integrating our people on page 20.	Improved productivity and employee experience, and upskilled employees through **future-skills training.**
3	**More customers** Analytics-led acquisition campaigns, ecosystem banking capabilities, Eswatini Payment Switch participation and AI-driven targeting all support customer growth.	Measurable, positive financial impact resulting from data, analytics, and data-led lending. AI supports **campaign optimisation**.
4	**More to customers** Advanced analytics, personalised offers, lending models, retention analytics and customer intelligence enable deeper customer value propositions. Refer to segmenting our performance on page 34.	Expansion of automation and **platform solutions** across business units enabled launch of new value propositions.
5	**More efficiently** Process automation, platform and infrastructure modernisation, network optimisation through SD-WAN and Starlink to all branches enhances efficiency.	Approximately **E4 million recovered through automated revenue collection** capabilities.
6	**Shared prosperity** Technology enables financial inclusion, faster payments, ecosystem connectivity, skills development, digital access and improved customer outcomes. Refer to integrating sustainability on page 25.	Enabled more inclusive solutions and **greater reach of previously unbanked** in support of financial inclusion.

FY2026 Key technology and operational highlights and challenges

Modernisation of operating systems, banking channels, and utilities tools for operations, resulting in improved customer experience and operating efficiencies.

Completion of branch SD-WAN (Software-Defined Wide Area Network) rollout, which lowers costs and simplifies network management.

FNB Eswatini is the first bank in Sub-Saharan Africa to deploy Starlink-enabled branches across the country, providing high-speed, reliable satellite internet to remote and underserved areas in Eswatini.

Successful Eswatini Payment Switch (EPS) enablement initiatives, resulting in interoperability, regulatory compliance and enhanced financial inclusion.

Continued to drive process simplification, automation and service enhancements to improve customer experience, operational efficiency and risk management across onboarding, payments and reconciliation processes.

Implemented a digital proof of address verification solution to support customer onboarding. The initiative reduces reliance on physical document submissions, improves data accuracy, and supports faster processing.

Enabled self-service document submission through the FNB App, allowing customers to securely upload and update documentation and personal information remotely without the need to visit a branch, resulting in improved convenience and faster onboarding.

Implemented automated Eswatini Payment Switch (EPS) reconciliation and matching capabilities through intellimatch, enabling faster issue resolution, improved reconciliation accuracy and reduced dependency on external support.

Localised Treasury Nostro reconciliation, previously performed externally, resulting in lower service costs, enhanced control and improved turnaround times.

Implemented MT191 SWIFT charge processing enhancements and reconciliation dashboards, improving visibility, control and operational oversight.

How we create value (continued)

Integrating technology and our customer experience (continued)

Advanced payment automation through domestic payment and RTGS process enhancements, reducing manual intervention and strengthening processing resilience.

Migrated residual manual payment activities to digital channels and automated workflows, reducing operational risk and improving processing efficiency.

Key challenges in FY2026 included connectivity stability risks, vendor and third-party dependencies resulting in delivery delays, and data privacy incidents largely driven by human error. We responded to these challenges through infrastructure modernisation, dual-connectivity strategies, Starlink deployment, stronger governance, remediation programmes, increased monitoring, disaster recovery exercises, training and risk management controls.

Our technology and information strategy

Our **six strategic imperatives** aim to connect core systems, data channels, and external platforms into a single unified framework to automate operations and improve customer experiences.

Centralise data as a strategic and financial asset

During FY2026, we continued our evolution of data and analytics from a traditional reporting function into a strategic enterprise capability. Key milestones included the implementation of the data stewardship model, the relaunch of our Information Management Forum, data quality monitoring, onboarding of new datasets to the centralised platform, and continued modernisation of data platforms. Data products, analytics, AI and automation initiatives increasingly generated measurable financial and operational value across the Bank.

Digitally improved customer experiences

Technology enabled enhancements across payments, digital banking, customer insights and self-service channels. Customer 360, AI-driven customer analytics, onboarding journeys, Eswatini Payment Switch initiatives, improved ATM/ADT availability and digital lending processes contributed to a more seamless and personalised customer experience.

Delivering faster and simpler

Automation, workflow digitisation and process engineering initiatives simplified customer and employee journeys. Multiple Power Apps, lending workflows, customer exit solutions, marketing workflows, agency banking onboarding and regulatory reporting automation reduced manual effort, improved turnaround times and increased productivity.

Leveraging the ecosystem

The Bank strengthened integration across national and regional ecosystems through the Eswatini Payment Switch programme, telecom integrations, platform integrations and partnerships. These initiatives expand customer reach, support new digital propositions and strengthen the Bank's role within the broader financial services ecosystem.

Adoption of AI tools and capabilities

FY2026 marked a significant acceleration of AI adoption for the Bank. We expanded GPT@Work, launched Credit Copilot, Pricing Assistant/PriceSure, ContractIQ and agentic AI solutions supporting credit decisioning, pricing validation and productivity improvement. AI moved from experimentation into production business use cases under established governance controls.

Sound IT governance

Governance maturity improved through stronger data privacy controls, regulatory compliance management, policy localisation, risk governance, disaster recovery testing, information security controls and audit remediation. Data inventory mapping and data flow diagrams were submitted to regulators on time and multiple governance commitments were completed successfully.

Refer to our approach to governance and committee reports from page 39.

Future focus areas

In the short term, we are prioritising the removal of process bottlenecks, faster turnaround times and stronger operational controls. Over the medium term, we will scale these improvements through automation, standardisation and deeper cross functional integration. Our long-term ambition is to build a future fit operations environment that is digital, scalable and resilient.

- Utilising data as a strategic financial asset.
- Enhance use of machine learning and manage risk associated with AI.
- Creating a digital-first culture, wherever feasible.
- Recruit top tech talent to help execute our strategy and vision.
- Aim to further simplify, eliminate and innovate through the use of robotics and integration of AI.
- Integrate more partners into the existing ecosystem for quicker time-to-market and reliability.
- Maintain a security and risk-based approach to IT governance and ensure compliance with regulators.



Delivering customer value through technology, trust and shared prosperity

How we create value (continued)

Integrating sustainability

Eswatini faces a complex set of macroeconomic challenges: persistently high youth unemployment, a deepening skills mismatch, low foreign direct investment, high import reliance, aid dependence and widespread poverty. These structural constraints continue to weigh on the country's growth potential and social resilience.

Rather than limit our help to CSI alone, we have integrated shared prosperity into our brand purpose, business model and core strategic pillars to make a much more meaningful contribution to economic and social development, and one that is clearly measurable across all of our activities.

The **UN Principles for Responsible Banking** are based on six core principles:

1	2	3	4	5	6
Alignment	**Impact**	**Clients and customers**	**Stakeholders**	**Governance and targets**	**Transparency and accountability**

Our application of the principles

Our **business strategies** are aligned with our **Shared Prosperity Framework** and sustainable development goals.	We work to increase positive impact and reduce negative effects of **financing and lending** through our **Sustainable Finance Framework**.	We work responsibly with clients and customers to **build shared prosperity** for future generations.	We **consult and partner** with our stakeholders to reach societal goals.	We set and **implement targets** for our most significant impacts.	We commit to public **accountability** regarding our contributions to society.



Sustainability governance

FNB Eswatini is committed to the effective management of environmental and social risk associated with its lending and investment decisions, product and service offerings and own organisational impacts, and to promoting responsible practices through our value chains.

As such, we have introduced **shared prosperity principles** into our core frameworks, which in turn guides the allocation of the Bank's scarce financial resources to achieve our shared prosperity ambitions and unlock positive impact for the societies in which we operate.

The identification, management and mitigation of environmental and social risks are fully integrated into the Bank's risk management processes.



Refer to our material matters on page 13 and our risk management from page 14.

The **FNB Eswatini Board** provides strategic oversight and fiduciary accountability for the implementation of our sustainability objectives. The Board ensures that the Bank's activities align with its commitment to deliver economic, social and environmental value.

The FNB Eswatini Ethics Committee and Eswatini Executive Committee (EXCO), **which report to DAGC**, are responsible for setting the sustainability and share prosperity strategy across business units. They ensure that sustainability and shared prosperity are integrated into strategic planning, product development, and performance management. EXCO designates accountable executives for monitoring progress against and implementation of initiatives aligned to the sustainability and shared prosperity pillars. The Ethics Committee and EXCO approve shared prosperity and sustainability targets and initiatives.

The **in-country steering committee and working groups** include representatives from key business segments, risk, finance and sustainability, who are responsible for operationalising the sustainability strategy within their respective business units.

How we create value (continued)

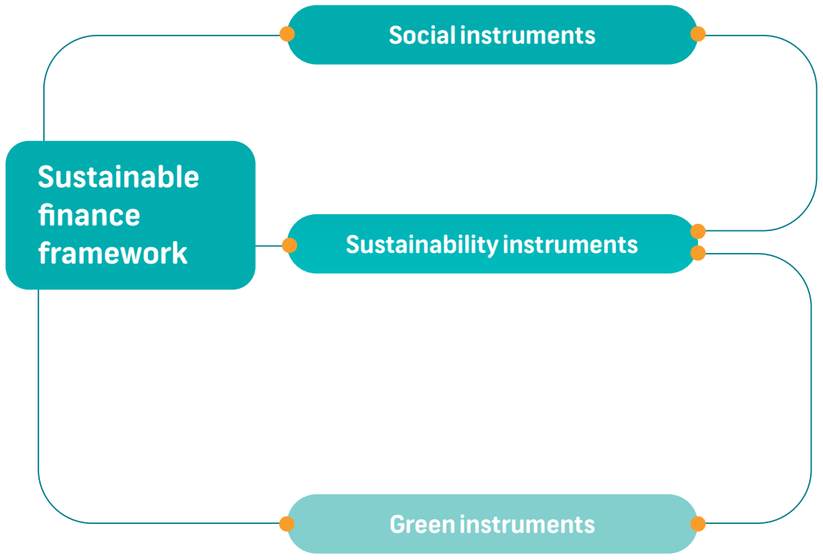
Integrating sustainability (continued)

Our sustainable finance framework

Sustainable finance in banking is the practice of integrating environmental, social and governance (ESG) factors into **lending** and investing decisions.

Our **Sustainable Finance Framework** is used to finance or refinance, in whole or in part, eligible assets that meet the criteria outlined in this framework. We are committed to ensuring that thorough due diligence is conducted to ensure compliance with internal standards on each asset prior to allocating funding. The Environmental Social Risk Assessment (ESRA) of all Commercial and CIB deals over a specific threshold is embedded in our Bank policy with Environmental Impact Assessments, as well as comprehensive mitigation plans comprising key requirements in high impact sectors.

Eligibility criteria for bond issuances and loans, based on international standards



Applicable UN Sustainable Development Goals (SDGs)



Shared prosperity in action

At FNB Eswatini, we believe in our obligation to more effectively leverage our core business activities to add value to society, in addition to our CSI through the FNB Foundation. That is why shared prosperity is the intentional creation and distribution of economic, social and environmental value, and is delivered through our core structures and processes, to ensure a more holistic and sustainable approach.



Delivering customer value through technology, trust and shared prosperity

How we create value (continued)

Integrating sustainability (continued)

Our business segments' social objectives

Drive **economic growth and inclusion** by investing in productive capital formation.

Support economic development and job creation by providing **funding solutions to SMEs.**

Facilitate **home ownership** for low income communities as the foundation to improved living standards and financial security.

Support **food security** and the transformation of the agriculture industry.

Improve **financial inclusion** levels of individuals and SME enterprises.

Retail



- Affordable housing finance solutions
- Eco energy assets (including hybrid vehicles)
- Zero-rated non-financial services on the FNB App
- 13% YoY increase in number of CashPlus agents serving underserved communities

Refer to retail performance page 34.

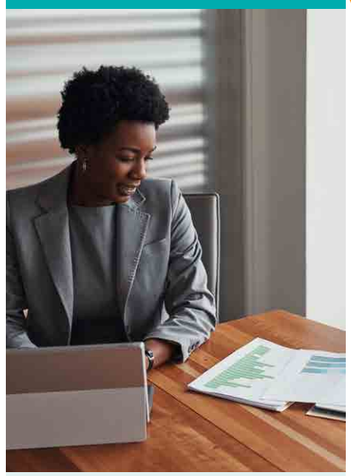
Commercial



- Renewable energy finance solutions
- Sustainable agriculture finance solutions

Refer to commercial performance from page 35.

Corporate



- Renewable energy finance
- Sustainable finance solutions
- 17.1% YoY growth in client base

Refer to corporate and investment banking performance page 37.

FNB Eswatini CSI

The Bank further delivers on its philanthropic and CSI goals through social impact programmes, sponsorships and the FNB Foundation.

E5.49 million

Institution	Foundation	FNB Eswatini	Total
Education	484 080	97 000	581 080
Entrepreneurship	1 070 000	595 375	1 665 375
Events	–	1 086 270	1 086 270
Environmental	–	110 000	110 000
Humanitarian Support	1 646 354	–	1 646 354
Volunteering	–	116 475	116 475
Arts and Culture	200 000	–	200 000
Sports Development	–	82 800	82 800
Total	**3 400 434**	**2 087 920**	**5 488 354**

FNB Eswatini sponsorships

Entrepreneurship

FNB Eswatini continued to champion entrepreneurship as a catalyst for economic growth, job creation and business sustainability. Through targeted interventions, the Bank sought to strengthen the entrepreneurial ecosystem by providing platforms for visibility, recognition and business development, while supporting the growth of small and medium enterprises across the country. The Bank's efforts were focused on empowering entrepreneurs with opportunities to scale their businesses, drive innovation and contribute meaningfully to economic development.

A key highlight was the **Entrepreneur of the Year Awards**, the Bank's flagship entrepreneurship programme, which celebrated and rewarded outstanding entrepreneurs whose businesses demonstrated innovation, resilience and growth. The initiative provided a platform to showcase entrepreneurial excellence while inspiring the next generation of business leaders. Additional support was provided through initiatives aimed at formalising businesses and promoting youth enterprise development.

Events

Through its events sponsorship portfolio, FNB Eswatini sought to stimulate economic activity, facilitate knowledge sharing and create opportunities for businesses to connect with customers, investors and industry stakeholders. These initiatives enabled emerging and established businesses to showcase products and services while contributing to broader economic participation.

The year's key focus was the **Eswatini International Trade Fair (EITF)** and the **Smallholder Sugar Cane Growers Competition**, which provided valuable platforms for business development, market access and sector growth. Through these initiatives, the Bank reinforced its commitment to supporting entrepreneurship, agriculture and economic development.

How we create value (continued)

Integrating sustainability (continued)

Sports

FNB Eswatini's investment in sport sought to promote healthy lifestyles, social cohesion and community development while providing opportunities for individuals and teams to excel. Through strategic sponsorships across a range of sporting disciplines, the Bank continued to support the development of sport and its positive impact on communities.

Education

The Bank's education initiatives were aimed at promoting academic excellence and supporting the development of future leaders and professionals. By recognising achievement and investing in education, FNB sought to contribute to the development of skills critical for the country's long-term economic prosperity.

A key initiative over the year was the **UNESWA Best Students Awards**, through which top-performing students were recognised for their academic achievements. The programme encouraged excellence in higher education while celebrating talent and hard work among Eswatini's future workforce.

Climate and environment

Recognising the importance of environmental stewardship, FNB Eswatini continued to support initiatives that promote sustainable practices, environmental awareness and collective action to address climate-related challenges. Through these interventions, the Bank sought to encourage responsible environmental behaviour among businesses, communities and individuals.

Key highlights included the **Temvelo Awards**, which recognise organisations demonstrating excellence in environmental sustainability, and participation in the **Earth Hour** campaign, which promotes environmental awareness and collective responsibility for protecting natural resources.

Volunteering

The Bank's volunteering initiatives demonstrated its commitment to creating meaningful social impact through employee participation and community engagement. By mobilising employees to support vulnerable groups, FNB sought to strengthen community wellbeing while fostering a culture of service and giving.

Key initiatives included the **Ministry of Health Maternity Wards Christmas Gifting Programme** and employee-led community outreach activities such as the **School Shoes Donation Programme**. These interventions provided practical support to beneficiaries while enabling employees to make a direct and personal contribution to the communities they serve.

FNB Eswatini Foundation

Arts and culture

The Foundation continued to support the development of arts and culture as an important component of youth empowerment, creativity and social development. Through targeted investments, the Foundation sought to nurture talent, provide opportunities for artistic expression and contribute to the growth of Eswatini's creative economy.

A key highlight was the **ESCCOM High School Film Competition**, which provided young people with an opportunity to develop creative skills, showcase their talent and gain exposure to the film and media industry.

Humanitarian support

Through its humanitarian interventions, the Foundation sought to improve the lives of vulnerable individuals and communities by responding to urgent social needs and strengthening resilience. The Foundation's support focused on improving living conditions, supporting vulnerable children and providing assistance to communities facing hardship.

Key interventions included the **NDRMA St Paul's Emergency Rehabilitation Project** and support for **SOS Children's Village's Child-Headed Households Programme**, both of which addressed pressing social needs and contributed to improving the wellbeing of vulnerable beneficiaries.

Knowledge Economy/Education

The Foundation's investment in education sought to enhance learning environments and expand opportunities for young people to acquire the knowledge and skills necessary to succeed in a rapidly evolving economy. Through strategic partnerships, the Foundation contributed to improved educational outcomes and youth development.

The year's key initiative was the **MTN Foundation Adopt-a-School Campaign**, which focused on improving educational infrastructure and creating a more conducive learning environment for students. Through this partnership, the Foundation continued to promote access to quality education and support the country's future human capital development.

Benchmarking our own environmental operations

We recognise that our journey toward sustainability is an ongoing one. We are in the exploratory stages of green certification of the Head office campus as well as the **setting of baselines for our own carbon emissions**. Operations at head office are largely paperless, with limited use of paper at branch level as well.

FY2026 greenhouse gas (GHG) emissions

Methodology

Carbon emissions are calculated by collecting activity data from different sources, such as electricity consumption, diesel and generator fuel, refrigerants, business travel and paper usage. The activity data is then multiplied by the relevant emission factor to convert it into carbon dioxide equivalent (tCO_2e). The calculated emissions are classified under Scope 1, Scope 2 or Scope 3, validated and reconciled, and then consolidated to determine the organisation's overall carbon footprint.

Energy usage (tCO_2e equivalent)

Fuel use in generators	0.94
Electricity – buildings	297.53
Electricity – ATMs	20.19
Emission intensity per employee	1.54

Scope 1 Emissions (Metric tonnes (tCO_2 equivalent))	
Emissions due to petrol consumption (fleet)	77.92
Emissions due to diesel consumption (fleet)	59.73
Emissions due to diesel consumption (generators)	0.94
Total emissions from refrigerant R22	1.40
Total CO_2e refrigerant R410a	175.20
Total scope 1	**315.20 tCO_2e**

Scope 2 Emissions (Metric tonnes (tCO_2 equivalent))	
Emissions due to electricity consumption	297.53
Emissions due to number of standalone ATMs	20.19
Total scope 2	**317.72 tCO_2e**

Scope 3 Emissions (Metric tonnes (tCO_2 equivalent))	
Emissions due to kilometres claimed employee travel (reimbursive travel)	43.74
Emissions from paper consumption	16.56
Emissions from domestic flights – economy	11.42
Emissions from short haul flights – economy	4.97
Emissions from short haul flights – business class	0.29
Emissions from rental vehicles – unknown fuel type	7.13
Emissions from rental vehicles – petrol	3.31
Emissions from rental vehicles – diesel	0.16
Emissions from fuel-related activities – petrol	20.08
Emissions from fuel-related activities – diesel	14.23
Total scope 3	**121.86**

Our performance

Our operational progress, achievements and segmented performance.

30 Message from the CFO
32 Message from the Treasurer
34 Segmenting our performance:
- Retail banking
- Commercial banking
- Corporate and investment banking

Key statistics

E336 M
Profit before tax
(FY2025: E347 million)

194c
Basic and diluted earnings per share
(FY2025: 202 cents)

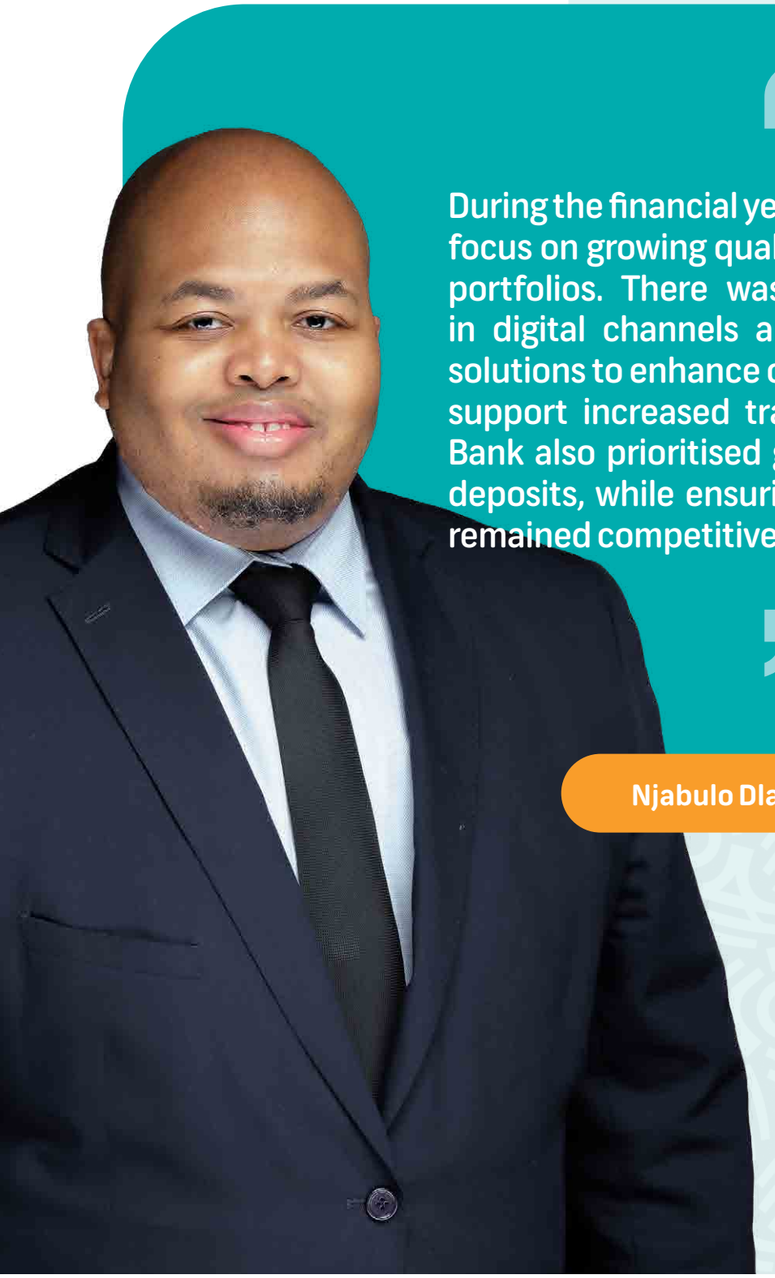
1 154c
Net asset value per share
(FY2025: 1 081 cents)

17%
Return on equity
(FY2025: 19%)

2.1%
Return on assets
(FY2025: 2.6%)

Our performance (continued)

Message from the CFO



> During the financial year, the Bank continued to focus on growing quality lending across its key portfolios. There was continued investment in digital channels and innovative customer solutions to enhance customer experience and support increased transactional activity. The Bank also prioritised growing and diversifying deposits, while ensuring products and pricing remained competitive within the market.

Njabulo Dlamini | *Chief Financial Officer*

Highlights

- **Net interest income growth remained strong**, supported by continued momentum across the lending portfolio.
- **Revenue growth remained resilient**, supported by lending activity, customer transaction volumes, optimised pricing and continued adoption of digital banking solutions.
- **The Bank maintained a strong liquidity and funding position**, supported by growth in customer deposits and investment balances.
- **Asset quality remained resilient** despite a marginal increase in credit losses during the year.

Challenges

- **The cost-to-income ratio increased**, reflecting continued pressure on operating costs.
- **Service level agreement (SLA) costs remained a significant expense**, particularly for technology platforms, digital channels, banking systems and specialist support services provided by the Group.
- **Employee costs increased** as the Bank expanded its operations and increased headcount to support business growth and customer demand.
- **The credit loss ratio increased marginally,** reflecting a more challenging credit environment despite remaining within the Bank's risk appetite.

Reflecting on the financial year

For the period 1 July 2025 to 30 June 2026, Eswatini's economic environment remained favourable, supported by strong economic growth. GDP growth improved by approximately 260 basis points compared to the prior year, driven largely by strong performance in the services sector, particularly wholesale and retail trade, financial services, ICT, and construction activities. Inflation remained subdued throughout the period, declining further to 1.6% by March 2026 due to lower food and fuel prices, as well as favourable exchange rate movements.

Interest rates remained relatively stable throughout the year, creating a favourable operating environment, which was characterised by improved customer affordability and stronger economic activity. The Bank also implemented its annual pricing review, ensuring pricing remained competitive and reflective of market conditions. Together these factors supported growth in net interest income and non-interest revenue.

The Bank continued to optimise its balance sheet through strong growth in both advances and customer deposits. Growth in investment securities and cash balances further enhanced financial resilience and supported the Bank's ability to meet customer and business funding requirements. Net interest income was supported by continued growth in lending activities across key portfolios. Non-interest revenue growth was driven by increased customer activity, continued digital adoption, annual pricing reviews which ensured products remained competitively priced and aligned with market conditions.

The Bank maintained a strong focus on cost management during the year. Expenditure was closely monitored across the business, while initiatives aimed at improving employee wellbeing and productivity, particularly for employee costs which remained controlled despite increasing business demands, while also ensuring compliance with labour legislation. Credit performance remained resilient and was supported by robust credit risk management and collection strategies. These outcomes reflect the Bank's disciplined approach to credit origination and collections.

Our performance (continued)

Message from the CFO (continued)

The primary concerns raised by investors and other stakeholders during the year related to cost growth outpacing income growth, resulting in an increase in the cost-to-income ratio. Stakeholders also expressed concern regarding the increase in credit losses during the year and the potential impact on future profitability. To address these concerns, management has implemented a number of cost optimisation initiatives, including enhanced expenditure management and greater collaboration with Group to identify opportunities for efficiencies and cost savings. Dedicated working groups have also been established to review key cost drivers and implement sustainable cost reduction measures.

Financial performance

Net interest income increased by 7.8%, supported by growth in net advances of 20.9%. This growth was primarily driven by overdrafts, which increased by 38% year-on-year. WesBank lease receivables also performed strongly, surpassing the E1 billion mark during the year, while home loans grew by 15% year-on-year. **Customer deposits** increased by 22.7%, driven mainly by strong growth in term deposits of 83% year-on-year. Savings deposits and call accounts also recorded positive growth of 16% and 11%, respectively.

Non-interest revenue grew by 12.4% year-on-year, reflecting continued growth in digital and transactional activity and demonstrating the Bank's ability to innovate and grow revenue while also ensuring pricing remains competitive. Total assets increased by 17.3%, driven by growth across key balance sheet categories. Cash and cash equivalents increased by 20% year-on-year, investment securities grew by 19%, and advances increased by 21%.

The **credit loss ratio** increased slightly to 0.7% from 0.6% in the prior year but remained below 1%, reflecting the overall resilience of the loan portfolio. Impairment levels remained well controlled, with impaired advances representing only 2.7% of total advances, supported by the Bank's credit risk management and collection strategies.

Final dividend declaration

The Board of Directors, at its meeting held on 18 August 2026, declared a final gross cash ordinary dividend of 41 cents per share, amounting to E54 530 000, payable from the income reserves for the financial year ended 30 June 2026.

Looking ahead

FNB Eswatini remains cautiously optimistic regarding financial performance for the upcoming year. Management will continue to focus on growing quality advances, strengthening the deposit book, and increasing non-interest revenue through increased customer activity and product innovation. The Bank expects to benefit from ongoing opportunities across its lending and transactional businesses while continuing to deliver value to customers. However, the outlook remains subject to a number of uncertainties, including economic growth prospects, interest rate movements, inflationary pressures, regulatory developments, competitive market dynamics and the credit quality of customers in an evolving economic environment. Overall, the Bank remains well positioned to deliver sustainable growth while maintaining a strong balance sheet.

In terms of the broader economic outlook for Eswatini in the medium to longer term, economic growth is expected to remain resilient, underpinned by activity in financial services, trade, construction, ICT and other key sectors of the economy. The IMF projects economic growth of around 4% for 2026, supported by both public and private sector investment. Inflation is expected to remain relatively contained, which should support household purchasing power and business activity. Stable inflation and interest rate conditions are expected to provide a supportive environment for credit growth and investment, although these remain subject to developments in the global economy and regional markets.

As a small and open economy, Eswatini's economic prospects remain closely linked to developments in South Africa, its largest trading partner, as well as global economic conditions. Factors such as exchange rate movements, geopolitical tensions, commodity price volatility and changes in global trade conditions may impact economic performance. Fiscal sustainability and the continued stability of SACU revenues will remain important considerations for economic growth and government spending. At the same time, ongoing investments in infrastructure, energy and digitalisation present opportunities to enhance productivity, support private sector growth and improve the country's long-term economic competitiveness. Overall, while external risks remain, the medium- to long-term outlook for Eswatini is expected to remain favourable, supported by a stable financial sector, continued investment activity and a resilient domestic economy.

In appreciation

I would like to extend my sincere appreciation to our segment heads and all employees for their dedication, hard work and commitment throughout the year. Their collective efforts have been instrumental in driving the Bank's growth and delivering value to our customers and stakeholders. I would also like to thank our investors for their continued confidence and support, as well as our customers, regulators and business partners for their ongoing trust and collaboration. Their contribution remains critical to the Bank's continued success and sustainability. Finally, I would like to acknowledge the Board of Directors, management team and all other stakeholders for their guidance, support and commitment as we continue to pursue sustainable growth and long-term value creation.

Njabulo Dlamini | *Chief Financial Officer*



Our performance (continued)

Message from the Treasurer



> Treasury drives business growth through effective financial resource allocation, balance sheet optimisation and exchange – control advisory services that enable domestic and cross-border economic activity.

Camilla Paiva | *Treasurer*

Our key pillars of responsibility		Key pillar achievements in FY2026
Funding and liquidity	The Bank's funding strategy ensures resources are secured in a sustainable, diversified, efficient and flexible manner, supported by strong institutional and market relationships.	The Bank materially strengthened its liquidity and funding profile through increased term funding, the establishment of a contingent liquidity facility, and the implementation of secured borrowing capabilities, enhancing funding diversification, resilience, and liquidity risk management.
Portfolio management	Investment management activities for the Bank's core assets and liabilities, such as customer loans, mortgages, and retail deposits that are held for maturity.	We maintain an investment portfolio diversified across instruments, counterparties and regions to ensure that the portfolio is robust and meets all objectives through the cycle. We diversified our investment portfolio by expanding our investment universe in foreign currency.
Financial resource management (FRM)	Directs the stewardship of the Bank's financial resources – capital, funding, liquidity and risk capacity – to ensure we meet our financial commitments and maximise shareholder value.	As part of the ongoing monitoring of risk-weighted asset (RWA) consumption alongside profitability metrics, unutilised overdraft limits have been reduced based on historical customer utilisation patterns, releasing capital capacity for more productive use.
Capital management	The centralised function responsible for optimising the Bank's capital structure to ensure regulatory compliance, support sustainable business growth, and evaluate capital adequacy through stress testing.	The Bank revised its internal capital target to better reflect its evolving risk profile, business strategy, and capital requirements. The revised target provides a more appropriate balance between financial resilience and the efficient utilisation of capital, ensuring that capital levels remain aligned with the Bank's risk appetite while supporting sustainable growth and value creation.
Exchange Control (EXCON)	Responsibility for the stewardship of the Bank's authorised dealer licence, the management of prudential limits on foreign currency exposures, and full compliance with all exchange control regulations and balance of payments reporting requirements.	We enhanced our advisory capability across the Bank, working in partnership with business to help clients navigate regulatory requirements and improve the efficiency of cross-border payment execution.

Our performance (continued)

Message from the Treasurer (continued)

Year in review

During FY2026, two notable enhancements were made to the function's mandate. Firstly, the Economist role became a fully operational pillar within Treasury with dedicated full-time capacity, strengthening the function's economic research, market analysis and strategic advisory capabilities. Secondly, Treasury assumed responsibility for coordinating the Bank's Shared Prosperity strategic pillar, reflecting the increasing alignment between capital management, sustainable value creation and inclusive economic growth.

Operating environment

The FY2026 operating environment was shaped by heightened geopolitical and trade-related uncertainty, particularly the conflict in the Middle East and associated volatility in global oil markets, which increased downside risks to growth and upside risks to inflation.

Unlike the prior year's rate-cutting cycle, interest rates remained broadly stable. Interest rate parity with the South African Reserve Bank (SARB) was temporarily attained in November 2025, however, a negative 25bp differential re-emerged in May 2026 following the SARB's hike in response to rising inflation. Treasury continued to monitor the potential impact of higher energy costs and imported inflation on future monetary policy and funding conditions.

Funding strategy

The funding strategy remains centred on optimising between low-cost franchise deposits and institutional funding to maintain a mismatch profile that is within risk appetite and aligned with balance sheet ambitions. The work to deepen engagements between the bank and institutional funders is ongoing, and we have enjoyed some success during the year. We observed double digit growth in the term funding and recorded all-time high deposit balance at year-end. Our strategy is to build on this success and maintain a funding profile that is fit to deliver on the Bank's objectives.

Exchange control

In FY2026, we ensured adherence to regulatory compliance, through the execution of the Authorised Dealer mandate. This objective has been achieved through the robust management of prudential limits on foreign exposures, in compliance with the Central Bank of Eswatini's expectations, per the Manual of Exchange Control regulations.

Working in partnership with the business segments has greatly improved the quality of information submitted by clients and has in turn resulted in an improved customer experience.

Bridging the knowledge gap with our clients on regulatory requirements is essential for cross-border payments, and fosters a culture of voluntary regulatory compliance and awareness for our clients, as well as ensuring compliance with all applicable exchange control regulations. The Exchange Control vetting capability was also enhanced through increased operational capacity, supporting stronger governance, improved processing efficiency, and the execution of payments.

We achieved a significant milestone a in FY2026, as the Bank transitioned to the SADC Harmonised Codes for CMA, in accordance with regulatory requirements. This change has introduced additional codes and aims to ensure the proper categorisation of transactions, which ensures regulatory compliance, strengthens financial integrity, and enhances transparency in cross-border financial flows. The enhancement in the quality of reporting is welcome as it enables regulatory authorities to monitor cross-border financial flows, supports economic analysis and ensures compliance with harmonised standards.

Future focus areas

Our priorities for the FY2027 financial year include:

Funding stability and diversification: strengthening deposit stability, expanding access to wholesale and institutional funding markets, and optimising the funding profile to support sustainable growth while maintaining strong liquidity and prudential ratios.

Portfolio diversification and balance sheet resilience: enhancing risk-adjusted returns through improved risk return frameworks, expanded treasury investment capabilities, and strengthened foreign exchange and interest rate risk management solutions.

Optimised resource allocation and performance management: improving balance sheet efficiency through enhanced Risk Weighted Assets optimisation, stronger Return-on-Equity analytics, and deeper insights into capital, funding and liquidity utilisation.

Capital planning and regulatory alignment: advancing capital planning, prudential limit monitoring and capital structure optimisation to ensure sustainable growth, regulatory compliance and alignment with stakeholder return expectations.

Transition to a financial surveillance model: supporting the shift from exchange control to financial surveillance through increased automation, enhanced transaction monitoring, improved regulatory reporting and strengthened client-enablement capabilities.

Macroeconomic and market intelligence integration: deepening the use of macroeconomic research and market insights to inform strategic decision making, strengthen Treasury balance sheet management and support business growth.

Shared Prosperity and sustainable finance enablement: continuing to coordinate the Shared Prosperity strategic pillar by leveraging sustainable finance principles and targeted capital allocation to drive inclusive economic growth, sustainable value creation and long -term earnings resilience.

Outlook

The focus in the year ahead will be maintaining prudent capital levels and enhancing the bank's liquidity management toolbox in an environment characterised by geopolitical uncertainty, inflationary pressures and changing interest rate dynamics. Treasury will continue to play a pivotal role in improving the bank's quality of earnings by strengthening its funding mix, optimising investment portfolios and supporting sustainable balance sheet growth, while ensuring compliance with evolving regulatory requirements.

Our performance (continued)

Segmenting our performance

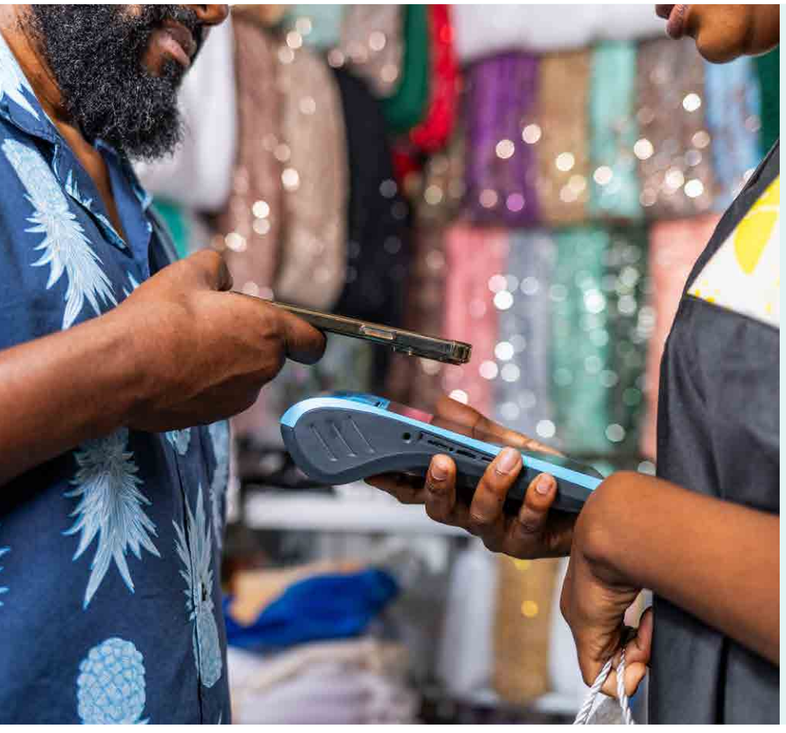
Retail, commercial and corporate banking are the three core business units through which we serve individual people, mid-sized companies, and large enterprises. Each sector provides unique financial products tailored to the specific size and needs of its existing and potential customers, demonstrating our promise that help is for everyone.

Retail banking

Retail performance is shaped most directly by household affordability, consumer confidence, employment dynamics and the continued migration to digital channels.

Our priority is to deliver inclusive financial solutions that address the evolving needs of customers across all market segments, from entry-level to affluent. By staying closely connected to our customers, supporting responsible credit and strengthening transactional relationships, we can provide practical, affordable and relevant solutions for their everyday needs. Central to this is our continued focus on innovative offerings and banking channels that are easy to access, reliable and convenient.

The knock-on effects of global and regional inflation were felt domestically in the last quarter of the year, and our customers are increasingly under cash flow constraints from rising fuel, transport and utility costs.



19%
Increase in main banked customers
(FY2025: 7%)

16%
Revenue growth

10% YoY
Increase in primary bank clients
(FY2025: 7%)

14%
Balance sheet

Maintaining market share leadership

Performance against strategy

1 Customer experience

Introduced ConnectMe and migrated from Communix to Cisco telephony to improve customer interactions across the customer support and collections functions.

Published our customer experience promises in the public media, supported by clear channels for the resolution of customer queries.

Enhanced pricing transparency by publishing our pricing guide in the Times of Eswatini and making it available on our website and through the FNB App.

Responded to growing pressure on customers' disposable income by reviewing pricing, zero-rating selected fee lines and maintaining price increases below inflation.

Continued to operationalise the Net Promoter Score (NPS) across all Retail frontlines, achieving an NPS of 86%.

2 Employee experience

Continued investment into capacity development and upskilling of our people.

3 More customers

Scaled workplace banking by offering FNB business clients' employees preferential rates, increasing its balance sheet contribution from E29.3 million in FY2025 to E77.4 million in FY2026.

Continued to leverage the outbound sales function as a key driver of customer growth, maintaining its expected balance sheet contribution of 15% to 20% of total sales.

4 More to customers

We continued to focus on innovative solutions designed to meet customers' evolving needs, including:

Piloted eWallet Plus to provide customers with a more accessible and convenient way to transact directly from eWallet.

Introduced a retirees' investment product tailored to the financial needs of customers in retirement.

Repositioned the unsecured lending proposition by reviewing entry-level customer appetite and promoting responsible lending through integrated financial advice.

Introduced the WesBank joint spousal application, enabling married couples to apply for vehicle finance using their combined incomes.

Launched the LifeStarter Loan to help customers at the beginning of their working journey access finance.

5 More efficiently

Our focus was on strengthening operational efficiency through disciplined cost optimisation, with particular attention given to reviewing and managing service-level agreement (SLA) costs.

6 Shared prosperity

Refer to integrating sustainability pages 25.

Financial inclusion:

- Reduced limit on the entry-level **Umkhaya home loan** offering from E5 000 to E10 000 for starter homes.
- Enhanced **entry-level affordability** through **zero-rated** swiping, account and debt fees.
- Adjusted our risk appetite metrics to **accommodate access to lending.**
- Launched an annuity-based investment product **to retirees**, with favourable pricing.
- Introduced an entry-level home loan product to improve **access to home loans** in rural areas.
- Expanded our CashPlus agency banking model to more services for convenient, **community banking.**

Outlook and future focus

In Retail, our outlook is anchored in a more holistic approach to banking – one that is digitally enabled, lifecycle-focused and designed to meet customers' evolving expectations. Customers increasingly want banking which is simple, relevant and responsive. Our priority is to move beyond transactional interactions and build deeper, advice-led relationships supported by digital adoption, customer education, responsible credit, workplace banking and propositions tailored to different life stages. Retail growth is also closely tied to financial inclusion and customer experience. We will continue improving accessibility, strengthening digital channel usage, deepening main banked relationships and expanding solutions that help customers manage, protect and grow their financial lives.

Our performance (continued)

Segmenting our performance (continued)

Commercial banking

Commercial remains one of FNB Eswatini's most important growth levers. The external environment is creating meaningful opportunities for MSMEs and mid-sized businesses, particularly across merchant services, transactional banking, working capital solutions, supply chain finance, cross-border payments, project-led lending and alternative energy financing. This segment plays a central role in economic participation and job creation, and therefore remains a priority area for us in accordance with our shared prosperity strategic pillar.

FY2026 was characterised by a complex and dynamic operating environment that required businesses to remain agile, resilient and innovative.

While inflationary pressures moderated compared to previous years, operating costs remained elevated, and businesses continued to contend with tighter liquidity conditions, evolving customer expectations and an increasingly competitive financial services landscape. Despite these challenges, we attained a strong financial performance, driven by a strong sales focus, disciplined asset pipeline management, as well as cost containment. The introduction of structured lending products and execution of our key client strategy have led to strong growth in advances with impairments managed well within threshold, while deposit growth was driven by the segments focus on longer-term deposits.



15.7%
YoY growth
Profit before tax

15.3%
YoY growth
Net interest income

8.5%
YoY growth
Non-interest revenue

11%
YoY growth
Deposits

7%
YoY growth
Client base

6.5%
YoY growth
Operating expenses

Performance against strategy

1 Customer experience

Our strategy is centred on helping businesses start, run and grow by providing integrated transactional banking, digital solutions, merchant services, savings and investment products, and access to tailored financing solutions that support every stage of the business lifecycle.

- Enhanced customer value management (CVM) to improve accessibility and responsiveness.
- Faster lending turnaround times enabled by enhanced credit decisioning and automation.
- Greater digital adoption and customer accessibility through innovative service channels.
- FNB App penetration increased to 92% and online penetration to 95%.

2 Employee experience

- Continued investment in the Bankers Academy to strengthen technical and advisory capabilities.
- Upskilled Relationship Managers to enhance customer-centric advisory banking.
- Introduced automated performance scorecards to drive accountability and performance.
- Hosted the Commercial Indaba to promote collaboration and strategic alignment.
- Leveraged employee survey insights to improve employee engagement and workplace experience.

3 More customers

- Leveraged data analytics and our ecosystem value-chain banking strategy to generate quality leads.
- Introduced specialised lending solutions, broadening our ability to support increasingly sophisticated customer funding requirements.
- Focused acquisition efforts on key industry clients.
- Expanded the Public Sector Banking value proposition aimed at NGOs and embassies.
- Grew the SME customer base through strategic partnerships and ecosystem collaboration.
- Launched targeted balance sheet growth, customer acquisition and relationship-building campaigns.

4 More to customers

Our commitment extends beyond providing financial products. We work alongside businesses by offering financial education, practical business support and access to opportunities that strengthen long-term sustainability and competitiveness.

- Expanded the **Scored Lending** limit from E500 000 to approximately **E1.5 million**, improving access to finance through faster, data-driven credit decisions.
- Launched **Flexible Short-Term Deposits**, providing customers with greater flexibility in managing surplus liquidity.
- Strengthened support for trade, working capital and business expansion through tailored financing solutions.
- Successfully piloted **BizHub**, a digitally enabled relationship banking model that enhanced proactive customer engagement and improved service accessibility for SMEs.
- Enhanced merchant services adoption through targeted customer incentives and improved onboarding support.

Our performance (continued)

Segmenting our performance (continued)

5 More efficiently

- Enabled credit automation in phases, with an estimated completion date of September 2026.
- Transact and Insure: CMA Proof of Payments are live.
- Achieved disciplined cost management, delivering operating expenses **7% below budget**, resulting in approximately **E22 million** in cost savings.

6 Shared prosperity

Refer to integrating sustainability pages 25.

We continue developing dedicated value propositions for underserved customers, which will be launched during FY27. These initiatives will improve access to finance, advisory services and strategic partnerships for underserved customer segments. Through initiatives such as BizHub and our broader advisory-led banking model, we continue to make banking more accessible, responsive and relevant, helping businesses build resilience and achieve sustainable growth.

- The BizHub pilot proactively engaged more than 2 200 customers within the first four months using a lean two-resource model.
- **Small holder cane growers**: 18 new farmers onboarded, with E69 million in new approved facilities, and we continue developing dedicated value propositions to improve access to finance, advisory services and strategic partnerships for underserved customer segments.
- Strengthened partnerships with local investment, and youth-oriented development partners to promote enterprise development, financial inclusion and sustainable economic growth.
- FNB Eswatini's commercial sector is a proud sponsor of **EYA (Entrepreneur of the Year Awards)**, as well as support several regional awards in categories that reflect our vision for an inclusive and future-ready economy.

Outlook and future focus

FNB Eswatini remains encouraged by the opportunity to support SMEs, mid-sized businesses and sector value chains that are fundamental to economic participation and job creation. The outlook is underpinned by growth opportunities across transactional banking, merchant services, working capital, structured and supply chain finance, project led lending and alternative energy solutions. This segment is strategically important because it positions us closer to the entrepreneurs and businesses that drive activity in the real economy.

Our commercial priorities will continue to be closely aligned to shared prosperity. We aim to support businesses in ways that improve access to finance, strengthen value chains, enable sustainable energy solutions and create opportunities for inclusive growth. At the same time, we will maintain disciplined credit practices, rigorous customer selection and a strong focus on returns, ensuring that sustainable growth delivers value for both our customers and the bank. Our ambition is to support Eswatini businesses as they increasingly participate in regional and continental value chains, ensuring they have the financial capabilities required to compete in an increasingly integrated African economy.



Delivering customer value through technology, trust and shared prosperity

Our performance (continued)

Segmenting our performance (continued)

Corporate and investment banking

From a Corporate and Investment Banking (CIB) perspective, the operating environment has meaningful opportunities, particularly in infrastructure, public sector projects, renewable energy, state-owned enterprises, trade and structured finance. These are areas where we can support national development while also deepening our relevance to large institutional and corporate clients.

At the same time, our approach in CIB must remain disciplined. The focus is not simply on growing the book, but on restoring and sustaining appropriate profitability levels, deepening primary-banked relationships, managing concentration risk and ensuring that every transaction is aligned to our risk appetite and return expectations. In this segment, quality of growth is as important as growth itself.

The operating environment in FY2026 remained characterised by moderate economic growth, elevated infrastructure development, evolving global trade dynamics, currency volatility and client demand for sustainable financing solutions. CIB positioned itself as a trusted banking partner through the provision of banking solutions including but not limited to specialised lending, trade finance, foreign exchange. Overall PBT grew by 43%, underpinned to a strong performance recorded in both the net interest income and non-interest revenue lines at 20% and 10% respectively. Robust cost strategy was implemented which resulted in improving cost-to-income ratio performance.



43.4% YoY growth
Profit before tax

10.1% YoY growth
Non-interest income

19.6% YoY growth
Net interest income

17.1% YoY growth
Client base growth

1.4% YoY growth
Operating expenses

Performance against strategy

1. **Customer experience**
   Solved client needs.
2. **Employee experience**
   Invested in capability development and upskilling for our people.
3. **More customers**
   Focus on key growth sectors.
4. **More to customers**
   Increased product penetration through cross-selling opportunities.
5. **More efficiently**
   Operational efficiency was a key priority.
6. **Shared prosperity**
   CIB's role extends beyond banking and every solution provided is an enabler of growth and development, which helps businesses contribute meaningfully to the economy. Some of our solutions have facilitated projects that provide clean water, strengthen food security, improve connectivity and promote financial inclusion.

Refer to integrating sustainability pages 25.

Outlook and future focus

From a Corporate and Investment Banking perspective, the outlook remains closely linked to the development priorities of the country and the region. We see opportunities to support large institutional clients, public sector ecosystems and strategically important sectors through solutions that are aligned to national development, economic resilience and long-term value creation. These are areas where we can support institutional clients and government-linked ecosystems while also contributing to national development in a responsible and commercially sound manner.

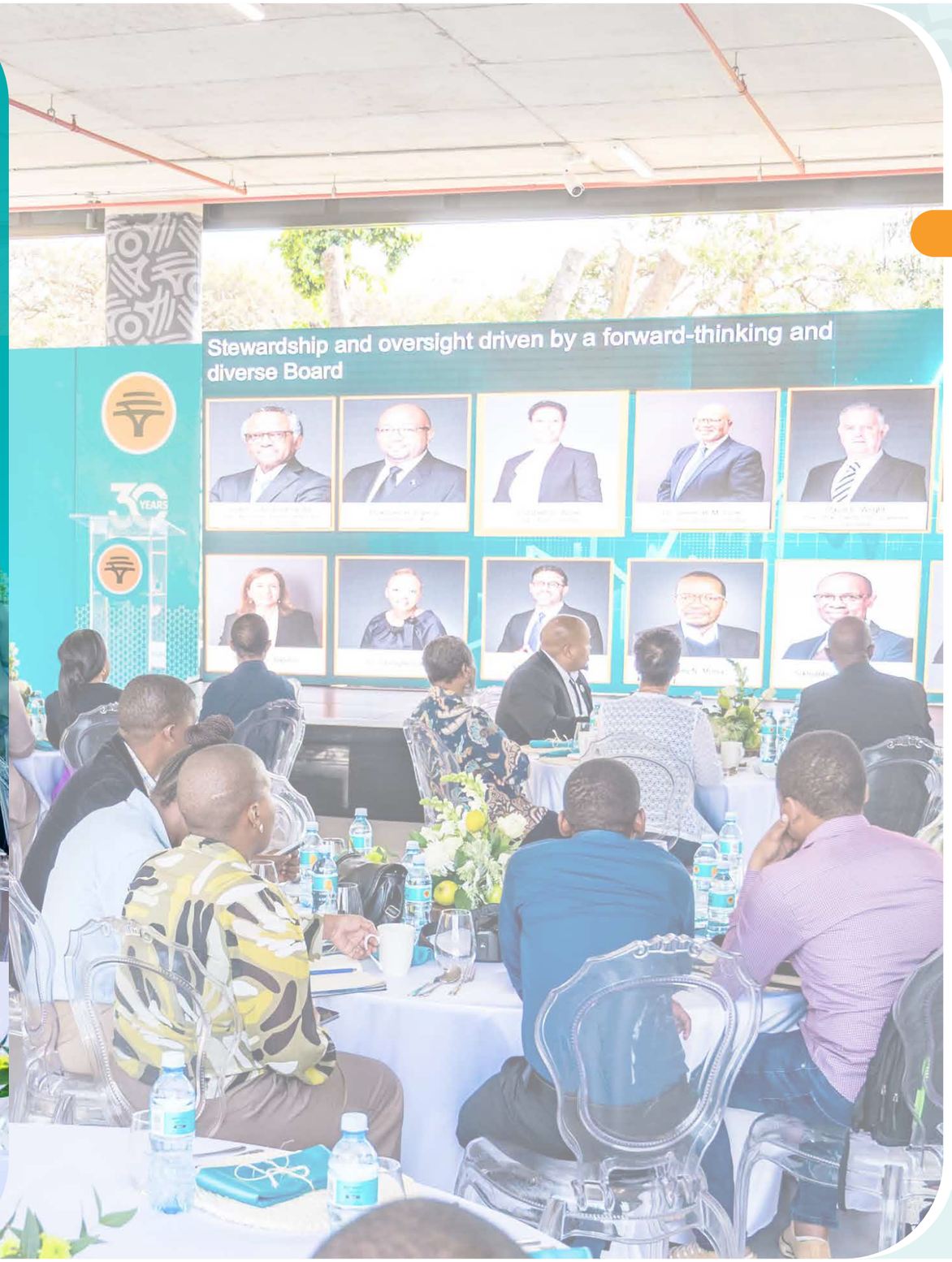
Our focus in CIB will remain disciplined. We want to deepen primary relationships, improve profitability and pursue transactions that meet our return, risk and capital expectations. The opportunity is attractive, but we must be selective. The priority is to ensure that growth in this segment strengthens the quality of the franchise and supports long-term value creation.

Our approach to governance

Our governance and oversight approach.

39 Our governance framework
40 Our Board and leadership
43 Governance overview
44 Our board committees
46 Board committee reports





Key statistics

77% Male

23% Female
Directors' gender diversity

58 years
Directors' average age

67%
0–2 years

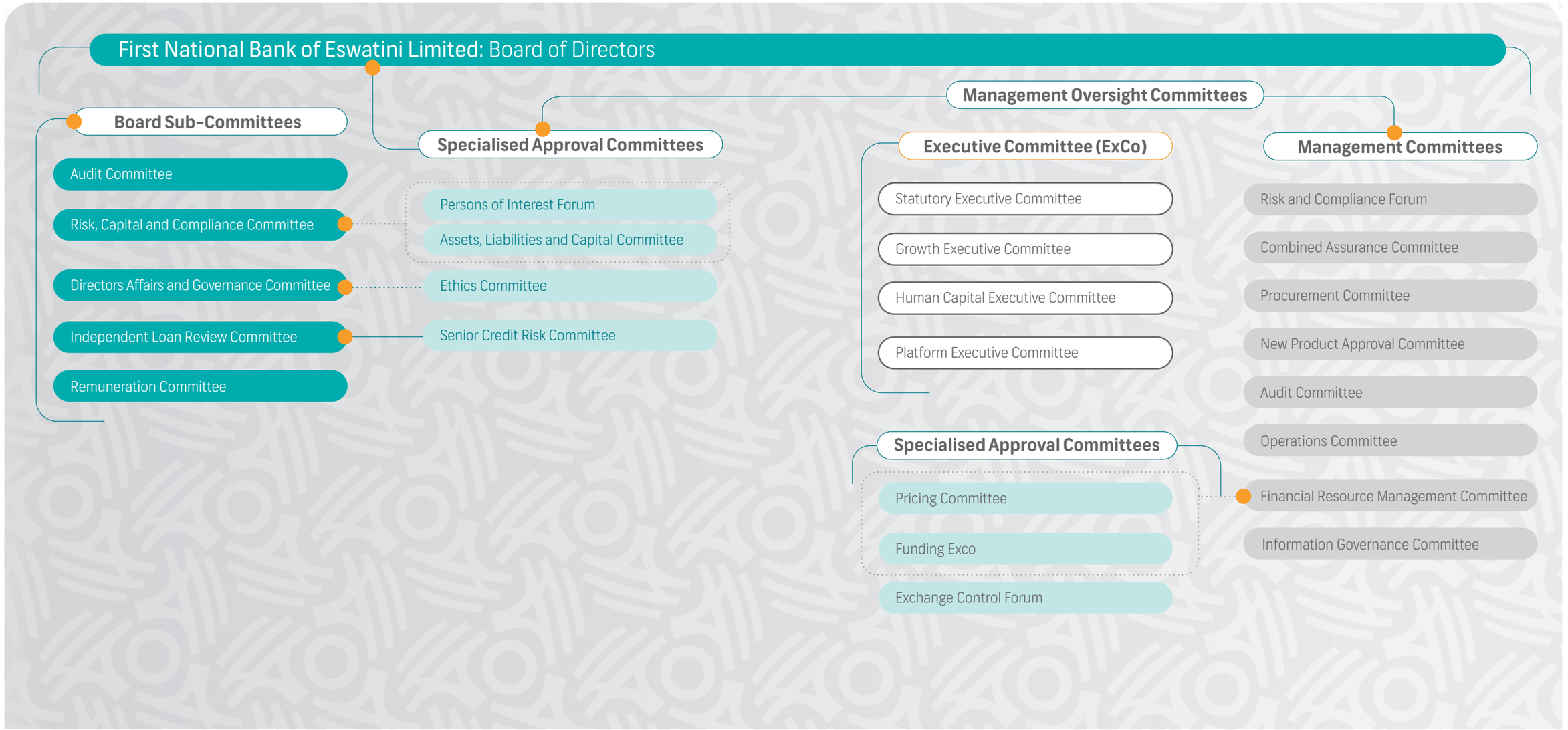
11%
3–5 years

22%
6–9 years
Directors' average tenure

Our approach to governance (continued)

Our governance framework

FNB Eswatini upholds a culture of transparency, strong governance, and accountability through diligent leadership and a comprehensive oversight framework. Our governance structure provides clear strategic direction, ensures rigorous regulatory compliance, and proactively manages risk. This approach enables us to create sustainable value for our shareholders and all stakeholders, reinforcing trust and supporting long-term growth.



Our approach to governance (continued)

Our Board and leadership

Committee key

- Chairperson
- Audit Committee (AC)
- Risk, Capital and Compliance Committee (RCCC)
- Directors' Affairs and Governance Committee (DAGC)
- Independent Loan Review Committee (LRC)
- Remuneration Committee (RemCo)

Our Board Non-executive directors



Elizabeth Arden

Chairperson and Independent Non-Executive Director

Qualifications

BCom – University of Eswatini,
ACCA – (UK) Fellowship,
ACCA – Malawi College of Accountants

Career highlights:

- 26 years in banking and financial services.
- Former General Manager, Swaziland Building Society.
- Former CFO, Standard Bank Eswatini.
- Former CFO, Eswatini Bank.
- Former Audit Manager, PwC.
- Chairperson, Audit Committee, FNB Eswatini.
- Independent Non-Executive Director, UFS International Eswatini.
- Former Director, Swazi Empowerment Limited.

Nationality: Swati **Appointed:** 24 April 2018 **Main Board Chairperson, DAGC Chairperson**



Sikhumbuzo Tsabedze

Independent Non-Executive Director

Qualifications

MBL, LLB, MA (Information & Library Studies), BSc (Agricultural Science & Education), Chartered Marketer (CM(SA))

Career highlights:

- Chief Executive Officer, Eswatini Energy Regulatory Authority (ESERA).
- Former Director Strategic Services, Eswatini Water Services Corporation.
- Former General Manager and Executive at Swaziland Electricity Company (SEC).
- Chairperson, SADC Regional Electricity Regulators Association (RERA).
- Board member of various organisations.

Nationality: Swati **Appointed:** 1 August 2025 **Committees**



Dr. Jeremiah Gule

Independent Non-Executive Director

Qualifications

EdD, MEd, BA (Humanities): Dip Ed

Career highlights:

- CEO, Institute of People Management (IPM).
- Former General Manager: Marketing & Services Competency Centre, TOTAL South Africa.
- Former General Manager: Human Resources & Transformation, TOTAL South Africa.
- Former Senior Manager: Human Resources Consulting, PwC.
- Former Manager: Development Programmes, Standard Bank South Africa.
- Former Human Resources Manager, Sappi Usutu Pulp Company.

Nationality: Swati and South African **Appointed:** 8 December 2020 **Committees**



Dr. Sibongile Gumbi

Independent Non-Executive Director

Qualifications

PhD (Pharmacology), Executive MBA IMD, MSc (Pharmaceuticals), BPharm

Career highlights:

- Founder and CEO, Smart Biotech.
- Former Executive: Biotechnology and Executive: Innovation & Enabling Systems, Technology Innovation Agency (TIA).
- Former IP & Commercialisation Manager and Group Manager: R&D Outcomes, CSIR.
- Former Manager: Business Development & Commercialisation, Medical Research Council South Africa.
- Independent Non-Executive Director, Adcock Ingram.
- Chairperson, Waterford Kamhlaba UWC Southern Africa.

Nationality: Swati and South African **Appointed:** 31 January 2024 **Committees**



Banele Nyamane

Non-Executive Director

Qualifications

CA(SA), LLB, BCom (Accounting), CTA

Career highlights:

- CEO, Eswatini Sugar Association.
- Former Financial Director, Eswatini Sugar Association.
- Former Acting Managing Director and General Manager Finance, Eswatini Electricity Company.
- Former Head: Business Risk Management, Swazi MTN.
- Board member of various organisations.

Nationality: Swati **Appointed:** 2 January 2026 **Committees**



Leonard Haynes

Non-Executive Director

Qualifications

MBA, Hons B (B&A), BCom Hons

Career highlights:

- 39 years in Banking.
- Executive, FNB Rest of Africa.
- Former CEO, FNB Zambia.
- Former Portfolio Executive: Start-up Business, FNB International.
- Former COO, FNB International.
- Former CEO, FNB Namibia.
- Former Chairperson, FNB Tanzania and mentor to FNB Rest of Africa country CEOs.

Nationality: South African **Appointed:** 11 November 2020 **Committees**

Our approach to governance (continued)

Our Board and leadership (continued)



Dumsani Dlamini

Independent Non-Executive Director

Qualifications

MSc (Accounting & Finance), BCom, Diploma in Accounting & Business Studies

Career highlights:

- Former Acting Managing Director, Stanlib Eswatini.
- Former Managing Director, Liberty Life Eswatini.
- Former Head of Finance and Long-Term Business, Eswatini Royal Insurance Corporation.
- Former Finance Manager, Eswatini Royal Insurance Corporation.
- Board member of various organisations.

Nationality: Swati **Appointed:** 1 April 2026 **Committees**



Godfrey Motsa

Independent Non-Executive Director Candidate

Qualifications

MBA, BCom

Career highlights:

- Former CEO, MTN South Africa.
- Former Vice President, MTN Southern and East Africa.
- Former CEO, Vodacom DRC and Vodacom Lesotho.
- Former CEO, Vodacom Consumer Business and Telesure Short-Term Insurance Group.
- Board member of various organisations.

Nationality: South African **Appointed:** 15 August 2025 **Committees**

Our Board Executive director



Thokozani Dlamini

Chief Executive Officer

Qualifications

MBA, B.Sc (Eng) (Civil) and M.Sc (Eng) (Civil)

Career highlights:

- Over 20 years in financial services and manufacturing.
- Former CEO Merchant Services, FNB South Africa.
- Former COO FNB Merchant Services, FNB South Africa.

Nationality: Swati **Appointed:** 1 January 2025 **Committees**

Committee key

- Chairperson
- Audit Committee (AC)
- Risk, Capital and Compliance Committee (RCCC)
- Directors' Affairs and Governance Committee (DAGC)
- Independent Loan Review Committee (LRC)
- Remuneration Committee (RemCo)

Our Board composition

The Board considers its size, diversity, demographics and skills requirements as part of the annual assessment of the Board and directors' performance. A review of the qualifications, disciplines, and gender diversity of the directors, as detailed in this report, indicates that the directors meet the criteria to satisfactorily fulfil their fiduciary duties with diligence.

Directors' gender diversity



Male: **77%**
Female: **23%**

Directors' age



Average age: 58 years
41–50 years: **22%**
51–60 years: **22%**
Over 60 years: **56%**

Directors' tenure



0–2 years: **67%**
3–5 years: **11%**
6–9 years: **22%**

Balance of directors' skills and expertise

Finance, account and economics	Legal, governance and risk management	Sustainability	Information technology	Political and regulatory	Commerce and industry	Social and human sciences
80–90%	70–80%	20–40%	10–20%	20–30%	80–90%	30–40%



Our approach to governance (continued)

Our Board and leadership (continued)

Our executive management



Thokozani Dlamini
Chief Executive Officer

Camilla Paiva
Treasurer

Mxolisi Gumedze
Executive Head: Internal Audit

Mphetfo Tshabalala
Executive Head: Credit

Ncamiso Dlamini
Executive Head: Corporate

Chantell Littler
Executive Head: Commercial

Mncedzi Ngomane
Executive Head: Retail

Veronica Ntshalintshali
Chief People Officer



Panuel Gwebu
Chief Compliance Officer

Sibusile Dlamini
Chief Marketing Officer

Gugu Matiwane
Chief Risk Officer

Njabulo Dlamini
Chief Financial Officer

Thandeka Dlamini
Chief Operations Officer

Dido wa Kalonji
Chief Information Officer

Hlengiwe Msibi
Company Secretary

Our approach to governance (continued)

Governance overview

The Board recognises the integral link between effective governance, sustainable performance and the creation of long-term stakeholder value. It remains committed to the principles of transparency, integrity, fairness and accountability, and to embedding sound corporate governance practices across the organisation.

The Board fully supports and applies the governance outcomes advocated by the King IV™ Report on Corporate Governance for South Africa, 2016, in accordance with the Eswatini Stock Exchange Listings Requirements, while also complying with the Central Bank of Eswatini Corporate Governance Guidelines and other applicable regulatory requirements. The Board further acknowledges that adherence to King IV™ principles is not merely a regulatory obligation but a strategic imperative that fosters trust.

Ethical culture

The Board is ultimately responsible for the monitoring and governance of the ethics of FNB Eswatini through the Directors' Affairs and Governance Committee (DAGC). Management, through the Ethics Committee, submits a quarterly ethics report to the DAGC.

The Board approved Code of Ethics sets clear expectations for ethical decision making and conduct across the business. It establishes a common understanding of the standards the Bank requires from its people. The Code applies to all employees and directors, as well as fixed term and independent contractors, representatives and agents engaged by the Bank. For the purposes of the Code, "employee" includes current, former and prospective employees, whether permanent or temporary.

Board members are assessed on ethics and integrity as part of the annual Board evaluation. The Board confirms that members attest to the Bank's Code of Ethics and declare their interests as a standing governance practice upon appointment, quarterly, annually, and as and when changes occur, as per the Code of Ethics policy and Conflict of Interest Management policy. This supports the Board's commitment to maintaining the highest standards of integrity, ethics and accountability.

Conflict of interests

The Bank maintains policies to manage potential conflicts of interest. Directors provide annual declarations confirming the absence of undeclared conflicts and must disclose any relevant interests during quarterly Board and committee meetings. Where a conflict is identified, directors recuse themselves from related discussions and decisions. They are also required to promptly declare any new external roles to ensure ongoing transparency, accountability, objective decision-making and independent judgement.

Dealings in securities

The Bank enforces a personal trading policy that prohibits directors, prescribed officers, the Company Secretary and employees from trading in securities during closed periods tied to interim and year-end financial reporting. Additional restrictions apply during embargo periods for nominated employees with access to price sensitive information. All securities dealings by Board members, executive directors, prescribed officers and the Company Secretary require prior approval from the Chairperson.

Effective control

The Board assumes full responsibility for guiding the Bank's strategic direction. The Bank operates under a unitary board structure, which promotes unified decision-making and collective accountability. The Bank adheres to the King IV™ Principles, the Central Bank of Eswatini Corporate Governance Guidelines, and the Listings Requirements in the assessment and classification of director independence, ensuring that no individual director exercises excessive influence over the Board or is likely to unduly affect decision-making. The Board is satisfied that all directors, whether executive, non-executive, or independent non-executive, perform their duties independently, without undue influence, and in the best interests of the Bank.

Independent Chairperson



The Board is chaired by an independent non-executive director, ensuring objective leadership and effective oversight. The role of the Chairperson is to provide independent leadership to the Board, promote effective governance and constructive engagement, and ensure that the Board discharges its responsibilities effectively.

Chief Executive Officer



The roles of the Chairperson of the Board, and the Chief Executive Officer are separate and distinctly defined in the Board Charter. This clear delineation of responsibilities ensures a balanced distribution of power and authority at Board level. The role of the CEO is to lead the implementation of the Bank's strategy, oversee the day-to-day management of the business and drive sustainable performance within the Board-approved risk appetite and governance framework.

Company Secretary



Provides guidance to directors on their duties and responsibilities, and ensures compliance with statutory and regulatory requirements. The Board has considered and is satisfied with the competence, qualifications and experience of the Company Secretary, and the Company Secretary has an arm's-length relationship with the Board.

Our approach to governance (continued)

Governance overview (continued)

Good performance

The Board conducts an annual evaluation of its effectiveness, governance practices and committee performance, and is satisfied that it has discharged its responsibilities in accordance with the Board Charter and applicable governance requirements.

Through its oversight of strategy, performance, risk and opportunities, the Board seeks to ensure the long-term sustainability of the Bank and its ability to create value for shareholders and other stakeholders. The Board regularly monitors the Bank's strategic objectives, financial performance, risk profile and operating environment to support sustainable growth and resilience.

Supported by the Risk, Compliance and Conduct Committee (RCCC), the Board oversees the governance of risk and the effectiveness of the Bank's risk management and control frameworks. This enables informed decision-making and supports the achievement of strategic objectives within the approved risk appetite.

Supported by the Directors' Affairs and Governance Committee the Board also oversees the Bank's approach to responsible corporate citizenship and sustainability, including environmental, social and governance considerations. The Bank and the Foundation are two separate entities. The Board mostly ensures that the up to 1% of profit after tax is donated annually to the foundation. Through this oversight, the Board seeks to ensure that the Bank creates value in a manner that is responsible, sustainable and responsive to stakeholder expectations.

Recognising the strategic importance of technology and information, the Board, with the support of the RCCC, oversees the governance of technology and information to support strategic execution, operational resilience, cybersecurity and innovation.

Refer to **integrating technology** from page 23.

Refer to **our approach to sustainability** from page 25.

Legitimacy

In executing its oversight responsibilities, the Board remains acutely aware of the legislative framework governing corporate conduct within the Kingdom of Eswatini, particularly the Financial Institutions Act of 2005, the Central Bank of Eswatini Corporate Governance Guideline, 2017, the ESE Listings Requirements and the Companies Act of 2009. The Board is assisted by the RCCC and the DACG to monitor compliance with the various regulations FNB Eswatini is subject to on a quarterly and annual basis.

The Audit Committee provides an oversight role on the assurance function on behalf of the Board within the Bank. This function is provided through the risk and compliance function, audit functions (internal and external audits), as well as the Combined Assurance Forum.

Refer to the **Abridged Financial Statements** from page 52.

The Bank deploys financial capital to support growth and long-term value creation. This report aligns with applicable frameworks and provides an assessment of its performance, measured against its objectives to ensure that stakeholders can make an informed assessment of the Bank's performance.

Refer to **working with our stakeholders** from page 11.

Our Board committees

In terms of its Memorandum and Articles of Association, the Board is empowered to appoint Board committees and to delegate powers to such committees without relinquishing its own responsibilities, to increase efficiency and allow deeper focus in specific areas. These committees are structured to support the Board in fulfilling its fiduciary and statutory responsibilities, and each operates under a formal charter or terms of reference approved by the Board.

The Board considers occasional rotation of committee members and chairs, where practicable, as part of its commitment to sound governance and continuous improvement. This practice helps mitigate the risk of undue concentration of authority, fosters diverse viewpoints, and enhances the independence and effectiveness of committee deliberations. Rotations are considered in line with succession planning, skills development, and the need to maintain institutional knowledge, while ensuring continuity in oversight and strategic guidance.

Delegation by the Board is formal and involves:

- Formal terms of reference, which are established and approved for each committee of the Board.
- Review of the committees' terms of reference once a year.
- Appropriate constitution of the committees, with due regard to the skills required by each committee.
- Establishment by the Board of a framework for the delegation of authority to management.
- Noting by the Board of reports from and/or minutes of the meetings of each committee.

The Chairperson of each committee reports back to the Board at least on a quarterly basis, on the committee's deliberations in terms of general principles of transparency and full disclosure.

The Board is satisfied that all committees met their responsibilities in FY2026 in accordance with their terms of reference.

Our approach to governance (continued)

Our Board committees (continued)

Board and Board sub-committees attendance

Type of meeting	Main Board	Directors' Affairs and Governance Committee	Audit Committee	Risk, Capital and Compliance Committee	Independent Loan Review Committee	Remuneration Committee
Total meetings	**4**	**3**	**4**	**4**	**4**	**2**
Attendance of meetings per board member						
Independent non-executive						
JV Ndlangamandla[1]	2	2		2		1
DE Wright[2]	2	2	2	2	2	
EB Arden	4	3	2	2	4	2
JM Gule	4	3	4	2		1
S Gumbi	4	2	4		4	1
V Monadjem[3]	1	1	1	1		
SS Tsabedze[4]	4	3		4		
GN Motsa[5]	4	2	4	4		1
DM Dlamini[6]	1		1	1		
Non-executive						
S Balsdon[7]	3	2	3	2	1	2
LJ Haynes	4	3		4	4	
BN Nyamane[8]	2			2		
Executive						
TH Dlamini[10]	4	3	4	4	4	2

1. *JV Ndlangamandla resigned 31 October 2025*
2. *DE Wright resigned 31 October 2025*
3. *V Monadjem resigned 19 January 2026*
4. *SS Tsabedze appointed 1 August 2025*
5. *GN Motsa appointed 15 August 2025*
6. *DM Dlamini appointed 1 April 2026*
7. *S Balsdon resigned 21 April 2026*
8. *BM Nyamane appointed 2 January 2026*



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Our approach to governance (continued)

Board committee reports

Audit Committee

The Audit Committee is constituted in terms of the Financial Institutions Act, 2005, the Companies Act of 2009, the Central Bank of Eswatini Corporate Governance Guidelines.

Responsibilities

The Audit Committee supports the Board in fulfilling its responsibilities for internal controls, financial management, performance oversight, and shareholder reporting. Its core mandate is to ensure compliance with accounting standards and tax legislation, and to provide robust oversight of the adequacy and effectiveness of the Bank's internal control environment, financial reporting processes, and related governance requirements. Responsibilities include evaluating the adequacy and effectiveness of the Bank's internal control systems, assurance functions, accounting practices, information systems, and audit processes.

Role

The committee ensures the integrity of financial reporting, approves the annual financial statements, and monitors key business risks. It reviews internal and external auditors' risk assessments, reports significant risks to the Board, and facilitates effective communication with auditors. It also considers audit plans, evaluates external auditors' performance and appointment, investigates relevant matters, and conducts an annual review of its charter and compliance with its responsibilities.

Focus areas FY2026

- Oversight of the FY2025 external audit and approval of the annual financial statements.
- Monitoring of internal audit findings and remediation actions, particularly in AML, operational risk, technology, compliance and climate risk governance.
- Oversight of the migration from BaNCS to Murex and related controls.
- Review of dividend recommendations, financial forecasts and capital adequacy assessments.
- Escalation and oversight of the historical Visa billing matter and associated financial exposure.
- Monitoring of the Combined Assurance Framework and effectiveness of assurance providers.
- Considered and satisfied itself of the appropriateness of the expertise and experience of the Chief Financial Officer and the Internal and External Audit functions.

Focus areas FY2027

- Continued oversight of financial reporting integrity and audit quality.
- Monitoring remediation of significant audit findings and strengthening of the control environment.
- Oversight of technology-enabled financial controls and audit coverage of emerging risks.
- Continued monitoring of capital adequacy, dividend sustainability and regulatory reporting.
- Enhancement of combined assurance and risk-based auditing practices.

Directors Affairs and Corporate Governance Committee (DAGC)

The DAGC is a sub-committee of the Board, constituted in terms of various regulatory frameworks including the FIA, Companies Act, Banks Act, and King IV™.

Responsibilities

The DAGC is responsible for maintaining the Board's continuity programme, ensuring a balance of skills, experience, and diversity, and conduct regular assessments to maintain high standards of accountability and transparency, as well as to implement measures to prevent conflicts of interest, and thereby foster a culture of ethical leadership and sound decision-making.

Role

To assist the Board in ensuring the adequacy, efficiency, and appropriateness of the corporate governance structures and practices in the Bank.

Focus areas FY2026

- Board succession planning, including Board Chairperson succession and committee leadership continuity.
- Director fit and probity assessments and regulatory approvals for new appointments.
- Review of Board composition, committee structures and governance frameworks.
- Establishment of the Lead Independent Director role.
- Board and committee effectiveness evaluations, including formal tracking and quarterly monitoring of agreed improvement actions until closure.
- Director development, including Board training, individual development plans and monitoring implementation of agreed development actions.
- Annual assessment of the Company Secretary's competence, qualifications, experience and effectiveness, with identified action items monitored to completion.
- Annual assessment of the Chief Financial Officer's competence and effectiveness, with identified action items monitored to completion.
- Periodic review of governance policies, Board charters and committee terms of reference.
- Periodic and/or annual assessment on the appropriateness of the Chief Financial Officer's competence, qualifications, and effectiveness.

Focus areas FY2027

- Execution of Board and Chairperson succession plans.
- Continued enhancement of Board effectiveness and governance maturity.
- Monitoring Board diversity, skills and independence requirements.
- Oversight of director onboarding, development and evaluation processes.
- Monitoring implementation of transition to King V™, including progress against the implementation matrix, closure of identified governance and disclosure gaps, and alignment of governance frameworks and reporting with the King V™ Disclosure Framework.
- Ongoing review of governance frameworks against regulatory developments.

Our approach to governance (continued)

Board committee reports (continued)

Risk, Capital and Compliance Committee (RCCC)

The RCCC is a sub-committee of the Board, constituted under various regulatory frameworks including the FIA, Companies Act, Banks Act and King IV™.

Responsibilities

The RCC is responsible for evaluating risk policies, identifying and mitigating risks, ensuring annual risk assessments are carried out, monitoring key risks, facilitating communication between the Board and executives, establishing an independent risk management function and coordinating global risk monitoring.

Role

To assist the Board in managing risk across the Bank and overseeing compliance with laws and regulations, risk exposure limits, and in monitoring resolution excesses, and enhancing risk management measures.

Focus areas FY2026

- Oversight of compliance with regulatory requirements and submission of the annual compliance statement to the Central Bank of Eswatini.
- Monitoring operational, compliance, conduct, cybersecurity and data privacy risks.
- Oversight of the customer data breach remediation programme and regulatory engagements.
- Review of macroeconomic assumptions, capital planning and stress-testing scenarios.
- Approval and monitoring of key risk governance frameworks, including cyber risk, IT governance, ethics, anti-bribery and corruption and data privacy.
- Monitoring compliance with payment-system and data protection requirements.

Focus areas FY2027

- Strengthening operational resilience and cyber security capabilities.
- Continued oversight of technology, information and data governance.
- Monitoring evolving regulatory and compliance requirements.
- Oversight of climate, ESG and emerging risks.
- Ongoing review of capital adequacy, liquidity and stress-testing outcomes.

Independent Loan Review Committee

The LRC is a sub-committee of the Board, constituted under various regulatory frameworks including the FIA, Companies Act, Banks Act and King IV™.

Responsibilities

The LRC assists the Board in overseeing the Bank's credit-risk framework, credit portfolio quality, and adherence to approved risk appetite. It provides independent oversight of credit governance, monitors significant credit exposures and concentrations, and ensures that lending activities remain prudent, appropriately controlled, and aligned with regulatory and strategic objectives.

Role

The LRC's role is to provide independent assurance to the Board on the effectiveness of credit-risk management and credit-monitoring practices. It reviews the quality and performance of the loan portfolio, monitors compliance with credit policies, and oversees management's ability to identify, assess and mitigate credit risk across the Bank.

Focus areas FY2026

- Oversight of material credit exposures and facilities exceeding management delegation levels.
- Review and approval of significant lending proposals and credit restructurings.
- Monitoring of asset quality, non-performing loans and impairment trends.
- Oversight of high-risk, watchlist and distressed exposures, including recovery and remediation strategies.
- Monitoring concentration risk across sectors, counterparties and connected parties.
- Assessment of the impact of macroeconomic conditions on the Bank's credit portfolio.
- Oversight of compliance with credit policies, delegated authorities and regulatory lending requirements.
- Dissolved the Loan Review Committee to establish the Large Exposures Committee (LEX). The credit review and portfolio oversight responsibilities were delegated to the Credit Management Committee.

Focus areas FY2027

- Strengthened management governance structures.
- The LEX is to assume broader oversight of large exposure lending activities within the revised governance structure, transitioning to the Large Exposures Committee.
- Monitoring of asset quality, impairments and emerging portfolio risks.
- Oversight of large exposures and concentration risk through the Large Exposures Committee.
- Continued alignment of credit governance with the Bank's risk appetite and regulatory requirements.

Our approach to governance (continued)

Board committee reports (continued)

Remuneration Committee (RemCo)

RemCo is constituted under various regulatory frameworks including the FIA, Companies Act, Banks Act and King IV™.

Responsibilities

RemCo is responsible for ensuring the adequacy of retirement and healthcare schemes, evaluating the pension consequences of salary increases, reviewing contributions to benefit schemes and approving the employee taxation risk profile related to remuneration.

Role

To assist the Board in ensuring alignment of the remuneration strategy and policy with FirstRand business strategy and the desired culture of the Bank.

Focus areas FY2026

- Review of remuneration principles and Board remuneration structures.
- Oversight of remuneration outcomes to ensure alignment with performance and risk management objectives.
- Review of employee benefit schemes and related governance matters.
- Alignment of remuneration practices with FirstRand Group principles and regulatory expectations.

Focus areas FY2027

- Continued enhancement of responsible remuneration practices.
- Review of remuneration policy effectiveness and market competitiveness.
- Alignment of remuneration outcomes with long-term sustainable performance.
- Monitoring pay governance, retention and talent management considerations.



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Remuneration

50 Remuneration overview and background statement
50 Remuneration policy
51 Remuneration implementation

Our remuneration approach

FNB Eswatini's remuneration approach supports the delivery of the Bank's strategy and the experience of its people. It seeks to attract, motivate and retain the capabilities required to serve customers, execute the Bank's priorities and create sustainable value in Eswatini. The approach is underpinned by fairness, responsible reward, sound governance and an appropriate relationship between remuneration outcomes, performance and the long-term interests of the Bank and its stakeholders.

The remuneration section comprises:

- Remuneration overview and background statement
- Remuneration policy
- Remuneration implementation



Key statistics

E5.9 M
Directors' fees
(FY2025: E3 million)

E42 M
Key management compensation
(FY2025: E35.6 million)

Remuneration (continued)

Remuneration overview and background statement

Remuneration at FNB Eswatini is governed through local structures and policies that promote fairness, transparency, consistency and alignment with the Bank's strategy. The Remuneration Committee provides Board-level oversight of remuneration, benefits and recognition across FNB Eswatini. In doing so, the committee supports a high-performance and caring culture, responsible remuneration outcomes and the Bank's commitment to sustainable value creation.

FNB Eswatini's remuneration philosophy is designed around the needs of the local business and its people. It supports the attraction, motivation and retention of the skills required to deliver the Bank's strategy and serve customers effectively. Remuneration decisions recognise the scope and complexity of roles, relevant skills and experience, individual and business performance, internal equity, affordability and appropriate market information.

The Bank applies a total reward approach comprising fixed remuneration, variable remuneration and employee benefits. Fixed remuneration provides a stable and fair basis of reward appropriate to the role. Variable remuneration recognises delivery against relevant Bank, business unit, team and individual performance considerations. Employee benefits and recognition arrangements form part of the broader FNB Eswatini employee value proposition and support employee wellbeing and financial security.

FNB Eswatini applies its remuneration approach through the following local policies, governance requirements and supporting standards:

- FNB Eswatini Remuneration Policy.
- King IV™ Principle 14.
- Applicable labour and tax legislation.
- FirstRand Group remuneration principles and governance standards, applied within FNB Eswatini's local operating context.

How FirstRand principles support FNB Eswatini's approach

Fairness

- The principle of equal pay for work of equal value is applied across job roles.
- Remuneration practices seek to be impartial and free from self-interest or prejudice on arbitrary grounds.
- Remuneration decisions are informed by appropriate internal equity considerations and relevant market practices.

Responsibleness

- Remuneration outcomes are aligned with Group strategy and sustainable value creation.
- Incentives are based on corporate performance conditions and individual performance criteria.
- Incentive arrangements are designed not to promote excessive risk-taking.
- Independent risk input supports Remco's consideration of material events and the appropriate adjustment of incentive outcomes.
- Variable remuneration is subject to *malus and clawback*, where applicable.

FNB Eswatini draws on FirstRand Group principles where these provide the overarching governance basis for fair and responsible remuneration. Local remuneration decisions remain subject to FNB Eswatini's governance structures, business requirements, affordability, workforce considerations and applicable legislation. For further information on the group-wide philosophy and governance framework, refer to FirstRand Group's detailed remuneration reporting available online.

Remuneration policy

FNB Eswatini's remuneration policy is overseen locally by the Remuneration Committee and applies to the Bank's executives and employees. It establishes the local framework within which fixed remuneration, variable remuneration, incentives and employee benefits are managed. The policy is aligned with FirstRand Group principles, while its implementation considers FNB Eswatini's strategy, performance, workforce requirements, operating environment and applicable legislation.

The framework seeks to balance affordability, competitiveness, performance, internal equity, risk management and long-term sustainability. It supports FNB Eswatini's ability to attract, motivate and retain the capabilities required to deliver its strategic objectives, while promoting fair and responsible remuneration outcomes.

Key policy extracts

Strategic alignment	Competitive and fair	Total Reward Framework	Performance and reward	Governance and oversight
Remuneration structures support FNB Eswatini's strategy, desired culture, risk management and workforce priorities, within the overarching FirstRand Group framework.	FNB Eswatini considers relevant market information and internal equity to support fair outcomes and the attraction, motivation and retention of the skills required by the Bank.	FNB Eswatini's total reward framework comprises fixed remuneration, variable remuneration and employee benefits, supported by recognition arrangements and the broader employee value proposition.	Variable remuneration reinforces FNB Eswatini's performance-led culture by recognising Bank, business unit, team and individual performance, subject to local governance and approval.	FNB Eswatini Remco oversees local remuneration arrangements, employee benefits and material remuneration outcomes, including alignment with the Bank's strategy, applicable requirements and FirstRand Group principles.

Remuneration (continued)

Remuneration overview and background statement (continued)

Remuneration implementation

The implementation report explains how FNB Eswatini applied its remuneration policy during the year. It presents the remuneration outcomes for directors and key management personnel and describes the incentive arrangements relevant to the Bank. The local Remuneration Committee oversees implementation and considers performance, risk, affordability and alignment with the Bank's strategic objectives. For detailed scheme information and the related amounts, refer to the notes to the Annual Financial Statements for the year ended 30 June 2026.

Directors' fees

	2026 (E'000)	2025 (E'000)
Services as directors	5 898	2 990
Total directors' fees	**5 898**	**2 990**

Key management personnel

Key management compensation comprises the following:	2026 (E'000)	2025 (E'000)
Salaries and other short-term benefits	27 963	23 203
Post-employment benefits	2 751	2 313
IFRS 2 share-based payment expense	11 283	10 131
Total compensation	**41 997**	**35 647**

Short-term incentives

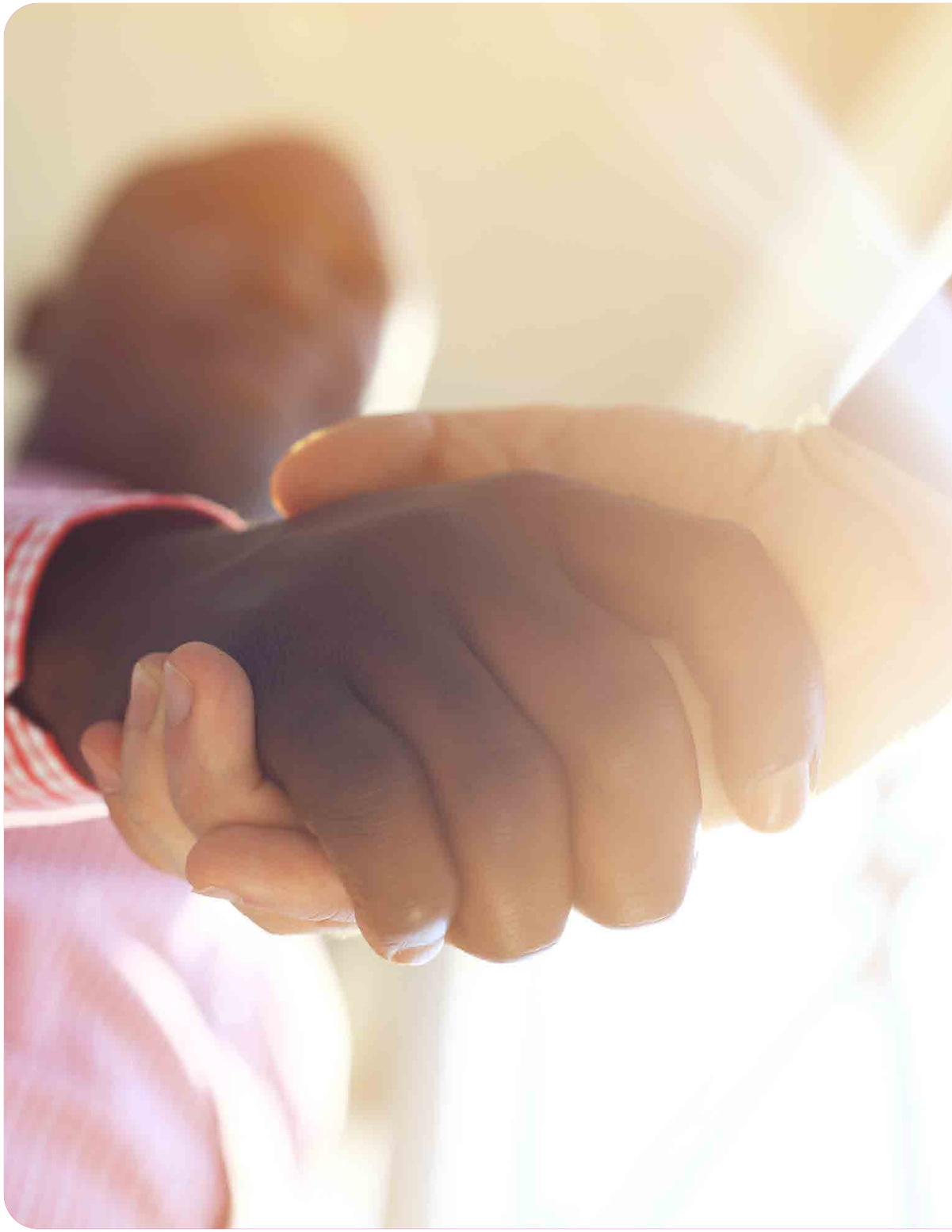
At FNB Eswatini, short-term incentive outcomes recognise delivery against relevant Bank, business unit and individual performance considerations and are subject to local governance and approval. Where group share-based arrangements apply, awards above the applicable threshold are deferred and remain subject to employment and performance conditions. From September 2024, FirstRand Group introduced share ownership plans for new awards, under which qualifying participants receive restricted share instruments and may qualify for dividends when declared.

Long-term incentives

Long-term incentives support FNB Eswatini's retention of key capabilities and align eligible participants with sustained performance and longer-term value creation. Awards vest up to three years after grant, subject to the applicable employment and performance conditions. Deferred incentive plan awards are subject to employment conditions and personal performance requirements. Where applicable to FNB Eswatini participants, new awards from September 2024 are made through FirstRand Group share ownership plans.

Corporate performance targets

For eligible FNB Eswatini participants in FirstRand Group incentive arrangements, corporate performance targets are set by FirstRand Group Remco with reference to expected macroeconomic conditions and Group earnings and return forecasts over the relevant performance period. The targets differ between award cycles and determine the value of the awards that may ultimately vest. Conditional incentive plan awards are subject to both return on equity and diluted normalised earnings per share growth conditions. If the minimum conditions are not achieved, the award lapses. Where the conditions are met, the lower of the vesting outcomes determined by reference to return on equity and earnings growth applies, subject to Remco's assessment of relevant non-financial measures and its discretion to adjust the outcome where appropriate.



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Financial statements and other important information

Our financial performance and supporting information

52 Abridged financial statements
55 Glossary
55 Company information

Abridged financial statements

Independent Auditor's Review Report on Financial Statements

PricewaterhouseCoopers, First National Bank of Eswatini Limited's independent auditors, have audited the financial statements of First National Bank of Eswatini Limited and have expressed an unmodified audit opinion on the financial statements. The abridged financial statements have been derived from the audited financial statements and comprise the abridged statement of financial position as at 30 June 2026, abridged statement of comprehensive income, abridged statement of changes in equity and abridged statement of cash flows for the year ended 30 June 2026. The audited financial statements and audit report thereon are available for inspection at First National Bank of Eswatini Limited's registered office. The audited financial statements do not necessarily report on all the information contained in this announcement. For a better understanding of the bank's financial position and the statements of its operations for the year, these abridged financial statements should be read in conjunction with the audited financial statements from which the abridged financial statements were derived, and the audit report thereon.

PricewaterhouseCoopers

Key statistics

E5.8 B
Loans to customers before provisions
(FY2025: E4.8 billion)

E651 M
Non-interest revenue
(FY2025: E579 million)

17%
Return on equity
(FY2025: 19%)

Financial statements and other important information (continued)

Abridged financial statements (continued)

Abridged statement of comprehensive income
for the year ended 30 June 2026

	2026 E'000	2025 E'000
Interest and similar income	**1 059 833**	969 012
Interest expense and similar charges	**(475 256)**	(426 788)
Net interest income before impairments	**584 577**	542 224
Expected credit gains on investment securities	**730**	4 779
Impairment of advances	**(40 075)**	(28 897)
Net interest income after impairment of advances	**545 232**	518 106
Non-interest revenue	**651 076**	579 205
Income from operations	**1 196 308**	1 097 311
Operating and administration expenses	**(814 455)**	(709 357)
Income before indirect tax	**381 853**	387 954
Indirect tax	**(46 113)**	(41 295)
Profit before income tax	**335 740**	346 659
Income tax expense	**(78 081)**	(77 875)
Profit for the year	**257 659**	268 784
OTHER COMPREHENSIVE INCOME		
Items that may not subsequently be reclassified to profit or loss		
Re-measurements on defined benefit post-employment plans	**(5 494)**	–
Actuarial gains for the year	**(7 325)**	–
Deferred income tax on gains arising during the year	**1 831**	–
Total comprehensive income	**252 165**	268 784

Abridged statement of financial position
as at 30 June 2026

	2026 E'000	2025 E'000
ASSETS		
Cash and cash equivalents	**1 595 097**	1 331 016
Derivative financial instruments	**9 277**	19 603
Accounts receivable	**157 652**	114 286
Investment securities and other investments	**1 789 123**	1 501 668
Advances	**5 684 347**	4 703 013
Amounts due from related parties	**2 439 892**	2 239 597
Current income tax asset	**28 065**	14 466
Property and equipment	**324 710**	325 807
Intangible assets	**2 028**	2 679
Deferred income tax asset	**42 453**	40 103
Total assets	**12 072 644**	10 292 238
EQUITY		
Capital and reserves attributable to equity holders of the parent		
Share capital	**26 600**	26 600
Share premium	**2 686**	2 686
Other reserves	**402 177**	371 813
Retained earnings	**1 103 621**	1 036 100
Total equity	**1 535 084**	1 437 199
LIABILITIES		
Derivative financial instruments	**741**	15 532
Accounts payable	**176 734**	174 139
Deposits	**8 121 538**	6 618 392
Amounts due to related parties	**2 170 123**	1 996 677
Lease liability	**17 711**	3 963
Provision for other liabilities and charges	**47 080**	46 336
Defined benefit post-employment liability	**3 633**	–
Total liabilities	**10 537 560**	8 855 039
Total equity and liabilities	**12 072 644**	10 292 238

Financial statements and other important information (continued)

Abridged financial statements (continued)

Abridged statement of changes in equity
for the year ended 30 June 2026

	2026 E'000	2025 E'000
Balance at the beginning of the year	**1 437 199**	1 358 886
Profit for the year	**257 659**	268 784
Other comprehensive Income	**(5 494)**	–
Dividends paid	**(154 280)**	(190 471)
Balance at the end of the year	**1 535 084**	1 437 199

Abridged statement of cash flows
for the year ended 30 June 2026

	2026 E'000	2025 E'000
Cash flow from operating activities before operating assets and liabilities	**301 343**	305 938
Net cash flow from changes in operating assets and liabilities	**379 908**	323 718
Net cash inflow from operating activities	**681 251**	629 656
Net cash outflow from investing activities	**(254 838)**	(206 023)
Net cash outflow from financing activities	**(162 332)**	(204 215)
Net increase in cash and short-term funds	**264 081**	219 418
Cash and cash equivalent at beginning of the year	**1 331 016**	1 111 598
Cash and cash equivalent at end of the year	**1 595 097**	1 331 016

Final dividend declaration

Notice is hereby given that the Board of Directors, at its meeting held on 18 August 2026, declared a final gross cash ordinary dividend of 41 cents per share, amounting to E54 530 000, payable from the income reserves for the financial year ended 30 June 2026.

Ordinary shares:
for the year ended 30 June 2026

	2026 Cents per share	2025 Cents per share
Interim dividend	**55**	72
Final dividend	**41**	61
Total dividends	**96**	133

Salient dates

The salient dates for the interim ordinary dividend are outlined below:

Last day to trade cum-dividend	Tuesday, 22 September 2026
Shares commence trading ex-dividend	Wednesday, 23 September 2026
Record date	Friday, 25 September 2026
Payment date	Monday, 28 September 2026

Share certificates may not be dematerialised or rematerialised between Wednesday, 23 September 2026 and Friday, 25 September 2026, both days inclusive. Normal and withholding tax will be deducted from dividends paid to local shareholders and non-resident shareholders respectively, where applicable.

COMMENTARY ON PERFORMANCE

Operating environment

The operating environment remained broadly supportive of economic activity despite heightened global uncertainty. The year was characterised by shifting global trade and aid policies, geopolitical tensions, commodity market volatility and climate-related risks, which influenced the global growth and inflation outlook. Domestically, economic activity remained resilient, supported by infrastructure investment, rising civil service incomes, robust private sector credit growth and a stable monetary policy backdrop.

Real GDP is estimated to have expanded by 4.8% in 2025, while inflation averaged 2.4% during the financial year. The Central Bank of Eswatini maintained the discount rate at 6.75%, providing a stable interest rate environment. Credit extended to the private sector continued to expand, supported by growth in both business and household lending. While the outlook remains constructive, risks persist from global developments, climate variability, higher fuel prices and rising public debt levels.

Statement of financial position

Customer deposits increased by 23% year-on-year, driven by strong growth across key deposit products. Growth was largely driven by term deposits, while savings deposits and call accounts also recorded positive growth during the year, reflecting continued customer confidence.

Gross advances increased by 21% year-on-year, supported by growth across the lending portfolio. Growth was primarily driven by term loans and overdrafts, while home loans and WesBank lease receivables also recorded positive growth during the year.

Total assets increased to E12 billion, representing growth of 17% year-on-year. This growth was driven by increases in cash and cash equivalents, investment securities and advances, reflecting continued balance sheet expansion and business growth.

Financial performance

Profit before tax declined by 3% year-on-year despite total income growth of 9%. Growth in earnings was impacted by higher impairment charges and increased operating expenses incurred during the year, partially offset by strong growth in both net interest income and non-interest income. Operating expenses increased primarily due to a 24% year-on-year rise in support costs, reflecting higher charges from shared support functions.

Net interest income before impairments grew by 8%, supported by continued growth in advances and the optimisation of earning assets. Lending activity remained strong across key portfolios, contributing positively to income growth.

Non-interest revenue increased by 12%, reflecting continued growth in transactional activity and increased adoption of the Bank's digital channels. The Bank remains focused on delivering innovative and convenient solutions that meet evolving customer needs while supporting revenue diversification.

The credit loss ratio increased marginally from 0.6% to 0.7%, however, impairment levels remained well controlled and reflective of the resilience of the lending portfolio. The Bank continues to maintain disciplined credit risk management and collection practices.

Outlook

The Bank's total equity position of E1.535 billion remains well above regulatory capital adequacy requirements and demonstrates that the Bank remains well capitalised to absorb future volatility and support long-term growth.

For the full audited financial statements and notes to the financial statements, please visit www.fnbswaziland.co.sz

Financial statements and other important information (continued)

Glossary

Abbreviation	Full name
ADT	Automated Deposit Teller
AI	Artificial Intelligence
APBT	Attributable Profit Before Tax
ATM	Automated Teller Machine
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CFT	Combatting Financing of Terrorism
CMA	Common Monetary Area
COO	Chief Operations Officer
CRO	Chief Risk Officer
CSI	Corporate Social Investment
CSR	Corporate Social Responsibility
CX	Customer Experience
EFT	Electronic Funds Transfer
EPS	Eswatini Payment Switch
ESG	Environmental, Social and Governance
EX	Employee Experience
FNB	First National Bank
FNBE	First National Bank Eswatini
FX	Foreign Exchange
GDP	Gross Domestic Product
IFRS	International Financial Reporting Standards
KRIs	Key Risk Indicators
Ltd	Limited
NIACC	Net income after capital charge
NII	Net Interest Income
NPL	Non-Performing Loan
OPSCO	Operations Committee
PAT	Profit After Tax
PBT	Profit Before Tax
ROA	Return On Assets
ROE	Return On Equity
SA	South Africa
SASB	Sustainability Accounting Standards Board
SME	Small and Medium-sized Enterprise
SWIFT	Society for Worldwide Interbank Financial Telecommunication
YoY	Year-on-Year

Company information

First National Bank of Eswatini Limited
Incorporated in the Kingdom of Eswatini
Registration Number: 24/1988
Listed on the Eswatini Stock Exchange (ESE)
ISIN Code: SZE000331064
ESE Share Code: FNBE

Auditors:
PricewaterhouseCoopers
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Karl Grant Street
Mbabane

Transfer secretaries:
SNG Grant Thornton Eswatini Proprietary Limited
Umkhiwa House
Lot 195
Karl Grant Street
Mbabane

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Ezulwini, Eswatini

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alphsz securities
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Cnr Gwamile and Dabede Street
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