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BANQUE OUEST AFRICAINE DE DEVELOPPEMENT (BOAD)

Statutory Auditor's report on the financial statements

Financial Year Ended as at, December 31, 2025

S.A. au capital de 60 000 000 F CFA
Société d'Expertise Comptable - Commissariat aux comptes - Audit - Conseil
ONECCA (Ordre National des Experts Comptables et des Comptables Agréés du Togo) N° : 003.03.A2
Numéro RCCM : 1995B2810
NIF (Numéro d'identification Fiscale) : 1000115983
Membre de Deloitte Touche Tohmatsu Limited

Deloitte.

BANQUE OUEST AFRICAINE DE DEVELOPPEMENT (BOAD)

68, Avenue de la libération

BP 1172, Lomé - Togo

STATUTORY AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

Financial Year ended as at, December 31, 2025

In accordance with the mandate entrusted to us by your Council of Ministers, we hereby present our report for the financial year ended as at, December 31, 2025, relating to the audit of the West African Developpement Bank's annual financial statements, which are attached to this report.

1. Opinion

We have audited the West African Developpement Bank's annual financial statements, which comprise the statement of financial position as at 31 December 2025, the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows for the year then ended, as well as the notes to the annual financial statements, including material accounting policy information.

In our opinion, the accompanying annual financial statements present fairly, in all material respects, the financial performance of the Bank for the year then ended, and its financial position and its net assets as at that date, in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

2. Basis of our opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "*Auditor's Responsibilities for the Audit of the Annual Financial Statements*" section of this report.

We are independent of the Bank in accordance with the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA) and have fulfilled our other responsibilities under those ethical requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements. Key audit matters are selected from the matters communicated with those charged with governance but are not intended to represent all matters that were discussed with them. Our audit procedures relating to these matters were designed in the context of our audit of the annual financial statements as a whole. Our opinion on the annual financial statements is not modified with respect to any of the key audit matters described below, and we do not express an opinion on these individual matters.

3.1. Credit risk

Credit risk is the risk of loss resulting from counterparties' failure to meet their financial obligations in respect of a financial instrument, in whole or in part, and may have a significant impact on the Bank's results. To cover this risk to which it is exposed, the Bank recognises impairment allowances on its exposures.

As part of our audit, we performed several procedures to assess the fairness of the impairment allowances recognised. We:

- obtained an understanding of the internal control framework governing the management of loans to customers;
- obtained an understanding of the impairment methodology relating to loans granted to customers and evaluated the design and operating effectiveness of the internal controls implemented by the Bank;
- examined the expected credit loss (ECL) model used as a basis for the measurement of impairment;
- assessed the underlying methodological principles of the ECL model, including the calibration of key risk parameters and the forward-looking approach, in order to evaluate the appropriateness of these parameters;
- assessed the appropriateness of the parameters used by the Bank in measuring expected credit losses;
- assessed the consistency of data from the risk management system with the accounting data;
- performed an independent recalculation of expected credit losses (ECL) to assess the level of impairment recognised by the Bank in accordance with IFRS 9;
- assessed the appropriateness of the disclosures relating to loans to customers and the associated impairment presented in the notes to the annual financial statements.

As at December 31, 2025, loans and advances to customers amount to a gross balance of FCFA 2,877 billion. The total impairment for loans are FCFA 183 billion, including FCFA 20 billion in impairment charges recognised during the 2025 financial year. Further details are disclosed in Notes 5 “Financial assets at amortised cost” and 17 “Cost of risk” to the Bank’s annual financial statements.

3.2. Hedging Instruments

The valuation of borrowing-related hedging instruments has been considered as a key audit matter due to the materiality of these items and the complexity of the valuation models applied to such instruments.
As part of our audit, we performed several procedures to assess whether these hedging instruments were appropriately valued. We:

- obtained an understanding of the valuation methodologies applied to the Bank’s hedging instruments;
- performed a detailed review of the Bank’s hedging contracts;
- carried out independent revaluations of the hedging instruments;
- assessed the effectiveness of the derivatives;
- evaluated the consistency between the results of our independent valuations and the fair value recognised for the hedging instruments;
- assessed the appropriateness of the disclosures relating to the valuation of hedging instruments presented in the notes to the annual financial statements.

As at December 31, 2025, the derivatives portfolio comprises foreign exchange forwards and amortising interest rate swaps. The notional amount of forward exchange contracts totals FCFA 1,904 billion. Further details are disclosed in Note 19.2.1.1 “Hedge accounting” to the notes to the Bank’s annual financial statements.
Outstanding borrowings mainly consist of bonds (Eurobonds issued in 2017, 2019, 2021 and 2025 on the international financial markets), amounting to FCFA 2,075 billion (Note 9 “Financial liabilities at amortised cost”).

3.3. Equity Instruments

The valuation of equity instruments has been considered a key audit matter due to their materiality, the sensitivity of the valuation methods selected by the Bank, and the related assumptions and parameters.

As part of our audit, we performed several procedures to assess the appropriate valuation of these equity instruments. We:

- obtained an understanding of the valuation methodologies applied to equity instruments;
- reviewed the documentation relating to the Bank's equity investments;
- assessed the valuation assumptions adopted by the Bank;
- performed independent valuations of these equity instruments;
- evaluated the consistency between the results of our independent valuations and the fair value recognised for the equity instruments;
- verified that changes in fair value from one reporting date to another are recognised either in profit or loss or in equity, in accordance with the classification requirements of IFRS 9;
- assessed the appropriateness of the disclosures relating to the valuation of equity instruments presented in the notes to the annual financial statements.

As at December 31, 2025, financial assets measured at fair value amount to FCFA 174 billion, including FCFA 11.3 billion relating to instruments measured at fair value through profit or loss (FVTPL) and FCFA 162.4 billion relating to instruments measured at fair value through other comprehensive income (FVOCI), non-recyclable. Further details are disclosed in Note 6 "Equity investments" to the notes to the Bank's annual financial statements.

4. Responsibilities of Management and Those Charged with Governance for the annual Financial Statements

Management is responsible for the preparation and fair presentation of these annual financial statements in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, Management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matter relating to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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5. Auditor's Responsibilities for the Audit of the Annual Financial Statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our responsibilities for the audit of the annual financial statements are described in further detail in the appendix to this auditor's report.

6. Other information

Management is responsible for the other information. The other information includes information in the annual report of the Bank, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Lomé, 27th March 2026

Deloitte Togo
Statutory auditor

Kodjo AKPATIGBE
Partner

APPENDIX: AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS

This appendix forms an integral part of our auditor's report.

As part of our audit, we comply with the requirements of the International Standards on Auditing (ISAs).

More specifically:

- we comply with the ethical requirements relevant to the audit of annual financial statements, as set out in the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code), including independence requirements;
- we exercise professional skepticism, which involves being alert to audit evidence that contradicts other audit evidence obtained, information that calls into question the reliability of documents and responses to inquiries to be used as audit evidence, conditions that may indicate possible fraud, and circumstances that suggest the need for audit procedures in addition to those required by ISAs;
- we exercise professional judgment in conducting the audit, in particular regarding decisions about materiality and audit risk, the nature, timing and extent of audit procedures to be performed to comply with ISAs and to obtain audit evidence, determining whether sufficient appropriate audit evidence has been obtained and whether additional work is necessary to achieve the objectives of ISAs and, consequently, the overall objectives of the auditor, evaluating management's judgments in applying the applicable financial reporting framework, and forming conclusions based on the audit evidence obtained, for example, assessing the reasonableness of accounting estimates made by management in preparing the financial statements;
- we prepare audit documentation on a timely basis that provides a sufficient and appropriate record of the basis for our auditor's report and evidence that the audit was planned and performed in accordance with ISAs and applicable legal and regulatory requirements;
- we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain sufficient appropriate audit evidence to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- where applicable, we obtain sufficient appropriate audit evidence regarding compliance with laws and regulations generally recognised to have a direct effect on the determination of material amounts and disclosures in the financial statements, perform specific audit procedures to identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and respond appropriately to identified or suspected non-compliance;

- we also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated to the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure or, in extremely rare circumstances, we determine that a matter should not be communicated because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication;
- we obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. When significant deficiencies are identified, we communicate them to management and, where appropriate, to the Board of Directors;
- we evaluate the effect on the audit of identified misstatements and the effect on the financial statements of uncorrected misstatements, if any. We communicate them to the appropriate level of management unless prohibited by law or regulation;
- we evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- we evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- we identify relationships and transactions with related parties, whether or not the applicable financial reporting framework establishes requirements in this respect, in order to identify fraud risk factors, if any, arising from such relationships and transactions that are relevant to the identification and assessment of risks of material misstatement due to fraud, and to conclude, based on the audit evidence obtained, whether the financial statements, insofar as they are affected by those relationships and transactions, are presented fairly or are not misleading. In addition, where the applicable financial reporting framework contains requirements regarding related parties, we obtain sufficient appropriate audit evidence to determine whether such relationships and transactions have been appropriately identified and accounted for in the financial statements and whether adequate disclosures have been made;
- we obtain sufficient appropriate audit evidence that events occurring between the date of the financial statements and the date of our report that require adjustment of, or disclosure in, the financial statements have been appropriately reflected in those financial statements in accordance with the applicable financial reporting framework;
- we conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are

required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report;

- we obtain written representations from Management and, where appropriate, from the Board of Directors confirming that they have fulfilled their responsibilities relating to the preparation of the financial statements and the completeness of the information provided to us. In addition, we corroborate other audit evidence relating to the financial statements or specific assertions therein using such written representations where we consider it necessary or where required by other ISAs;
- we are bound by professional confidentiality with respect to information, facts and matters of which we become aware during our audit.

Etats financiers annuels au 31 décembre 2025

INDIVIDUAL FINANCIAL STATEMENTS OF THE BOAD

AS OF DECEMBER 31, 2025

MARCH 2026

SUMMARY

STATEMENT OF THE FINANCIAL POSITION

ASSETS		Note	31 December 2025	31 December 2024
Cash and cash equivalents		4	**1,153,381**	**515,905**
Financial assets at amortized cost		5	**3,951,317**	**3,068,111**
	- Loans and advances to banks		49,971	33,989
	- Loans and advances to customers		2,681,076	2,372,600
	- Loans and advances to staff		24,708	23,977
	- Debt Securities portfolio		1,191,036	632,471
	- Receivables from shareholders		4,526	5,075
Equity investments		6	**173,797**	**157,661**
	- Equity investments designated at fair value through P&L		11,372	10,625
	- Equity investments designated at fair value through OCI non-recyclable		162,425	147,036
Adjustment accounts and other assets		7	**63,740**	**130,214**
	- Derivative assets		26,868	108,895
	- Accruals assets		25,581	9,458
	- Others assets		11,291	11,860
Tangible assets		8	**6,729**	**6,966**
				0
Investment properties		8	**575**	**605**
				0
Intangible assets		8	**1,238**	**1,305**
				0
Non-current assets held for sale		8	**12,711**	**12,711**
TOTAL ASSETS			**5,363,488**	**3,893,477**

LIABILITIES		Note	31 December 2025	31 December 2024
Financial liabilities at amortized cost		9	**3,747,862**	**2,482,092**
	- Deposits from banks		211	7,913
	- Debt securities issued		2,111,770	1,573,354
	- Other debts		1,235,330	772,090
	- Subordinated debts		400,552	128,736
Earmarked funds		10	**68,078**	**105,291**
Adjustments accounts and other liabilities		11	**121,496**	**43,319**
	- Derivative liabilities		34,712	3,366
	- Accruals liabilities		71,919	24,351
	- Others liabilities		14,866	15,601
Provisions		12	**13,668**	**13,185**
Total liabilities			**3,951,105**	**2,643,887**
Capital			**473,830**	**393,770**
	- Subscribed capital		1,525,750	1,525,750
	- Callable capital		-892,170	-892,170
	- Unpaid Capital		-154,844	-230,529
	- Cost related to deferred paying-up of capital		-4,906	-9,281
Share premium			**2,622**	**2,622**
Reserves			**935,931**	**853,198**
	- Reserves allocated to development activities		76,050	76,050
	- Net gains on investments in equity instruments designated at fair value through other comprehensive income non recyclable		47,559	50,284
	- Cashflow hedging reserves		19,565	-17,580
	- Other reserves		7,821	26
	- Retained earnings		744,065	706,554
	- Remeasurements of defined benefit liability		-1,604	-1,538
	- Net income for the period		42,476	39,402
Total equity		13	**1,412,383**	**1,249,590**
TOTAL LIABILITIES AND EQUITY			**5,363,488**	**3,893,477**

COMPREHENSIVE INCOME STATEMENT

COMPREHENSIVE INCOME STATEMENT		Note	December 2025	December 2024
Interests and related income			211,217	183,144
Interests and related charges			-135,589	-93,534
Net interest income			75,628	89,610
Fees and commissions (income)			9,687	8,213
Fees and commissions (charges)			-7,173	-3,059
Net interest and fee income		14	*78,143*	*94,763*
Exchange gains (a)			170,550	316
Exchange losses (b)			-415	-68,726
Gains/losses on hedging instruments (c)			-150,517	84,009
Gains/Losses on foreign exchange (a + b + c)		***15***	***19,618***	***15,599***
Margin on interests, fees and foreign exchange			97,761	110,362
Gains/losses on financial assets designated at fair value through profit and loss (IFRS 9)			800	443
Dividends received (income from equity investments)		16	4,624	4,079
Net banking income			***103,185***	***114,885***
Cost of risk		17	***-20,652***	***-37,234***
Endowment from member states		18.1	3,200	3,200
Other operating income			236	169
Charges related to development activities		18.2	-1,171	-2,152
General operating expenditures		18.3	-42,289	-39,440
	- Staff overheads		-26,333	-23,888
	- Amortizations and depreciations - Property, equipment and intangible assets		-1,506	-1,358
	- Other operating costs		-14,450	-14,194
Other operating charges			-33	-27
Other net operating income		**18**	***-40,057***	***-38,249***
Net income for the period			**42,476**	**39,402**
Other comprehensive income				
Items that will be reclassified to profit or loss (d)			**37,144**	**-18,672**
Cashflow hedges (CFH)			37,144	-18,672
Net gains on financial assets at fair value through "other comprehensive income"				
Items that will not be reclassified to profit or loss (e)			**-2,725**	**-8,085**
Revaluation of tangible and intangible assets				
Net gains on financial assets at fair value through "other comprehensive income"			-2,725	-7,868
Remeasurements of defined benefit liability			-66	-216
Total other comprehensive income (d) + (e)			***34,420***	***-26,757***
Total comprehensive income for the period			**76,895**	**12,645**

CHANGES IN EQUITY

CHANGE IN SHAREHOLDERS' EQUITY AS OF DECEMBER 31, 2024	Capital				Share premium	Reserves						Total
	Subscribed capital	Callable capital	Unpaid Capital	Cost related to the deffered paying-up capital (1)		Reserves allocated to development activities	Other reserves	Remeasurements of defined benefit liability	Net gains on investments in equity instruments designated at fair value	Cash flow hedges reserves	Retained earnings	
Equity as at 1st January 2024	1,511,000	-892,170	-274,818	-17,911	2,622	76,050	26	-1,321	58,152	1,092	713,945	1,176,668
												0
Increase in capital	14,750											14,750
Callable capital												0
Increase in shareholders' receivables for the year			-14,750									-14,750
Discounted effect of Deferred capital release cost			-8,630	8,630								0
Release of capital for the 2024 financial year		0	67,669									67,669
Allocation of profit for the 2023 financial year											-8,000	-8,000
Net income as at 31 December 2024 before allocation											39,402	39,402
Other comprehensive income												
Change in retained earnings									0			0
Change in fair value on equity instruments (IFRS 9)									-7,868		0	-7,868
Reclassification of gains or losses on equity instruments to reserves											608	608
Remeasurements of defined benefit liability								-216				-216
Change in cash flow hedges										-18,672		-18,672
Sub-total other comprehensive income	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**-216**	**-7,868**	**-18,672**	**608**	**-26,149**
Total comprehensive income of the 2024 financial year	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**-216**	**-7,868**	**-18,672**	**40,010**	**13,253**
Transfers												0
Contributions and distributions												
Total transactions with the owners of the Bank	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 december 2024	**1,525,750**	**-892,170**	**-230,529**	**-9,281**	**2,622**	**76,050**	**26**	**-1,538**	**50,284**	**-17,580**	**745,955**	**1,249,590**

CHANGE IN SHAREHOLDERS' EQUITY AS OF DECEMBER 31, 2025	Capital				Share premium	Reserves						Total
	Subscribed capital	Callable capital	Unpaid Capital	Cost related to the deffered paying-up capital (1)		Reserves allocated to development activities	Other reserves	Remeasurements of defined benefit liability	Net gains on investments in equity instruments designated at fair value	Cash flow hedges reserves	Retained earnings	
Equity as at 1st january 2025	**1,525,750**	**-892,170**	**-230,529**	**-9,281**	**2,622**	**76,050**	**26**	**-1,538**	**50,284**	**-17,580**	**745,956**	**1,249,590**
Increase in capital	0											0
Callable capital												0
Increase in shareholders' receivables for the year			0									0
Discounted effect of Deferred capital release cost			-4,375	4,375								0
Release of capital for the 2024 financial year			80,060									80,060
Allocation of 2024 income											-8,500	-8,500
Net income as at 31 December 2025 before allocation											42,476	42,476
Reserves allocated to funds							7,795					7,795
Other comprehensive income												
Change in retained earnings											0	0
Change in fair value on equity instruments (IFRS 9)									-2,725		0	-2,725
Reclassification of gains or losses on equity instruments to reserves											6,609	6,609
Remeasurements of defined benefit liability								-66				-66
Change in cash flow hedges										37,144		37,144
Sub-total other comprehensive income	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**-66**	**-2,725**	**37,144**	**6,609**	**40,963**
Total comprehensive income of the 2025 financial year	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**-66**	**-2,725**	**37,144**	**49,085**	**83,438**
Transfers												0
Contributions and distributions												
Total transactions with the owners of the Bank												
Balance as at 31 december 2025	**1,525,750**	**-892,170**	**-154,844**	**-4,906**	**2,622**	**76,050**	**26**	**-1,604**	**47,559**	**19,565**	**786,541**	**1,412,383**

CASH FLOW STATEMENT

Items		Notes	2025	2024
Cashflow from operational activities			31/12/2025	31/12/2024
Income for the period			**42,476**	**39,402**
Adjustments related to non-monetary and other items				
	Unrealised gains/losses		-19,179	-15,546
	Realized Exchange gains		0	0
	Realized Exchange losses		0	0
	Amortization		1,506	1,358
	Depreciation		0	0
	Cost of risk		20,652	37,234
	Gains/ losses on financial assets designated at fair value through profit and loss		-800	-443
	Other items *		-2,922	-2,259
			-744	**20,345**
Changes in assets and liabilities from operations				
	Loans and advances to banks		-15,982	-29,690
	Loans disbursements		-689,150	-385,038
	Repayments of loans		497,831	580,353
	Other receivables from customers		-133,103	-128,135
	Loans and advances to staff		-731	-1,841
	Securities portfolio		-563,219	-308,532
	Other receivables		0	0
	Other assets		-15,710	-16,579
	Deposits from banks		-7,702	1,099
	Other debts		121,329	64,537
	Other liabilities		8,913	38,181
			-797,523	**-185,645**
Cashflow from operations activities (a)			**-755,791**	**-125,898**
Cashflow from investment activities				
Acquisitions of tangible assets			-1,000	-1,882
Sales of tangible assets			27	16
Acquisitions of intangible assets			-187	-79
Sales of intangible assets			0	0
Acquisitions of shares			-18,523	-5,859
Sales of shares			7,071	1,178
Cashflow from investment activities (b)			**-12,611**	**-6,627**
Cashflow from financing activities				
Resources from capital paying-up			84,039	71,785
Redemption of shares			0	0
Debt issuance			1,525,716	310,892
Repayment/debts represented by a security			-71,678	-59,602
Repayment/other loans			-132,199	-94,162
Cashflow from financing activities (c)			***1,405,878***	***228,913***
Net increase/(decrease) of cash and cash equivalents (a+b+c)			**637,476**	**96,388**
Cash and cash equivalents at opening		4	**515,905**	**419,516**
Cash and cash equivalents at closing		4	**1,153,381**	**515,905**
ADDITIONAL INFORMATION				
Operating cashflow from interests and dividends:				
	Interest paid		107,190	84,402
	Interest received		153,231	140,214
	Dividends received		4,624	2,322

(*) The "other items" line consists of the neutralization of capital gains or losses on the sale of fixed assets, the cash outflow for the payment of staff pensions and the neutralization of the discounting effect of the subsidy to be paid by the States to the BOAD.

NOTE 1. ACTIVITY OF BOAD

The West African Development Bank (BOAD) is the joint development financing institution of the States of the West African Economic and Monetary Union (UEMOA) created by a treaty signed on November 14, 1973.

The BOAD became operational in 1976.

BOAD is an international public institution with its headquarters in Lomé (TOGO) at 68, avenue de la libération and Resident Missions in each of the capitals of the seven other countries of the UEMOA.

Its shareholders include, in addition to the member states of the WAEMU (Benin, Burkina Faso, Ivory Coast, Guinea Bissau, Mali, Niger, Senegal, Togo) and the Central Bank of West African States (BCEAO), three European states (Germany, Kingdom of Belgium and France), as well as the African Development Bank and the European Investment Bank, the People's Republic of China, Exim Bank India and the Kingdom of Morocco.

According to Article 2 of its Statutes, the BOAD aims to "promote the balanced development of its member states and contribute to the economic integration of West Africa" by financing priority development projects. It operates in the following sectors: rural development, basic infrastructure, modern infrastructure, telecommunications, energy, natural resources, industry, agribusiness, transport, tourism, health and education, financial institutions, and other services.

To finance its activities, the Bank, under Article 37 of its statutes, may issue bonds on the internal market of the Union or on external financial markets and contract loans from international or foreign public or private organizations, of any maturity and on any terms of repayment, both in Union currency and in foreign currencies or in units of account that the Board of Directors of the Bank deems appropriate.

In accordance with Article 44 of its statutes, the Bank, its income, its assets, and the transactions and operations it carries out under its statutes are exempt from all direct and indirect taxes. No tax is levied on bonds issued by the Bank or the interest derived therefrom, regardless of the holder of these securities, by the States or local authorities of the Union.

NOTE 2. SUMMARY OF KEY ACCOUNTING PRINCIPLES AND PRACTICES

The fundamental accounting principles applied by the Bank are summarized below.

2.1 Declaration of Conformity

The individual financial statements of the West African Development Bank (“the Bank”) for the year ended December 31, 2025 and the comparative figures for the year 2024 have been prepared in accordance with “IFRS Accounting Standards”, hereinafter “IFRS” (International Financial Reporting Standards) as issued by the IASB (International Accounting Standards Board).

2.2 Functional currency and presentation currency

The Bank's functional currency is the African Financial Community Franc (FCFA/XOF). It is also its presentation currency.

All figures in BOAD's financial statements are presented in millions of CFA francs (MFCFA) unless otherwise specified.

2.3 Basis for the presentation of financial information: Going concern

The individual financial statements for the year ended December 31, 2025 have been prepared on a going concern basis, as the Bank has neither the intention nor the need to cease operations or significantly reduce the size of its operations.

The Bank has sufficient resources to continue its operations for the foreseeable future. In conducting this assessment, the Bank's management considered a wide range of information, including profitability projections, regulatory capital requirements, and funding needs. The assessment also includes a review of reasonably possible adverse economic scenarios and their potential impact on the Bank's profitability, capital, and liquidity.

2.4 Main evaluation bases

Individual financial statements are presented on a historical cost basis, with the exception of the following items, which are valued on a different basis at each closing date:

Elements	Evaluation basis
Derivative financial instruments	Fair value
Equity instruments held at fair value through profit or loss or other comprehensive income	Fair value
Present value of the defined benefit plan obligation less the fair value of the plan assets	Fair value of plan assets, less the present value of the defined benefit obligation, limited as explained in Note 2.15.2.
Interbank receivables, Customer receivables, Staff loans, Debt securities portfolio, Shareholder receivables to be paid up, Interbank debt, Debt represented by a security, Other borrowings and Subordinated debt classified as financial liabilities	Amortized cost

2.5 Crucial accounting judgments and main sources of uncertainty for estimates

The preparation of financial statements, in accordance with IFRS Accounting Standards issued by the IASB, requires the Bank's management to make estimates, assumptions, and judgments that affect the value of assets, liabilities, revenues, and expenses. These estimates and judgments are continually evaluated and take into account experience and other factors, such as future events deemed reasonable under the circumstances at the time.

The main judgments

Ranking

The Bank's accounting policy requires that financial assets and liabilities be recorded in the appropriate accounting categories upon acquisition. This decision requires significant judgment regarding classification.

Assessment

In accordance with each category, the valuation of the Bank's financial assets is carried out in accordance with IFRS 9 (loans and receivables, equity securities held and portfolio of other debt securities held).

(See Note 2.8 regarding the classification of financial assets: assessment of the business model in which the assets are held and assessment of whether the contractual terms of the financial asset are SPPI).

(See notes 19.1.5.2 and 19.1.6 (i) which establishes criteria for determining whether the credit risk on a financial asset has increased significantly since initial recognition, (ii) the methodology for integrating forward-looking information relating to the macroeconomic environment into the estimation of ECLs and (iii) the procedures for selecting and approving models used for measuring expected credit losses-ECLs).

2.5.2 The main assumptions and uncertainties related to the estimates

The Bank also uses estimates for its individual financial statements, which are presented as follows:

Impairment of customer receivables:

All BOAD debt securities are classified as financial assets valued at amortized cost and require the determination of impairments (ECL).

The determination of input parameters in the ECL valuation model such as default probabilities, consideration of key assumptions in the estimation of recoverable cash flows (e.g., conversion factors into credit equivalents) and forward-looking information relating to the macroeconomic environment (see note 2.8.2.2).

Valuation of the fair value of equity securities held:At each closing date, the Bank reviews its portfolio of capital held in order to assess its fair value based on available financial information or stock market prices and proceeds to estimate changes in fair value (see note 2.6).

Fair value assessment of derivatives:The Bank uses a specialist who assesses derivatives (hedging instruments that have been put in place to protect against exchange rate risk on loans contracted in SDRs and USD and the risk of interest rate fluctuations) at each closing date (see note 2.20).

Assessment of obligations related to defined benefit plans: Main actuarial assumptions (see note 2.15).

2.6. Fair value of financial instruments

2.6.1 Definition and hierarchy of fair value

Fair value is the price that would be received for the sale of an asset or paid for the transfer of a liability in a normal transaction between market participants at the valuation date.

Where possible, when assessing the fair value of a financial asset or liability, the Bank relies on observable market data.

Fair value valuations are classified according to a hierarchy of three levels, based on the data used in the valuation technique.

Level 1: fair value based on (unadjusted) prices observed in active markets for identical assets or liabilities.

Level 2: fair value is determined using data, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly (in the form of prices) or indirectly (determined from prices). Securities held in certain mutual funds and open-ended investment companies whose valuation is based on their net asset value are classified in Level 2 of fair value, it being understood that this net asset value is determined using the market value of the listed assets that make up the mutual funds or investment companies.

Level 3:fair value for the asset or liability measured using data that are not based on observable market data (non-observable data).

2.6.2 Valuation methods

The fair value of financial instruments is primarily determined based on prices quoted on an active market. These prices may be adjusted, if necessary, if they are not available at the closing date or if the available price does not reflect the fair value.
When third-party information, such as quotations, is used to measure fair value, the reference source is that published on the official listing bulletin of the UEMOA Regional Stock Exchange.

However, due in particular to the diverse characteristics of financial instruments traded over-the-counter on financial markets, many financial products processed by BOAD are not directly quoted on the markets. For these products, fair value is determined by applying valuation techniques using observable and/or unobservable data.

2.6.3. Evaluation Framework

The Bank has implemented a control framework for measuring fair values. This framework includes validation of the fair value results by the Risk Management Department.

Governance regarding valuation is structured around the following lines of defense:**Risk Management** And**Commitments Committee.**

- **Risk Management**

The Risk Management Department is responsible for evaluating financial assets at each accounting close and submits the results to the Commitments Committee for validation.

- **Commitments Committee**

The Commitments Committee conducts an independent review of the fair value results and approves said results.

2.7 Cash and cash equivalents

Cash includes cash on hand and demand deposits.
Bank deposits of more than three (3) months are classified as cash and cash equivalents in the presence of a clause specifying that they can be settled early within a period of less than three months (i.e. 03 working days following a letter addressed to the contracting bank) without penalty.
Cash equivalents are short-term, highly liquid investments that are easily convertible into a known amount of cash and are subject to negligible risk of changes in value. They are held to meet short-term cash obligations (operational and functional).
Cash and cash equivalents are recorded at amortized cost in the statement of financial position.

2.8. Financial assets at amortized cost

These are debt instruments classified at amortized cost if both of the following criteria are met: the contractual cash flows consist solely of payments related to the principal and interest on the principal, and the management model is characterized as pure collection. This category of financial assets currently includes:

- Interbank receivables
- Customer receivables
- Ready for staff
- Shareholder receivables
- Debt securities portfolio.

2.8.1. Interbank receivables

Interbank receivables include interbank loans, the associated interest, and interest receivable from investments with the BCEAO.
December 31, 2025, all these receivables are due within one year at most.

Interbank receivables are recorded at their amortized cost, representing the principal and accrued interest. These transactions do not involve any transaction or processing fees.

2.8.2. Customer receivables

General characteristics of customer receivables

The Bank's loan portfolio includes loans made in the public (non-market and market) and private sectors.

Loans granted by BOAD are denominated in CFA francs and are awarded at fixed rates. All loans are accounted for based on the effective interest rate. Borrowers have the option of making early repayments of these amounts, subject to the conditions stipulated in the loan agreements and conventions.

Interest and commissions on customer receivables

Loans are initially recorded at their fair value and then measured at amortized cost at each reporting date. Interest and commitment fees on loans granted to customers are recorded at the effective interest rate (EIR) in the period in which they are earned. Accrued but not yet due interest at the reporting date is recorded as accrued interest on loans receivable.
Flat fees (application fees) are fees charged only once upon project evaluation. When they constitute transaction costs as defined by IFRS 9, they are included in the amortized cost of the corresponding loan.
Financing arrangement fees that are not transaction costs are recognized in profit or loss as they are incurred.

2.8.2.1 Loans to States

Loans to states are initially recorded at their fair value on the balance sheet in accordance with IFRS standards, then valued at amortized cost.
Some of these loans benefit from interest rate subsidies for the benefit of the States, based on grant resources, often from third parties, made available to the BOAD. It is important to emphasize that the contractual interest rates applied by the BOAD remain the same as for loans without subsidies. However, a portion of the interest on subsidized loans is covered by the donors of the subsidy resources, in accordance with the contractual provisions. Furthermore, for some loans, the BOAD contributes to the subsidy costs. The

BOAD's share represents a concession compared to the market rate. However, the impact of this contribution on the loan's effective interest rate relative to the market rate is marginal.

<u>Indexing of loans to States</u>

The Bank holds in its portfolio loans granted to States that include an indexation clause, which was included as a safeguard allowing BOAD to transfer the exchange rate risk of its loans denominated in non-euro currencies to state clients should its foreign exchange risk management policy through hedging prove insufficient or ineffective. To date, the foreign exchange risk management policy, which involves acquiring forward contracts for each debt contracted in non-euro currencies (see 2.20 Derivative Financial Instruments and Hedge Accounting), is effective and fully covers the exchange rate risk of the foreign currency loans.

2.8.2.2 Impairment of customer receivables

The entire portfolio is segmented into three buckets using the concept of significant degradation since origin (initial accounting):

- **bucket 1**: Bucket 1 contains instruments considered to be totally sound (which are normally repaid on the basis of the contractual clauses, without defaults of more than 90 days for private or 180 days for sovereigns) and which have not suffered any deterioration in their credit risk since their first accounting.

✓ Also classified in this bucket are receivables that were previously in Bucket2 and have seen an improvement of two notches in their internal rating compared to their original rating and have a closing rating of at least GS 5.

✓ BOAD's risk management and monitoring policy does not allow it to acquire or create instruments on counterparties showing objective signs of impairment or in default at the time of issuance. Consequently, the Bank does not hold any financial assets considered impaired upon acquisition or creation (Purchased or Originated Credit-Impaired – POCI). Therefore, all of the Bank's instruments are initially recorded in bucket 1.

- **bucket 2:** At each accounting close, the Bank reviews the internal rating of all its counterparties to assess whether credit risk has increased since the initial rating. Counterparties whose final rating has deteriorated by more than two notches compared to the initial rating are systematically classified in bucket 2, even if they have no outstanding payments.
- Also classified in this bucket are (i) counterparties with a non-payment period of between 30 and 89 days, (ii) counterparties whose final rating is below a risk tolerance threshold (GS5), (iii) renegotiated loans (restructured loans) during an observation period of at least 18 months and (iv) counterparties previously classified in bucket 3 that have experienced a significant improvement in their credit risk based on payment history and depending on recovery prospects on a case-by-case basis.

- bucket 3 :
  - <u>Non-sovereign claims :</u> instruments with an outstanding balance of 90 days or more where the deterioration of credit risk (according to the analysis of the Bank's internal risk management model) is such that the loss is proven unless the particular circumstances demonstrate that the arrears are due to causes unrelated to the debtor's situation;

    Furthermore, counterparties with no outstanding payments or with outstanding payments of less than 90 days could be downgraded to bucket 3 if they experience a significant deterioration in their credit risk deemed concerning by the Bank.

    - <u>Sovereign debt:</u> Instruments with a payment arrears of 180 days or more where the deterioration in credit risk (according to the Bank's internal risk management model analysis) is such that a loss is deemed incurred. Beyond the payment delay criterion, the assessment of default incorporates a qualitative analysis that takes into account (I) intrinsic considerations related to the counterparty, (ii) exogenous and forward-looking factors, and (iii) the history of the counterparty's relationship with the Bank.

The determination of expected credit losses is made on an instrument-by-instrument basis by assessing the concept of significant deterioration on each instrument between the initial recognition date and the closing date, based on the rating assigned to the instrument in relation to the counterparty's credit quality. Since loans are senior instruments, without any subordination to a risk class, the rating assigned to them at each date is that of the counterparty.

a) Provisioning model for expected losses at buckets 1 and 2

Expected losses represent an estimate established by probabilistic weighting of credit losses. This weighting must incorporate past events, current conditions, and forecasts of future economic conditions. They are determined instrument by instrument or across the boundaries of a homogeneous portfolio by discounting at effective interest rates according to the formula. For bucket 1, it is established as follows:

$$\boldsymbol{ECL_1} = \sum_{t=1}^{T} \frac{\boldsymbol{PD_1 * LGD_1 * EAD_1}}{(\boldsymbol{1+TIE1})}$$

Or$ECL \quad = perte\ de\ crédit\ attendue$ à 1 $an\ ou\ la\ maturité\ résiduelle\ T$

$PD_1 = probabilité\ de\ défaut$ à 1 an : *risk of going bankrupt within the next 12 months or over the remaining term if this is less than 12 months.*

$LGD_1 = Loss\ Given\ Default\ ou\ perte\ en\ cas\ de\ défaut$ à 1 an : *amount not recoverable by BOAD in case of default by the debtor in the next 12 months.*

$EAD \quad = Exposure\ at\ Default\ ou\ exposition\ en\ cas\ de\ défaut\ en\ année\ 1$: gross outstanding amount of the loan, plus accrued but not yet due interest and a portion of the financing commitment not yet drawn, integrated on the basis of a conversion factor into credit equivalent.

$TIE = Taux\ d'Intérêt\ Effectif$: Rate includes commissions and processing fees directly related to the loan, charged to the client.

T = maturité résiduelle en années

<u>For bucket 2, it is established as follows:</u>

$$\boldsymbol{ECL_T} = \sum_{t=1}^{T} \frac{\boldsymbol{MPD_t * LGD_t * EAD_t}}{(1+\boldsymbol{TIE}^{1})^{t}} \quad \textit{(i)}$$

Or $ECL_T = perte\ de\ crédit\ attendue\ à\ l'horizon\ ou\ la\ maturité\ résiduelle\ T$

$MPD_t = probabilité\ de\ défaut\ marginale\ à\ l'année\ t$: *variation in the risk of default from one year to the next over the life of the loan.*
$LGD_t = Loss\ Given\ Default\ ou\ perte\ en\ cas\ de\ défaut\ en\ année\ t$: amount not recoverable by BOAD in case of default by the debtor over the life of the loan.
$EAD_t = Exposure\ at\ Default\ ou\ exposition\ en\ cas\ de\ défaut\ en\ année\ t$: gross outstanding amount plus accrued but not yet due interest and a portion of the undrawn financing commitment integrated on the basis of a conversion factor into credit equivalent.
$TIE = Taux\ d'Intérêt\ Effectif$: Rate includes processing fees and commissions charged to the client.
$T = \text{maturité résiduelle en années}$

The determination of PD and LGD takes into account the calibration of the Bank's rating models with a "masterscale" mapped to GEM's[2]This mapping made it possible to develop a loan default matrix by borrower category (Sovereign, Public Companies, Private Companies and Banks).

For the calculation of the EAD, all outstanding balances as well as amounts to be disbursed are taken into account. A conversion factor into credit equivalent is applied to amounts not yet disbursed.

Expected losses are recorded as cost of risk in the statement of net income.

Furthermore, it should be noted that interest income is calculated on the basis of the gross value of the receivables.

In integrating forward-looking information into the assessment of expected credit losses, BOAD relies on macroeconomic data published by the WAEMU Commission. For this purpose, the evolution of gross domestic product (GDP) is the primary benchmark indicator, as it is more relevant for explaining or summarizing the actual macroeconomic environment, and also the least susceptible to manipulation.

Thus, GDP growth in line with expected trends is assumed to translate into stable credit quality for counterparties, and consequently, stable default probabilities. Conversely, a favourable GDP growth above a predefined range is considered indicative of an improved credit risk profile, resulting in a decrease in default probabilities. On the other hand, a decline in GDP below a specific threshold is interpreted as a factor in the deterioration of counterparty credit quality, leading to an increase in default probabilities.

Based on this approach, three macroeconomic scenarios are considered: a central scenario, a pessimistic scenario, and an optimistic scenario, each with probabilities of occurrence determined from available macroeconomic data.

Expected credit losses (ECLs) are then estimated for each scenario and weighted by their respective probabilities of occurrence, in order to determine the final amount of ECLs to be recognized in the financial statements at each closing date.

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[1]The TIE can be replaced by the nominal interest rate (r) if it is not possible to determine it

[2]**Global Emerging Markets (GEMs): counterparty rating database to which most multilateral development banks, including BOAD, have subscribed.**

b) Provisioning model for expected losses at bucket 3

The calculation of expected losses is performed instrument by instrument. The calculation is as follows :

- The outstanding balance of the instrument in question, which consists of the disbursed amount not yet repaid, plus interest and fees already capitalized, to which the following elements must be added or subtracted:
- (-) the present value of the estimated recoverable cash amounts on the financial guarantees received as provided for in the loan agreement, taking into account the recovery periods;
- (+) the costs and accrued interest not yet capitalized to be paid;
- (-) the present value of the amount of cash payments expected from the borrower;
- (-) the present value of mortgage guarantees that can be realized with a precise estimate taking into account recovery dates. If the estimate is not possible, the BOAD model will use a value of zero (0);
- (-) the present value of the estimated recovery of goodwill received as security; if estimation is impossible, the Bank will use a value of zero (0);
- (-) finally, the present value of any eventual cash receipts which can be reasonably and accurately estimated (insurance compensation, liquidation bonus, receipt of exceptional proceeds related to the loan in question).

As for the calculation of the recovery rate, it is the ratio between the total sum of amounts recovered and the total discounted sum of the debt to be recovered.

Regarding the calculation of interest, it should be noted that interest income is calculated on the basis of the net depreciated value of the receivables (gross value - depreciation).

2.8.2.3 Restructured, renegotiated or restructured loans

When loan contracts are modified, the Bank analyzes the reasons (renegotiation, rescheduling or restructuring) for the modifications.

The BOAD assesses the substantial nature of the modifications from two complementary perspectives. The first perspective refers to a quantitative criterion known as the "10% criterion," which applies when the present value at the original IRR of the cash flows of the modified loan differs by at least 10% from the present value at the original IRR of the remaining cash flows of the initial loan. The second perspective relates to qualitative factors intrinsic to the contract, which are assessed on a case-by-case basis.

a) Modifications that are not substantial

In the event of a modification stemming from financial difficulties, the Bank considers that the loan's credit risk has significantly increased. Consequently, the loan is reclassified as bucket 2 and is subject to a discount/premium equal to the difference between the current gross value and the discounted value of the expected future cash and interest flows following the restructuring. The discount rate used is the initial effective interest rate. The difference is recorded as a cost of risk in the comprehensive income statement.

In the event of modifications not justified by financial difficulties, the Bank considers the credit risk to remain unchanged. Consequently, the loan is maintained in the same bucket. In this case, the Bank makes the accounting adjustment to the receivable, and the difference is recorded as financial income or expense.

b) Substantial modifications

When the modification is substantial and related to financial difficulties, the contractual rights to the cash flows of the original loan are deemed to have expired. In this case, a new loan is recognized at fair value, while the original loan is derecognized. The difference between the carrying amount of the derecognized loan and the fair value of the new loan is recorded in profit or loss under the heading "cost of risk." Any previously recognized impairment on the loan is reversed, and a new impairment is recognized on the new receivable, which is classified in bucket 1 upon entry.

When a substantial change is due to a renegotiation without financial hardship, a new loan is recognized at fair value and classified in bucket 1 upon entry, and the carrying amount of the original loan is derecognized. The difference between the derecognized carrying amount of the loan and the fair value of the new loan is recognized in profit or loss as income or expense.

2.8.2.4 Pre-financing of studies

Pre-financing for studies represents an advance granted by the Bank to finance the cost of a feasibility study for a project. The main beneficiaries of pre-financing for studies are the member states of the WAEMU and their constituent entities through the Public Market Window.

The amount disbursed as an advance is initially classified under "Financial Assets at Amortized Cost," specifically under "Receivables from Customers." This advance accrues interest according to the terms of the advance agreement.

At each closing of accounts, the Bank reviews its portfolio of studies and prepares ECLs in accordance with IFRS9.

2.8.2.5 Financial guarantees and financing commitments

The financing commitments given record the amounts remaining to be paid under loan agreements signed with customers or under equity securities held but not yet paid up.

The financing commitments received correspond to the drawdowns not yet made on the loans from which the Bank benefits.

The bank does not have any loan commitments measured at fair value. All financing commitments are made at market rates. They are not recorded on the balance sheet. They are disclosed in the notes to the financial statements.

Some of the loans granted are covered by financial guarantees received. These financial guarantees allow the Bank to be reimbursed by the guarantor companies in the event of default by its clients.

The Bank also provides financial guarantees (primarily off-balance-sheet commitments under guarantee or counter-guarantee agreements for short-, medium-, or long-term facilities) that obligate it to reimburse the beneficiaries of the guarantee in the event of default by the guaranteed entity. Upon inception, when these guarantees meet the definition of a financial guarantee under IFRS 9, they are initially recognized at their fair value.

The amount covered by the financial guarantees is presented in the notes to the financial statements and corresponds to the maximum contractual amount of the guarantee commitment, representing the Bank's maximum exposure in the event of default by the counterparty.

a) valuation and accounting of financial guarantees provided

The financial guarantees given : These instruments, issued by BOAD and meeting the definition of IFRS 9, are instruments through which BOAD covers the risk of debtor default. These instruments fall within the scope of IFRS 9 (see §4.2.1c).

Initial assessment

On the date the financial guarantee is entered into, it is recorded at its fair value.

Upon signing the financial guarantee contract, the fair value of the guarantee corresponds to the sum of the products to be received (processing fees and commissions) over the duration of the guarantee.

Ranking

In accordance with the provisions of IFRS 9 - see §4.2.1c, financial guarantees are presented as financial liabilities.

Post-closing evaluation

After initial recognition, the financial guarantee given is subsequently valued by retaining the higher of the amount of the credit loss impairment and the amount of fair value initially recognized, less, where applicable, the cumulative revenue recognized.

For each accounting statement, the BOAD:

> ***(i) calculates the value correction by applying the same depreciation rules as those for its receivables from customers, the exposure (EAD) being the value covered by the financial guarantee.*** *Thus, for a given financial guarantee held on a counterparty with low credit risk, the value adjustment is obtained by applying the same rules for calculating impairments of the Bank's receivables classified in bucket 1. This approach is identical to the determination of value adjustments for counterparties in bucket 2 or bucket 3.*
>
> ***ii) deducts from the fair value initially recognized the cumulative revenue already recognized in its comprehensive income statement;***
>
> ***iii) compares the values obtained in i) and ii) above and retains the higher of the two values in its statement of financial position in financial liabilities.***

Presentation of the amount covered by the financial guarantee

In the Bank's accounts, the amount covered by the financial guarantee given is presented in the appendices in the subcategories of commitments given.

b) depreciation of financing commitments made under market conditions.

As a reminder, all loan commitments are at market rates.

The EAD (exposure) on given financing commitments held against counterparties in Bucket 1 or Bucket 2 is obtained by applying a credit equivalent conversion factor to the nominal value of the commitment. The impairment is calculated in accordance with point 2.8.2.2.a above.

The financing commitments given on counterparties in bucket 3 are not provisioned because according to the BOAD's risk management and monitoring policy, a defaulting client cannot disburse on a loan and therefore the BOAD does not run any risk on the undisbursed portion.

2.8.3. Staff Loans

Loans granted to staff are classified as "amortized cost financial assets".

Because the interest rates charged on staff loans are slightly below market rates, the Bank initially recognizes these loans at their fair value. However, the difference between their fair value and their contractual value remains insignificant. Consequently, no impact is recognized in profit or loss at the time the staff loans are granted. At year-end, they are measured at amortized cost using the effective interest rate (EIR).

The amount of expected credit losses (ECL) on staff loans is negligible due to the very low credit risk and related to the limited size of the outstanding balance.

2.8.4. Debt Securities Portfolio

The debt securities portfolio consists of instruments acquired to receive contractual cash flows and hold them until maturity. The expected cash flows from these instruments are only principal and interest payments.
All investment securities held by the Bank are classified as debt securities at amortized cost. These are bonds with fixed payments.
The impairment model is the same as that applied to customer receivables (See note 2.8.2.2).

2.8.5. Shareholder receivables to be paid up

The "receivables from shareholders" category includes contributions and amounts due but not yet paid. Unpaid capital is not included in this category (see 2.16-1). **(The capital).**

2.9 Equity investments

The equity securities held relate to the Bank's interests in other entities across various business sectors, in accordance with its equity acquisition strategy (see Note 6.1). These instruments are accounted for at fair value in two separate categories (fair value through profit or loss and fair value through other non-recyclable comprehensive income). New equity securities held are analyzed individually to determine their classification within one of the categories presented below.

a) Fair value through profit and loss

This is the a priori classification established by IFRS 9 for equity instruments held, with the exception of those for which the Bank has irrevocably opted for classification at fair value through other comprehensive income. Equity securities held by the Bank in Undertakings for Collective Investment in Transferable Securities (UCITS), including SICAVs (Variable Capital Investment Companies) and FCPs (Mutual Funds), are classified in this category.

Changes in fair value on these instruments are recognized in net income.

Furthermore, the related dividends are recorded in profit or loss.

b) Fair value through other comprehensive income (OCI) non-recyclable to profit and loss

The bank uses the fair value through other comprehensive income option for equity securities held that are considered strategic in relation to BOAD's development mission. Dividends from these securities are recognized in net income, while potential or realized capital gains or losses are recorded in other comprehensive income without any possibility of being subsequently reinvested in net income.

2.10 Fixed Assets and Depreciation

2.10.1 Accounting and valuation

Fixed assets are recorded at their acquisition cost. When significant components of fixed assets have different useful lives, they are recorded as separate fixed assets (major components).

The acquisition cost of fixed assets is adjusted for subsequent expenditures only if it is probable that there will be associated economic benefits accruing to the Bank. Gains or losses on disposals of fixed assets are recognized in net income.

2.10.2 Depreciation and Impairment Testing

Fixed assets are depreciated using the straight-line method over their estimated useful life. Estimated residual values are considered to be zero. The following useful lives have been selected:

1. Constructions	component depreciation over the following periods	
a. Ground		Non-depreciable
b. structural work		40 years old
c. Enclosed and covered		20 years
d. Technical packages, layouts and fittings		15 years
e. Various improvements		10 years
2. Office equipment and furniture		3 to 10 years old
3. Household equipment and furniture		3 to 10 years old
4. Computer hardware		3 to 5 years
5. Transport equipment		3 years
6. Layouts and fittings		3 to 10 years old

In the event of an indication of impairment, fixed assets are reviewed annually to determine if they have suffered an impairment loss.

Given that BOAD does not have complex assets (it is essentially office furniture, office equipment, buildings and simple fittings and installations) and that almost all of the fixed assets are located on the same site (headquarters), the identification of possible indicators of loss of value comes from the results of the physical inventory work of the fixed assets which make a precise point on the good or bad condition of each fixed asset at each closing of each accountant.

The carrying amount of an asset is immediately reduced to its recoverable amount as soon as the carrying amount exceeds the amount deemed recoverable. The recoverable amount is the higher of the asset's fair value (less costs to sell) and its value in use. Residual values and useful lives are reviewed periodically and adjusted as necessary.

Depreciation charges are recorded in the profit and loss account under the heading "Depreciation" of the item "General operating expenses".

2.10.3 Intangible assets

Only software is considered an intangible asset. It is amortized over a period of 3 to 5 years. There is no goodwill related to the business combination. The software is installed on local servers, which are fully controlled by BOAD.

Software acquired through a SaaS (Software-as-a-Service) contract is not capitalized and is therefore excluded from this "Intangible Assets" item. SaaS contracts do not grant BOAD control over the software. The Bank only has access to a web platform hosted on the publisher's servers. Furthermore, updates and version upgrades are the sole responsibility of the publisher. The acquisition costs associated with these upgrades, which are essentially multi-year royalties, are amortized in the Income Statement over the term of the operating license.

2.10.4 Investment Properties

a) Accounting and evaluation

Investment properties are initially valued at cost and subsequently maintained at amortized cost. Later expenditures are recorded in the carrying amount of the investment property when they increase its capacity or are intended to replace substantial portions of it. The unamortized portion of the replaced asset is derecognized.

Since the Bank has adopted the cost model, all investment properties are valued at their cost less accumulated depreciation and accumulated impairment losses assessed at the closing date.

b) Reclassification into investment properties

Transfers of investment properties to tangible fixed assets, or vice versa, are only made when there is a change in the use of the property. When a tangible fixed asset becomes an investment property due to a change in its use by the Bank, there is no impact on the book value of the transferred property.

c) Deaccounting of investment properties

Investment properties are derecognized upon their disposal or when their use is permanently discontinued and no future economic benefit is expected from their disposal.

d) Rental income from investment properties

Rental income from investment properties is recognized as revenue on a straight-line basis over the entire lease term. Benefits granted by the Bank under a lease agreement are included in the total net rental income over the entire lease term.

2.11 Rental Agreements

Depending on the lease agreement, the Bank is either the lessee or the lessor. Based on its position, and for each contract it enters into, the Bank analyzes it to determine whether or not a lease agreement exists.

2.11.1 As a tenant

The Bank has several contracts for the Residences of function, of the Special Advisor and of Heads of Resident Missions. Pursuant to these contracts, the assets concerned are identified (real estate complexes consisting of land and buildings) explicitly, but the Bank's right of use is subject to restrictions (particularly regarding the fitting out and installation of the leased premises, subletting, or assignment of the lease) which deprive the Bank of a real right to control the use of the asset for the duration or part of the lease term. Consequently, the majority of contracts are concluded for a term of 12 months or less.

Payments made under these contracts are allocated to the profit and loss account on a straight-line basis over the lease term. These payments can be adjusted according to market rent levels, and the Bank does not bear any risk related to the residual value of the land and building. Furthermore, the Bank has no right to control the use of the residences covered by the contract. Consequently, the value of the lease liability was deemed insignificant compared to the Bank's overall liabilities. In light of the above, the

Bank did not record any lease liabilities in its accounts.

2.11.2 As a landlord

The Bank has entered into lease agreements for a portion of the office space in the building housing its headquarters, as well as for the staff residence's leisure center. The beneficiaries are CAURIS SA, AfDB, BOAD TITRISATION, and CRRH-UEMOA.

Under these contracts, the Bank retains control and the essential risks and rewards of the leased premises since the substantial modifications Maintenance of the leased premises may only be carried out by BOAD itself. Indeed, only the Bank has control over the specific security measures deemed necessary. Subletting is not permitted under the contracts. Furthermore, the contracts include a clause for revising the rent amount at each renewal, with a rate that cannot exceed 10% to reflect changes in rental market prices.

Therefore, all contracts are classified as operating leases. The asset (the portion of the Bank's building under lease) is recorded as a fixed asset on the lessor's (BOAD) balance sheet and depreciated on a straight-line basis over its useful life, just like the portion used for its own business operations. Depreciation of the asset excludes residual value, while lease payments are recognized in full on a straight-line basis over the lease term. These lease payments and depreciation charges are recorded in the income statement.

2.12 Interbank debts

Interbank debts correspond to sight or term deposits made by partner institutions (ROPPA, AFD, NIMAO, …) in the books of the BOAD.

2.13 Financial liabilities at amortized cost

This item includes debts represented by a security, other borrowings (debts raised from lenders) and subordinated debts.

- The debts represented by a security correspond to the outstanding amount of bonds and treasuries issued by BOAD on the international financial market or the WAEMU regional financial market. These issues are...ssées to “Financial Liabilities at Amortized Cost” in the sub-item “Liabilities represented by a security”.
- Other debts from partners include BOAD's borrowings from its institutional partners such as AFD, EIB, PROPARCO, AfDB, IDA, KfW, etc. All these debts are at fixed rates or hedged by fixed rates. They are classified under "Financial Liabilities at Amortized Cost" in the sub-item "Other debts".
- Subordinated debt consists of instruments issued by BOAD through public or private placements that meet the definition of financial liabilities under IAS 32. They are either represented by a security issued on the market or raised from institutional partners. From a prudential perspective (Basel II & III), these are considered supplementary capital instruments due to their subordination to capital resources and their capacity to absorb losses before senior debt holders.

2.14 Earmarked External Funds

These are funds with external contributions from donors such as the French Development Agency (AFD), the International Development Association (IDA), KfW, the Green Climate Fund, Crédit Mixte Suisse (CMS), the West African Economic and Monetary Union (UEMOA), etc. The funds' resources are constituted either by direct cash disbursements from the donor or by the granting of loans at reduced interest rates (the interest rate differential compared to the market rate is used to establish the Fund at the time of debt service payment). The use of resources obtained by the Bank and recorded in these Funds is governed by the provisions of the agreements established for this purpose. The Bank is obligated to reimburse them if the final use of the resources does not correspond to that stipulated in the contracts concluded with the donors. This situation highlights the existence of a debt, hence the recording of these externally sourced funds as liabilities. The expenses incurred are recorded directly as a debit to the Fund created and do not impact the Bank's profit.

2.15 Retirement commitments

2.15.1 Plan chosen by the Bank: Defined benefit plan

The plan used by the Bank is a "defined benefit" plan, in which the employer commits to paying defined benefits in the form of pensions or retirement bonuses, based on the employee's length of service and salary. These benefits are paid directly by the Bank to the beneficiary.

The plan is fully funded by the Bank. Employees are under no obligation to contribute to the plan.

2.15.2 Determination of net liabilities under defined benefit plans

The Bank's net obligation under the defined benefit plan is assessed by estimating the amount of future benefits accrued by staff during the current and prior periods. This amount is then discounted, and the fair value of the plan's hedging assets is deducted.

The Bank does not have any hedging assets for its pension plan.

The calculations of the obligation under defined benefits are carried out annually by a qualified actuary using the projected credit unit method.

Revaluations of net liabilities under defined benefits that include actuarial differences are recognized immediately in other comprehensive income.

2.15.3 Actuarial Assumptions

The actuarial assumptions used at the closing date are as follows

Actuarial assumptions	2025	2024
Discount rate	6.29%	6.10%
Wage increase rate	6%	6%
Staff turnover rate	1%	1%
Retirement age	60 years old	60 years old
Mortality table	CIMA Table	CIMA Table

The actuarial risks related to the retirement severance package are mainly linked to the effect of variations in the discount rate and salary increases.

For the 2025 financial year, the discount rate used corresponds to the maximum issuance rate for the Bank's conventional bonds. It is aligned with the yield observed during the Bank's last bond issuance on the international market in October 2025.

For the 2024 financial year, the discount rate corresponded to the interest rate of the last backed bond issue carried out by the Bank in the WAEMU zone.

The assumption regarding the rate of wage increase remained unchanged compared to the previous year.

2.16-1 The capital.

The Bank's capital is divided into shares with a nominal value of 50,000,000 FCFA. In accordance with Article 6 of the Articles of Association, the capital is distributed between two categories of shareholders:

- the Series A Shareholders (Regional Shareholders) which are the WAEMU Member States which each subscribe for an identical number of shares and the BCEAO;
- Series B Shareholders (Non-regional Shareholders) are non-member states of the Union as well as international financing bodies wishing to contribute to the development of the Union and approved by the Council of Ministers of the Union.

The release of capital is based on a long-term settlement schedule. Therefore, the amount called for but not yet paid is updated at each settlement.

In order to present relevant and useful information, the difference is recorded in a debit sub-account of capital (cost related to the deferred release of capital).

Unpaid capital consists of capital subject to call and capital to be paid up (the portion called up and payable according to a payment schedule). These are presented in debit headings within the capital account.

According to Article 7 of the statutes, the amount of the capital subject to call of the Bank serves as security for the loans contracted by the latter.

2.16.2 Reserves

Reserves constitute the essential component of the Bank's equity. They include (i) undistributed earnings consisting of allocations of earnings from previous years, (ii) hedge reserves related to cash flows hedged under foreign exchange and interest rate hedging operations on loans, (iii) gains or losses on capital instruments held and valued at fair value by other comprehensive income and (iv) reserves for adjusting the provision for staff retirement benefits.

2.17 Public subsidies received

As part of its development financing mission, BOAD is required to make various commitments stemming from the adoption of its updated financial outlook (EFA). These commitments include financing feasibility studies for certain projects, assuming interest rate subsidies granted under certain loan financing agreements, and covering certain development-related expenses. The implementation of these various interventions generates costs that could significantly impact the Bank's operating income.

In return for these commitments, and to prevent any deterioration in the Bank's operations, the Member States, through their Council of Ministers acting as public authorities, have decided to allocate annual contributions to the Bank. BOAD's claim against the States is formalized through the adoption of the Bank's updated Financial Outlook, which establishes a chain of contributions for a renewable six (6) year period. The actual disbursement of these resources is subject to an annual request submitted to the States.

Upon receipt of funds, BOAD records them as deferred income. This income is then allocated to the profit or loss under the "State Grants" line item, on a systematic basis, as expenses related to the commitments concerned are recognized, without exceeding the total amount of expenses actually incurred.

2.18 Income from investments with the Central Bank

The interest paid by the BCEAO, as remuneration for the BOAD's assets placed with it, is recorded in "Interest and similar income" during the financial year in which it is earned.

Interest receivable from the BCEAO at the closing date of the financial year is recorded as an asset under "interbank receivables".

2.19 Interest and fees on loans

Interest on loans is determined by applying the effective interest rate (a rate that takes into account the contractual interest and fees that meet the definition of transaction costs under IFRS 9). Furthermore, commitment fees are treated as interest and are calculated by applying their rate to the undrawn portion of the loan, proportionally to the time elapsed.
At each closing date, interest, commitment fees and transaction costs on foreign currency loans are offset at the closing rate with the accounting for the exchange difference in accordance with IAS 21 in profit or loss.
Commissions that do not meet the definition of transaction costs under IFRS 9 are recognized in profit or loss as soon as they are incurred.

2.20 Derivative financial instruments and hedge accounting

The Bank applies the provisions of IFRS 9 regarding coverage.

2.20.1 Derivatives

The Bank uses derivative instruments to hedge foreign exchange and interest rate risk on certain loans. These foreign exchange and interest rate hedging instruments are primarily forward exchange contracts specifically on the 2027 and 2031 Eurobond issues and the 2030 hybrid bond issue, as well as other foreign currency loans and floating-rate borrowing facilities. These derivatives are used to hedge exchange rate fluctuations related to the foreign currency loan portfolio (SDRs and USD) and interest rate volatility. Hedging relationships are documented at the loan's issuance date or during its lifetime and are maintained throughout the contract terms.

The Bank values all its derivatives at fair value and documents them, either in a fair value hedging relationship or in a cash flow hedging relationship.

2.20.2 Fair Value Cover

The Bank applies fair value hedging accounting to derivatives to hedge foreign exchange risk exposure associated with foreign currency borrowings. Under fair value hedging accounting, the change in fair value of the hedging instrument and the change in fair value of the hedged item attributable to the hedged risk are recognized in net income.

From the outset, the Bank documents the relationship between the hedging instrument and the hedged item, as well as its risk management objectives and strategy for undertaking hedging transactions. Hedge accounting ceases to be applied when the Bank's risk management objective for the hedging relationship has changed, when the hedging instrument matures or is sold, terminated or exercised, or when it no longer meets the requirements for hedge accounting.

When the hedge is at fair value, gains and losses on the hedge are recognized in net income, and foreign exchange gains and losses on the hedged item are also recognized in profit or loss under the line item "Gains and Losses on Hedging Instruments." In the case of a 100% effective hedge, the gains and losses on the hedge, on the one hand, and the foreign exchange gains and losses on the debt, on the other, offset each other in the income statement under the line item "Gains and Losses on Hedging Instruments."

Any inefficient part in the fair value changes of the derivative is recognized immediately in profit or loss under the line item gains and losses on hedging instruments.

2.20.3 Cash Flow Hedging

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the derivative's fair value is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the derivative's fair value is recognized immediately in profit or loss under the line item "gains and losses on hedging instruments".

The amount accumulated in equity is retained in other comprehensive income and reclassified in the income statement for the period or periods in which the hedged anticipated cash flows or the hedged item affect the result under the item gains and losses on hedging instruments.

If the hedged transaction is no longer highly probable, or if the hedge no longer meets the criteria for hedge accounting, or if the hedging instrument matures, is sold, terminated, exercised, or its designation is cancelled, the Bank ceases to practice hedge accounting on a prospective basis. Furthermore, once the anticipated transaction is no longer expected to occur, the balance recorded in equity is reclassified to profit or loss under the heading "gains and losses on hedging instruments."

In summary, when the hedge is cash flow, gains and losses on the hedge are recognized in other comprehensive income excluding the inefficient part which is recognized in profit or loss, with recycling to profit or loss in the same period as those in which the hedged anticipated cash flows or the hedged item affects profit or loss on hedging instruments.

2.21. Asset Accrual Accounts / Liability Accrual Accounts

2.21.1. Active Accrual Accounts

This item records prepaid expenses, revenues to be received by the Bank, certain expenses incurred by the Bank and likely to be reimbursed by third parties, particularly on cases in legal recovery and the provision of funds not yet accounted for made to certain employees in order to carry out expenses on behalf of the Bank.

2.21.2 Liability Accrual Accounts

This item records deferred revenue, expenses payable by the Bank for which invoices have not yet been received by the closing date of the accounts, and funds received pending allocation to a specific project.

2.22 Other assets/Other liabilities

2.22.1 other assets

The item "other assets" records amounts disbursed by the Bank to various debtors other than customers, pre-financing of activities on behalf of certain partners, guarantees paid by the Bank, advances and down payments made to certain persons and grants and subsidies to be received from Member States.

2.22.2 Other liabilities

The "other liabilities" item records debts to the Bank's suppliers of goods and services, as well as amounts owed to staff, social security organizations, and the tax authorities.

2.23 Non-current assets held for sale

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continued use.

Such assets are generally recorded at the lesser of their carrying amount or their fair value less costs to sell. Impairment losses resulting from the classification of an asset as held for sale, as well as gains and losses from subsequent appraisals, are recognized in profit or loss.

2.24 Principles of the cash flow statement

The cash flow statement (CFS) explains the change in the Bank's cash during the period under review.

Cash flows are allocated among operating, investing, and financing activities. The cash and cash equivalents shown in the statement of cash flows should be reconciled with those presented in the financial statements. Cash flows from operating activities are presented using the indirect method, in which profit or loss is adjusted for the effects of non-cash transactions, adjustments or deferrals of past or future operating cash inflows or outflows, and income or expense items related to cash flows from investing or financing activities.

Cash flows related to investing and financing activities are presented separately according to the main categories of gross cash inflows and outflows from investing and financing activities.

Cash flows from foreign currency transactions are recorded in the Bank's functional currency by applying the exchange rate between the functional currency and the foreign currency on the date of the cash flows to the amount in foreign currency.

2.25 Events after the closing of accounts

The Bank adjusts its financial statements to reflect events that occurred between the closing date and the date on which said financial statements are authorized for publication, provided that these events relate to situations existing at the Balance Sheet date.

If these events relate to situations that arose after the balance sheet date but require disclosure, the statement of financial position, statement of comprehensive income, statement of cash flows, and statement of changes in equity are not adjusted. The nature and potential impact of these events are provided in Note 25 below.

2.26 Closing of accounts

The individual accounts of BOAD as of December 31, 2025 are closed by the Board of Directors during its meeting of March 25, 2026.

NOTE 3. IMPACTS OF NEW OR REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

The standards and interpretations described in the Bank's financial statements as of December 31, 2024, have been supplemented by the provisions of new standards and interpretations that came into effect for the 2025 financial year. These standards and amendments are as follows:

3.1 New texts published by the IASB and which have entered into force

Effective date	New standards or amendments	Impact on the Bank's financial statements
January 1, 2025	Amendments to IAS 21: No convertibility	According to IAS 21, Effects of Changes in Exchange Rates, a company uses a spot exchange rate when converting a foreign currency transaction. However, in rare cases, a currency may not be exchangeable for another. This lack of convertibility can occur when a government imposes controls on capital imports and exports, for example, or when it sets an official exchange rate but limits the volume of foreign exchange transactions that can be carried out at that rate. Consequently, market participants are unable to buy and sell currency to meet their needs at the official exchange rate and instead turn to unofficial parallel markets. In the latter, the amendment aims to introduce the possibility for entities to estimate the spot rate of the currency by reference to a directly observable rate or to a rate adjusted from the observable rate. **All foreign currencies in which the Bank intervenes are currently convertible into FCFA, so the amendment has no impact on its accounts.**

3.2 Upcoming texts

Effective date	New standards or amendments	Expected impacts on the Bank's financial statements
January 1, 2026	Annual improvements to IFRS Accounting Standards: Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	<u>IFRS 1</u>: amendment to improve consistency with IFRS 9 hedge accounting provisions at the time of initial adoption of IFRS. <u>IFRS 7</u>: Information to be provided on (i) the deferred difference between fair value and transaction price; (ii) on the gain or loss on derecognition and (iii) on credit risk. <u>IFRS 9</u>: Amendments relating to (i) the deaccounting of lease obligations and (ii) better clarification of transaction prices. <u>IFRS 10</u> : Amendments to IFRS 10 relating to the determination of a de facto agent. <u>IAS 7</u> : Mamendments to IAS 7 relating to the Acquisition Value Method. **<u>Conclusion</u>** **No impact resulting from these annual improvements is anticipated;** In 2026, the year these regulatory changes come into effect: - The amendment to IFRS 1 relating to hedge accounting will not have an impact on its accounts given that BOAD is not adopting IFRS standards for the first time. - **Regarding the amendment to IFRS 7:** The Bank may realize gains or losses on the derecognition of certain assets in which it has an ongoing involvement, particularly restructured loans with a significant discount, which could result in the derecognition of the old loan and the recognition of the new loan, with the realization of a gain or loss. Should such a situation arise in the future, the Bank will disclose the gain or loss in accordance with the new IFRS 7 requirements in these accounts, as well as the method used to measure the fair value of the instruments.

Effective date	New standards or amendments	Expected impacts on the Bank's financial statements
		Amendments to IFRS 9 5.1.3will have an impact on BOAD's accounts due to the absence of an instrument without a significant financing component according to IFRS 15. As a result, the initial valuation method for its loans and receivables will remain unchanged. **IFRS 10 Amendments** will have no impact on individual Bank accounts. **Changes in IAS 7:**This change relates to cash flows between the entity and subsidiaries, associates, and joint ventures. For consolidated financial statements, this change will not be relevant.
January 1, 2026	Amendments to IFRS 9 and IFRS 7: Classification and measurement of financial instruments	▪ **Initial and derecognition of financial assets and liabilities**: IFRS 9 has been amended to clarify the initial recognition or derecognition date of financial assets and liabilities. Instead of a financial liability being required to be derecognized on its settlement date under the existing provisions, the new amendments allow an entity to recognize a financial liability that will be settled in cash through an electronic payment system and be released before the settlement date if, and only if, the entity has initiated a payment order through a less risky channel and without the possibility of the entity cancelling the transaction. **Conclusion :** BOAD has chosen a more cautious approach, which consists of derecognizing its financial assets or liabilities on their settlement date or when the corresponding cash is actually received or paid. Consequently, this change will have no impact on its 2026 accounts. ▪ **Classification of financial instruments:** The IFRS 9 application guidelines are amended to provide guidance on how an entity assesses whether the contractual cash flows of financial assets are consistent with a basis loan arrangement. This is intended to help an entity apply the contractual cash flow assessment requirements to financial assets with environmental, social, and governance (ESG) characteristics. The IASB clarifies that when assessing interest, an entity focuses on what it is paid for, rather than the amount of the remuneration, which may indicate that the entity is being paid for something other than the basic risks and costs of the loan. The amendments clarify that contractual cash flows are inconsistent with a basis lending agreement if they are indexed to a variable that is not a basis lending risk or cost. **Conclusion :** The Bank's financial assets are held solely for the purpose of collecting cash flow in principal and interest. Expected returns are based on client category and relate only to the characteristics of the underlying loan. Consequently, the application of this amendment will have no impact on the 2026 financial statements. ▪ **Financial assets with non-recourse characteristics** IFRS 9 is amended to improve the description of the term "non-recourse". According to the amendments, a financial asset is non-recourse if an entity's ultimate right to receive cash flows is contractually limited to cash flows generated by specified assets and not the issuer's performance. **Conclusion** **Since the Bank does not have such assets, the application of this amendment will have no impact on the accounts.** ▪ **Contractually linked instruments** The amendments clarify the characteristics of contractually linked instruments that distinguish them from other transactions. Specifically, the amendments emphasize that in these instruments, a prioritization of payments to holders of financial assets through several contractually linked instruments (tranches) is established via a cascading payment structure, resulting in a concentration of credit risk and a

Effective date	New standards or amendments	Expected impacts on the Bank's financial statements
		disproportionate distribution of losses among the holders of the different tranches. In such a structure, the requirements for contractually linked instruments in IFRS 9 apply only if the underlying pool includes one or more instruments whose contractual cash flows consist solely of principal and interest payments. All other cases are excluded from IFRS 9. The SPPI (Single-Party Payment Instrument) status of these instruments is assessed by applying paragraphs B4.1.21 to B4.1.26 instead of paragraph B4.1.17. **BOAD does not hold such financial instruments in its portfolio. The application of this amendment will not impact its 2026 accounts.**
January 1, 2026	Amendments to IFRS 7	▪ **Information to be provided – investments in designated equity instruments at fair value through other comprehensive income (OCI)** The IFRS 7 disclosure requirements for investments in equity instruments identified at fair value through designated equity instruments are amended. Specifically, an entity is required to disclose the fair value gain or loss presented in other comprehensive income for the period, separately showing the fair value gain or loss relating to investments derecognized during the period and the fair value gain or loss relating to investments held at the end of the period. Furthermore, an entity is no longer required to disclose the fair value at the reporting date of each equity instrument designated at fair value through other comprehensive income; this information may be provided by class of instrument. **Conclusion :** **This amendment will impact the presentation of capital instruments held by BOAD. Starting in 2026, a sub-table detailing realized gains and losses on derecognized securities will be included in this note. However, for greater transparency, the Bank will continue to present the fair value of each equity instrument designated at fair value through other comprehensive income statement items.** ▪ **Contractual conditions that may modify the timing or amount of contractual cash flows** The amendments introduce financial instrument disclosure requirements that include contractual terms that may change the timing or amount of contractual cash flows upon the occurrence (or non-occurrence) of a possible event that is not directly related to changes in the risk and basic cost of the loan. **Conclusion** BOAD's instruments are purely for collecting interest and principal. Interest is calculated based on the outstanding balance and the time elapsed. The contractual terms do not include clauses likely to significantly alter the nature of the cash flows. The application of this amendment will have no impact on the 2026 financial statements.
January 1, 2026	Amendments to IFRS 7, 9 and 19 relating to renewable energy contracts	Contracts referring to renewable energy, also known as Power Purchase Agreements (PPAs), are contracts for the purchase and delivery of electricity produced from natural resources. The amendments relate to hedge accounting requirements to allow the use of electricity contracts from nature-dependent renewable energy sources as a hedging instrument if certain conditions are met. They also introduce additional disclosure requirements to help investors understand the impact of these contracts on a company's financial performance and future cash flows. **The Bank has not signed a Renewable Energy Purchase Agreement. Therefore, the implementation of this change has no impact on its accounts.**
January 1, 2027	IFRS 18 replaces IAS 1 Presentation of financial statements	The new standard, IFRS 18, replaces IAS 1 Presentation of Financial Statements while retaining many provisions of IAS 1. IFRS 18 introduces new requirements (i) to present specified categories and defined subtotals in the statement of income, (ii) to provide information on management-defined performance measures (MDMs) in the notes to the financial statements, and (iii) strengthen the principles of

Effective date	New standards or amendments	Expected impacts on the Bank's financial statements
		aggregation and disaggregation in the primary financial statements and notes. Furthermore, some of the requirements of IAS 1 are moved to IAS 8 Accounting Policies, Accounting Changes, Estimates and Errors and IFRS 7 Financial Instruments for the information to be provided. L'The application of this standard will be retrospective, with restatement of comparative information. Stakeholders are still working on the implementation of IFRS 18, and the results of this work will be taken into account by the Bank when assessing the impact of this standard on its financial statements.
January 1, 2027	New IFRS 19 standard	The IASB has issued IFRS 19, which allows an eligible subsidiary to provide reduced disclosure when applying IFRS accounting standards in its financial statements. A subsidiary is eligible for reduced disclosure if it has no public liability and its ultimate parent company or any intermediate parent company produces consolidated financial statements available for public use in accordance with IFRS accounting standards. This standard is optional for eligible subsidiaries and sets out the disclosure requirements for subsidiaries that choose to apply it. **Since BOAD is not a subsidiary, this standard has no impact on its individual accounts.**

NOTE 4. CASH AND CASH EQUIVALENTS

The analysis of the cash and cash equivalents item (see note 2.7 of the summary of essential accounting principles and practices) is as follows:

Cash and cash equivalents	Note	31 December 2025	31 December 2024
Cash accounts		134	87
BOAD HQ Current Account		162,684	108,429
Deposit Accounts for Resident Missions at BCEAO	4.1	627,350	207,960
Japan Eximbank Special Account		15	15
FDE Contribution Account	4.2	1,985	1,985
BOAD Settlement Account Lomé		196,710	50,399
Operating Account for Resident Missions		487	7,592
Bank and correspondent bank accounts		55,645	33,903
Short-term bank deposits (a)	4.3	89,000	105,500
Deposits / Margin calls		19,370	33
TOTAL		1,153,381	515,905

4.1 The deposit accounts of the Resident Missions are detailed as follows:

Resident missions deposit accounts	31 December 2025	31 December 2024
Deposit Accounts BCEAO Abidjan	6,798	147
Deposit Accounts BCEAO Bamako	27,250	789
Deposit Accounts BCEAO Bissau	2,607	88
Deposit Accounts BCEAO Cotonou	13,069	1,249
Deposit Accounts BCEAO Dakar	3,105	4,646
Deposit Accounts BCEAO Lomé	560,568	197,988
Deposit Accounts BCEAO Niamey	1,204	10
Deposit Accounts BCEAO Ouagadougou	12,750	3,045
Total	627,350	207,960

4.2 This account records the resources of the Energy Development Fund (EDF) related to the financing of energy sector projects in the WAEMU. The Bank is the manager of this Fund.

4.3 Short-term bank deposits include:

Short-term bank deposits	31 December 2025	31 December 2024
Term deposit with BOA Group	17,000	12,000
Term deposit with Coris Bank Group	10,000	10,000
Term deposit with BSIC Group	10,000	10,000
Term deposit with NSIA	10,000	5,000
Term deposit with SONIBANK	0	15,000
Term deposit with ECOBANK NG	0	12,000
Term deposit with BIIC BN	5,000	6,500
Term deposit with BGFI CI	0	0
Term deposit with BAT CI	0	10,000
Term deposit with BICIM ML	0	10,000
Term deposit with MANSA BANK	7,000	0
Term deposit with BANQUE D'ABIDJAN	0	10,000
Term deposit with ORABANK	0	5,000
Term deposit with AFG BANK	10,000	0
Term deposit with AFRICA BANK	10,000	0
Term deposit with UBA BANK	10,000	0
Total	89,000	105,500

As of December 31, 2025, all bank deposits have a maturity of at most 06 (six) months.

NOTE 5. FINANCIAL ASSETS AT AMORTISED COST

The item "financial assets at amortized cost"(see note 2.8 of the summary of essential accounting principles and practices) breaks down as follows:

Loans and receivables at amortized cost	Note	31 December 2025	31 December 2024
Loans and advances to banks	5.1	49,971	33,989
Loans and advances to customers	5.2	2,681,076	2,372,600
Loans and advances to staff		24,708	23,977
Securities portfolio	5.3	1,191,036	632,471
Receivables from shareholders		4,526	5,075
TOTAL		3,951,317	3,068,111

5.1 Interbank receivables

This item includes interbank receivables and the related accrued interest. It is broken down as follows by counterparty as of December 31, 2025 and December 31, 2024:

Counterparties	31 December 2025	31 December 2024
BCEAO- Interests on ordinary accounts	228	93
Interbank loans (*)	48,000	32,000
Interests receivable	1,743	1,896
TOTAL	49,971	33,989

* The details of interbank loans are as follows:

Counterparties	31 December 2025	31 December 2024
BSIC	15,000	5,000
BANK POUR LE COMMERCE ET L'INDUSTRIE	0	10,000
BCIS	10,000	0
AFG HOLDING	0	15,000
AFRICAN LEASE TOGO	0	2,000
IB BANK	13,000	0
VISTA BANK	5,000	0
CORIS BANK	5,000	0
Subtotal 1-gross outstandings	48,000	32,000
Interest receivable	820	251
TOTAL	48,820	32,251

5.2 Customer receivables

Customer receivables correspond to loans granted to States (non-market sector) and to the market sector.

5.2.1 Breakdown by type, by sector of activity and by country

The detailed analysis of customer receivables by loan type, sector of activity and country is provided in note 19.1 Credit risk.

5.2.2 Customer Receivables Schedule

The schedule for customer receivables is as follows as of December 31, 2025 and December 31, 2024:

Items	31 December 2025	31 December 2024
Gross outstanding receivables from customers	**2,877,462**	**2,565,446**
of which gross outstanding loans	**2,771,344**	**2,463,134**
At most six months	103,481	172,907
More than six months and less than one year	141,061	173,530
More than one year and less than two years	348,358	318,407
More than two years and less than three years	413,969	294,631
More than three years and less than five years	620,607	495,011
More than five years	1,143,868	1,008,648
of which advance for financing studies	16,426	15,419
of which related receivable to loans	89,691	86,893
Total depreciation on loans and related receivables	**-182,963**	**-180,923**
of which depreciation of credit impaired (non-performing loans) (*)	-88,955	-101,083
of which depreciation on buckets 1 and 2	-94,008	-79,840
Deferred income from fees	**-11,627**	**-10,128**
Value adjustement on advances to customers (**)	**-1,795**	**-1,795**
Receivables from customers	***2,681,076***	***2,372,600***

(*) The total amount of impairment of receivables in bucket 3 includes 55,491 MFCFA for impairments on the principal, 13,338 MFCFA for studies and 20,126 MFCFA for interest and commissions on receivables in bucket 3.

(**) the amount corresponds to the discounts recorded on counterparties whose receivables have been restructured.

5.2.3 Table of changes in non-performing receivables (bucket 3 receivables)

The gross outstanding loan balance includes receivables in bucket 3 (non-performing or delinquent receivables in the prudential sense of Basel II & III) which have evolved as follows:

	Balance as at	Changes of the period			Balance as at
	31 december 2024 (a)	Increase (b)	Decrease (c)	Balance of the period (d) = (b) + (c)	31 december 2025 (e) = (a) + (d)
1. Gross outstanding of credit impaired (non-performing loans)	60,690	8,590	-5,139	3,451	64,141
2. Depreciation	-55,809	-3,136	3,454	318	-55,491
3. Net outstanding of non performing loans = (1) + (2)	**4,881**	**5,454**	**-1,685**	**3,769**	**8,650**

5.3 Debt Securities Portfolio

5.3.1 Securities Portfolio Change Schedule debts

The statement of changes in debt securities as of December 31, 2025 is as follows:

	Balance as at	Variations of the period			Balance as at
	31 december 2024 (a)	Increase (d)	Decrease (e)	Balance of the period (f) = (d) + (e)	31 december 2025 (e) = (a) + (d)
1. Gross outstanding of securities portfolio (premiums bonds included)	628,819	1,068,469	-527,692	540,778	1,169,596
2. Interest receivables of securities portfolio	11,561	49,633	-27,192	22,441	34,002
3. Depreciation	-7,909	-4,653	0	-4,653	-12,563
4. Net outstanding of securities portfolio = (1) + (2) + (3)	**632,471**	**1,113,449**	**-554,883**	**558,565**	**1,191,036**

5.3.2 Details of the debt securities portfolio

The securities portfolio is broken down as follows:

Securities portfolio	31 December 2025	31 December 2024
Treasury bonds Senegal	119,497	43,413
Treasury bonds Côte d'ivoire	289,640	32,884
Treasury bonds Benin	164,160	21,238
Treasury bonds Burkina Faso	59,418	58,293
Coris Bank Holdings bonds	1,500	4,500
Treasury bonds Mali	36,000	21,000
Treasury bonds Niger	137,345	46,000
Treasury bonds Togo	83,822	61,651
CRRH Bonds	3,901	4,918
EBID Bonds	9,751	11,347
SONATEL Bonds	4,000	6,000
DOLIP Bonds	96,754	132,754
BAOBAB SENEGAL	3,000	3,000
Coris invest group SA bonds	5,000	0
NOUR MONY HOLDING bonds	3,000	0
FCTC FS YAKAAR COMP ALPHA bonds	3,000	0
FCTC KEUR SAMBA bonds	11,066	0
RMBS ZAKA NSIA BK CI 25-44 bonds	3,813	0
FCTC Croissance Agricole (LBA) 25-32 bonds	5,000	0
FCTC SENELEC 8,15% 25-30 bonds	3,000	0
Treasury bills Mali	0	20,000
Treasury bills Niger	68,197	77,500
Treasury bills Côte d'Ivoire	16,590	35,000
Treasury bills sénégal	50,797	30,000
Treasury bills Togo	0	15,000
Treasury bills Bénin	0	5,000
Sub-total 1. Gross outstandings	*1,178,252*	*629,498*
Bonds premiums and discounts	-8,655	-680
Sub-total 2. Gross outstandings with premiums included	*1,169,596*	*628,819*
Interests receivable	34,002	11,561
Depreciation/securities portfolio (buckets 1 and 2)	-12,563	-7,909
TOTAL	1,191,036	632,471

All the securities in the portfolio held by the Bank are forward contracts.

5.3.3 Debt Securities Portfolio Maturity Schedule

The contractual schedule for the securities portfolio is as follows (in MFCFA) as of December 31, 2024 and December 31, 2025:

Maturity	31 December 2025	31 December 2024
At most six months	187,984	177,133
More than six months and less than one year	59,267	109,751
More than one year and less than two years	156,738	92,266
More than two years and less than three years	233,335	97,674
More than three years and less than five years	419,495	97,634
More than five years	121,431	55,041
Sub-total 1. Gross outstandings	1,178,252	629,498
Bonds premiums and discounts	-8,655	-680
Sub-total 2. Gross outstandings with premiums included	*1,169,596*	*628,819*
Interests receivable	34,002	11,561
Depreciation/securities portfolio (buckets 1 and 2)	-12,563	-7,909
TOTAL	1,191,036	632,471

5.4 Shareholder receivables to be paid up

The section "shareholder receivables to be paid up" is broken down as follows:

Receivables from shareholders	31 December 2025	31 December 2024
Endowment from member states receivable	4,526	5,029
Admission fee Guinea Bissau	0	46
TOTAL	4,526	5,075

NOTE 6. EQUITY INVESTMENTS

6.1. Bank's Equity Acquisition Strategy

The Bank's equity investment activity is based on its statutes, which stipulate: (i) in Article 2, among other things, that "...the Bank... shall contribute in particular to financing through equity participation, by granting loans..." and (ii) in Article 32, that it "may establish or participate in the establishment of the capital of institutions or companies." The objective is, in particular, to strengthen the equity capital and expertise of companies operating within the Union.

In accordance with this mission and strategy, BOAD has intervened in all member states of the Union by acquiring equity stakes in several companies. These interventions have involved both financial sector companies (banks, financial institutions) and non-financial sector companies (energy, telecommunications, hospitality, air transport, etc.).

The Bank's equity investment strategy is structured as follows in terms of:

- **Objective**: to fulfill the Bank's development mission while placing greater emphasis on financial profitability in accordance with the Bank's strategic directions.
- **Areas of intervention**: all sectors eligible for Bank financing.
- **Intervention methods** When entering into a transaction, the Bank must have sufficient visibility into the terms and conditions of exit when the time comes. The sale of equity interests may be carried out on the stock exchange for listed shares and under the most favourable contractual terms for unlisted shares.
- **Position within the administrative bodies**: to make each equity investment conditional upon the Bank being granted a position as a member of an administrative body (Board of Directors, Supervisory Board, Credit or Investment

Committee, etc.).

In addition to the equity investment strategy, BOAD has taken appropriate measures to (i) adapt to the evolution and requirements of the WAEMU financial sector (raising the minimum capital of banks and financial institutions) and (ii) take into account the specificity of the agricultural sector in view of its importance in the economies of the countries of the Union.

This strategy of the Bank is framed by intervention limits. These limits are defined in relation to its effective equity capital (EEC) according to the risk appetite matrix as approved by the Council of Ministers in the Bank's risk appetite statement. The risk appetite matrix is shown below in note 19. Risk Management.

6.2. Changes in equity securities

6.2.1 Table of changes in equity securities

The changes in gross value of investments (see note 2.9 of the summary of essential accounting principles and practices) are as follows:

Changes in equity investments	2025	2024
Gross outstanding of equity investments as at 1st January	104,268	98,979
Increases	18,523	5,859
Decreases	-425	-570
Gross outstanding of equity investments as at 31 December	**122,366**	**104,268**
Gains /losses of equity investments designated at fair value through OCI non-recyclable	47,559	50,285
Gains /losses of sold equity investments designated at fair value through OCI non-recyclable	3,872	3,108
Net outstanding of equity investments as at 31 December	**173,797**	**157,661**

6.2.2 Allocation of equity securities by counterparty

The changes in investments recorded in the statement of financial position between December 31, 2024 and December 31, 2025 are detailed by counterparty in the tables below.

a) Instruments accounted for at fair value through profit or loss (FVR)

N°	Country	Equity investments	Percentage of interest (%)	31 December 2025			
				Gross outstanding (a)	Gains /losses of equity investments designated at fair value through P&L (b)	Gains/ Losses recognised in P&L (c)	Balance sheet value (d) = (a) + (b) + (c)
1	BN	FOAI - Sicav ABDOU DIOUF	15%	2,500	1,216	414	4,130
2	h-uemoa	FEFISOL	0%	0	0	0	-
3	SN	FCP/IFC BOAD	100%	5,000	1,856	387	7,243
		TOTAL		7,500	3,072	801	11,372

N°	Country	Equity investments	Percentage of interest (%)	31 December 2024			
				Gross outstanding (a)	Gains /losses of equity investments designated at fair value through P&L (b)	Gains/ Losses recognised in P&L (c)	Balance sheet value (d) = (a) + (b) + (c)
1	BN	FOAI - Sicav ABDOU DIOUF	15%	2,500	1,169	47	3,716
2	h-uemoa	FEFISOL	8%	16	37	0	53
3	SN	FCP/IFC BOAD	100%	5,000	1,459	397	6,856
		TOTAL		7,516	2,666	443	10,625

b) Instruments accounted for at fair value through other comprehensive income (FV/OCI) that are not recyclable

N°	Country	Equity investments	Percentage of interest (%)	31 December 2025			
				Gross outstanding (a)	Gains /losses of equity investments designated at fair value through P&L (b)	Gains/ Losses recognised in P&L (c)	Balance sheet value (d) = (a) + (c)
1	BN	SOAGA	19.3%	103	79	170	272
2	SN	BNDE	1.9%	1,000	-89	267	1,267
3	h-uemoa	CAURIS CROISSANCE II	17.7%	4,268	-452	-2,467	1,801
4	TG	GARI S. A.	11.6%	1,499	92	1,621	3,120
5	MA	BDM Mali	16.0%	600	2,259	25,741	26,341
6	BN	BOA Bénin	0.0%	-	-1,653	-	-
7	NG	SONIBANK Niger	7.1%	1,082	7	2,230	3,312
8	CI	BHCI Côte d'Ivoire	0.18%	150	6	-84	65
9	NG	BOA Niger	0.0%	-	-1,781	-0	-0
10	TG	BIA Togo	0.0%	-	-	-	-
11	h-uemoa	Afreximbank	0.3%	2,500	-5,679	1,969	4,469
12	SN	Banque Régionale de Marché (BRM)	4.0%	1,610	-378	-961	648
13	BF	Banque de l'Habitat du BF	0.9%	200	-1	63	263
14	CI	BRVM	9.2%	56	111	689	745
15	CI	DC/BR (BRVM)	9.1%	140	143	521	661
16	TG	CICA RE	2.0%	999	159	1,183	2,182
17	MA	MANDE Hotel	16.7%	50	-4	213	263
18	CI	CIPREL	2.0%	584	-1	1,278	1,862
19	TG	ASKY (EX SPCAR)	14.0%	5,990	4,885	8,570	14,560
20	CI	RASCOM	7.1%	1,600	-	-1,600	-
21	h-uemoa	PROPARCO	0.7%	6,659	206	1,311	7,971
22	TG	BOAD-Titrisation	100.0%	500	1,461	961	1,461
23	TG	CRRH-UEMOA	15.2%	3,468	1,484	3,462	6,930
24	h-uemoa	Fonds Agricole pour l'Afrique (FAA)	3.1%	2,189	-162	-1,838	352
25	TG	ORAGROUP	2.1%	1,642	684	1,778	3,420
26	BF	Fidélis Finance (ex Burkina Bail)	6.5%	689	-151	765	1,454
27	SN	CNCAS	4.49%	1,573	-	-32	1,541
28	CI	Nouvelle BRS CI/ORA Bank CI	24.5%	16,995	490	12,342	29,337
29	CI	Banque de l'Union Côte d'Ivoire (BDU-CI)	9.6%	1,100	868	2,317	3,417
30	BF	Banque de l'Union Burkina Faso (BDU-BF)	10.1%	1,100	427	2,569	3,669
31	Kenya	FAER	4.9%	5,844	-4,057	-5,113	731
32	BF	AMETHIS WEST AFRICAN (AWA)	11.1%	1,040	-215	-274	766
33	CI	Air Côte d'Ivoire	7.9%	12,701	640	-6,461	6,241
34	h-uemoa	Investisseurs & Partenaires/ Dévoppement (IPDEV2)	11.0%	1,229	-4	-247	982
35	Bn	Société Immobilière d'Aménagement Urbain SImAU	10.0%	500	100	685	1,185
36	SN	Banque Outarde	11.3%	2,000	-51	-643	1,357
37	h-uemoa	Fonds I&P Afrique Entrepreneurs 2 (IPAE 2)	3.3%	1,468	-38	-327	1,140
38	NG	Banque de l'Habitat du Niger	7.0%	825	-272	-626	199
39	h-uemoa	Fonds d'investissements dédié au développement des services financiers dans l'UEMOA	36.3%	8,896	38	-386	8,510
40		ECP Africa Fund IV	1.8%	2,621	-1,106	-344	2,277
41	CI	MANSA BANK	7.6%	1,200	153	494	1,694
42	h-uemoa	ADIWALE Fund I	6.4%	2,206	305	-307	1,899
43	h-uemoa	AFIG Fund	4.0%	2,510	-329	-1,027	1,483
44	h-uemoa	Africa 50 Infrastructure Acceleration Fund	0.0%	1,179	-377	-376	803
45	bn	BIIC	3.3%	10,000	-524	-524	9,476
46	TG	BOAD Market Solutions (BMS)	100.0%	2,300	-	-	2,300
		TOTAL		114,865	-2,725	47,559	162,425

N°	Country	Equity investments	Percentage of interest (%)	31 December 2024			
				Gross outstanding (a)	Gains /losses of equity investments designated at fair value through P&L (b)	Gains/ Losses recognised in P&L (c)	Balance sheet value (d) = (a) + (c)
1	BN	SOAGA	19.3%	103	- 0	91	193
2	SN	BNDE	1.9%	1,000	- 2,057	356	1,356
3	h-uemoa	CAURIS CROISSANCE II	17.7%	4,268	- 83	- 2,015	2,252
4	TG	GARI S. A.	11.6%	1,500	747	1,530	3,030
5	MA	BDM Mali	16.0%	600	3,316	23,482	24,082
6	BN	BOA Bénin	2.3%	98	- 1,271	1,653	1,751
7	NG	SONIBANK Niger	7.1%	1,082	- 111	2,223	3,305
8	CI	BHCI Côte d'Ivoire	0.18%	150	57	- 90	60
9	NG	BOA Niger	5.7%	137	- 2,096	1,781	1,918
10	TG	BIA Togo	0.0%		-	-	0
11	h-uemoa	Afreximbank	0.3%	2,500	1,776	7,648	10,148
12	SN	Banque Régionale de Marché (BRM)	4.0%	1,610	1,026	- 583	1,026
13	BF	Banque de l'Habitat du BF	0.9%	200	11	64	264
14	CI	BRVM	9.2%	56	- 21	579	635
15	CI	DC/BR (BRVM)	9.1%	140	-	378	518
16	TG	CICARE	2.0%	999	283	1,024	2,023
17	MA	MANDE Hotel	16.7%	50	- 8	217	267
18	CI	CIPREL	2.0%	584	- 200	1,278	1,862
19	TG	ASKY (EXSPCAR)	14.0%	5,990	3,543	3,685	9,675
20	CI	RASCOM	7.1%	1,600	-	- 1,600	0
21	h-uemoa	PROPARCO	0.7%	6,659	321	1,106	7,765
22	TG	BOAD-Titrisation	100.0%	500	- 0	- 500	0
23	TG	CRRH-UEMOA	15.2%	3,468	544	1,978	5,446
24	h-uemoa	Fonds Agricole pour l'Afrique (FAA)	3.1%	2,189	149	- 1,676	513
25	TG	ORAGROUP	2.1%	1,642	- 1,026	1,094	2,736
26	BF	Fidélis Finance (ex Burkina Bail)	6.5%	689	452	916	1,605
27	SN	CNCAS	4.49%	1,573	- 197	- 32	1,541
28	CI	Nouvelle BRS CI/ORA Bank CI	24.5%	16,995	- 12,645	11,853	28,848
29	CI	Banque de l'Union Côte d'Ivoire (BDU-CI)	9.6%	1,100	- 287	1,449	2,549
30	BF	Banque de l'Union Burkina Faso (BDU-BF)	10.1%	1,100	536	2,142	3,242
31	Kenya	FAER	4.9%	5,844	- 175	- 1,056	4,788
32	BF	AMETHIS WEST AFRICAN (AWA)	11.1%	1,040	- 27	- 59	981
33	CI	Air Côte d'Ivoire	7.9%	10,320	- 471	- 7,101	3,219
34	h-uemoa	Investisseurs & Partenaires / Dévoppement (IPDEV2)	11.0%	1,018	42	- 242	776
35	Bn	Société Immobilière d'Aménagement Urbain SImAU	10.0%	500	253	585	1,085
36	SN	Banque Outarde	11.3%	2,000	40	- 593	1,407
37	h-uemoa	Fonds I&P Afrique Entrepreneurs 2 (IPAE 2)	3.3%	1,400	- 67	- 289	1,110
38	NG	Banque de l'Habitat du Niger	7.0%	825	30	- 354	471
39	h-uemoa	Fonds d'investissements dédié au développement des services financiers dans l'UEMOA	36.3%	6,945	240	- 424	6,521
40		ECP Africa Fund IV	1.8%	2,621	287	762	3,383
41	CI	MANSA BANK	7.6%	1,200	341	341	1,541
42	h-uemoa	ADIWALE Fund I	6.4%	1,735	- 403	- 612	1,122
43	h-uemoa	AFIG Fund	4.0%	2,592	- 365	- 698	1,894
44	h-uemoa	Africa 50 Infrastructure Acceleration Fund	0.0%	131	0	0	131
		TOTAL		96,753	- 7,515	50,287	147,036

NOTE 7. ADJUSTMENT ACCOUNTS AND OTHERS ASSETS

The accrual accounts and others assets include the following:

Others assets	Note	31 December 2025	31 December 2024
Derivative assets	7.1	26,868	108,895
Accruals assets	7.2	25,581	9,458
Other adjustement accounts	7.3	11,291	11,860
TOTAL		63,740	130,214

7.1 Derivative Assets

The distribution of derivative liabilities by type of hedging relationship is as follows:

Derivative assets	31 December 2025	31 December 2024
Derivative assets-fair value hedge	0	0
Derivative assets-cash flow hedge	26,868	108,895
TOTAL	26,868	108,895

BOAD holds a portion of its debt denominated in foreign currency (dollars and SDRs), which exposes it to exchange rate risk. Exchange rate risk is the possibility of incurring losses due to unfavourable exchange rate movements in the market. The Bank may therefore experience a decline in profitability related to adverse fluctuations in the exchange rate of certain currencies against the euro, given the fixed parity between the euro and the CFA franc. To hedge against currency fluctuations, the Bank has implemented hedging contracts (forward purchase and sale contracts) on its foreign currency loans other than the euro (SDRs and dollars). Through these contracts, the Bank hedges 100% of its exposure to exchange rate risk.

The Bank's policy is to align the essential terms of hedging contracts with those of the hedged assets. All hedging contracts for the Bank's bond issues have the same maturity as the principal and interest payments. The only exception is the relatively long maturity of loans contracted with certain institutional lenders and subordinated debt (hybrid debt with BADEA and public bonds). The hedging contracts for these debts cover relatively short periods and are therefore renewed upon expiry. These renewals ensure full and continuous debt coverage in accordance with the Bank's risk management policy.

Hedging instruments are essentially forward purchases. The treatment of carryover/forward is presented in note 15 below.

The types of hedging relationships are (i) fair value for principal hedging of lines of credit with institutional lenders and (ii) cash flow hedging for principal and interest hedging of debts represented by a security consisting of senior bond issues and subordinated debt (hybrid debt) in dollars.

As of December 31, 2025, the "Derivatives - Foreign Exchange Hedging Instruments" item shows a balance of 26,868 MFCFA compared to 108,895 MFCFA as of December 31, 2024. The decrease in the value of the hedge is explained by the combined effect of (i) the decline in the value of the dollar and the SDR over the period and (ii) the signing of new hedging relationships in 2025 and (iii) the rise in the euribor rate as of December 31, 2025 compared to December 31, 2024.

The value of the hedge is broken down as follows:

Instruments	Type of coverage	31 December 2025	31 December 2024
Euro bund coverage 2017 - 2027	cash flow	4,596	54,449
Euro bund coverage 2019 - 2031	cash flow	14,604	50,757
Hybrid debt coverage 2024 - 2028	cash flow	0	3,689
Coverage of other debts with institutional lenders	Fair value	0	0
Rate coverage	cash flow	7,668	0
TOTAL		26,868	108,895

7.2 Accrual assets

This item records prepaid expenses, revenues to be received by the Bank, certain expenses incurred by the Bank and likely to be reimbursed by third parties, particularly on cases in legal recovery and the provision of funds not yet accounted for in order to make expenditures on behalf of the Bank.

Accruals assets	31 December 2025	31 December 2024
Deferred expenses	2,449	1,954
Accruals and prepaid expenses (*)	2,206	3,695
Accrued receivables (**)	63	2,867
Other accruals (***)	20,862	942
TOTAL	25,581	9,458

* Accrued expenses include credit portfolio insurance premiums relating to the period after December 31, 2025.

** The decrease in receivables is explained by the receipt during the 2025 financial year of dividends which had been recorded on certain investments for the 2024 financial year.

*** the other active accrual accounts consist of (i) payments due to be received on certain investment instruments, the bulk of which was actually received in January 2026 and (ii) repayments recorded on certain loans whose maturity date is in January 2026.

7.3 Other assets

The item "other assets" records amounts disbursed by the Bank to various debtors other than customers, pre-financing of activities on behalf of certain partners, guarantees paid by the Bank, advances and down payments made to certain persons and operating grants and subsidies to be received from Member States.

Others assets	31 December 2025	31 December 2024
Sundry debtors	1,735	1,067
Prefinancing of studies (*)	2,691	2,580
Deposits paid	103	104
Advances and prepayments made	531	1,722
Other endowments and subsidies to be received (**)	6,231	6,387
TOTAL	11,291	11,860

* Pre-financing of activities are sums paid by the Bank for the execution of certain projects or activities on behalf of external partners. These sums are then reimbursed by these partners upon completion of the activities in question, upon presentation of supporting

documents.

** In 1994, the member states of the WAEMU committed to providing the Bank with annual grants and subsidies from 1995 to 2033 to cover accounting losses resulting from the devaluation of the CFA franc against the French franc. The outstanding balance of these grants and subsidies from the member states amounts to 6,231 million CFA francs as of December 31, 2025.

NOTE 8. TANGIBLE AND INTANGIBLE ASSETS

8.1 Tangible assets

The net book value of tangible assets as of 31/12/2025 and 31/12/2024 is as follows:

Tangible assets	31 December 2025	31 December 2024
Cost of acquisition	28,481	27,864
Allocations and reversal of depreciations	-21,752	-20,898
Net outstanding of tangible assets	6,729	6,966

The breakdown by category of tangible assets is presented in the table below:

Items	Lands	Buildings	Properties under construction	Fittings and fixtures	Total
Cost of acquisition					
Balance as at 1st January 2024	**415**	**13,695**	**1,337**	**10,778**	**26,226**
Acquisitions	340	0	2,168	1,998	**4,506**
Transfers	0	0	-2,689	0	**-2,689**
Disposals	0	0	0	0	**0**
Revaluation acquisitions	0	0	0	-179	**-179**
Other revaluations	0	0	0	0	**0**
Balance as at 1st January 2025	**755**	**13,695**	**817**	**12,597**	**27,864**
Acquisitions	0	0	0	1,173	**1,173**
Transfers	0	0	0	0	**0**
Transfers to investment properties	0	0	0	0	**0**
Sales	0	0	-366	-190	**-556**
Balance as at 31 December 2025	**755**	**13,695**	**451**	**13,581**	**28,481**
					0
Cumulative amortizations and disposals					**0**
Balance as at 1st January 2024	**0**	**11,409**	**0**	**8,406**	**19,815**
Amortization charges	0	385	0	868	**1,253**
Reversals of depreciation (disposals)	0	0	0	0	**0**
Impairment losses recognized during the period	0	0	0	-170	**-170**
Reversals of depreciation	0	0	0	0	**0**
Balance as at 1st January 2025	**0**	**11,794**	**0**	**9,104**	**20,898**
Amortization charges	0	328	0	878	**1,206**
Reversals of amortization (disposals)	0	0	0	0	**0**
Transfers to investment properties	0	0	0	-351	**-351**
Impairment losses recognized during the period	0	0	0	0	**0**
Balance as at 31 December 2025	**0**	**12,121**	**0**	**9,631**	**21,752**
Net value of tangible assets as at 31 December 2025					**6,729**

8.2 Investment Properties

The investment properties consist primarily of the “Centre de Loisirs de la Cité du Personnel ». The Bank is seeking a partner to lease this property. No contingent rent will be charged during the 2025 financial year.
The net book values of the investment properties are presented below:

Investment properties	31 December 2025	31 December 2024
Cost of acquisition	853	836
Allocations and reversal of depreciations	-278	-231
Net outstanding of intangible assets	**575**	**605**

The change in the net book value of investment properties between the December 31, 2024 and December 31, 2025 are as follows:

Investment properties (amounts in XOF'M	31 December 2025	31 December 2024
Balance as at 1st January	836	770
Increases	17	65
Transfers from tangible assets	-	-
Amortization charges and reversal of amortiz	- 278	- 231
Gains and losses in fair value	-	
Balance as at 31 December	575	605

The fair value of the investment property is estimated, according to expert opinion, at 768 million CFA francs.

8.3 Intangible Assets

Intangible assets consist solely of software installed on the Bank's local servers, which it controls.

The net book values of intangible assets are presented below:

Intangible assets	31 December 2025	31 December 2024
Cost of acquisition	3,317	3,131
Allocations and reversal of depreciations	-2,079	-1,826
Net outstanding of intangible assets	**1,238**	**1,305**

The change in the net book value of intangible assets between December 31, 2024 and December 31, 2025 is as follows:

Acquisitions of intangible assets (in XOF'M)		Allocations and reversal of depreciations (in XOF'M)	
Balance as at 1st January 2025	3,131	Balance as at 1st January 2025	1,826
Acquisitions	1,180	Amortization charges	253
Disposals	0	Write-back of amortization	0
Transfers	-994	Transfers	0
Classified as assets held for sale	0	Classified as assets held for sale	0
Balance as at 31 december 2025	3,317	Balance as at 31 december 2025	2,079
Net value on balance sheet as at 31 december 2025			1,238

8.4 Non-current assets held for sale

The Bank acquired ownership of a property through a court-ordered auction, which is listed as a non-current asset held for sale. The necessary preliminary formalities (transfer of land title, securing the property, cleaning, etc.) for initiating the active sale program were completed in early 2024. The procedures for the sale (collecting and analyzing offers from potential buyers, etc.) were carried out during the 2025 fiscal year. As of the date of preparation of these financial statements, the Bank has identified potential buyers. Further steps and work are underway with the Bank's technical departments to expedite the sale process.

The asset held for sale was recorded at the lesser of its acquisition cost (corresponding to the sum of the auction price and all costs and expenses incurred up to the actual acquisition of ownership, amounting to 12,711 million CFA francs) and its fair value less the costs of sale. Any gain or loss arising from the disposal, as well as the costs of sale, will be recognized in net income. There are no accrued income or expenses included in other comprehensive income related to the asset held for sale.

NOTE 9. FINANCIAL LIABILITIES AT AMORTIZED COST

Financial liabilities at amortized cost consist of loans contracted by the Bank and the debts attached to them (accrued but not yet due interest and commissions).

9.1 Breakdown of item "Financial liabilities at amortized cost"

The details of this position are as follows (in MFCFA) as of December 31, 2025 and December 31, 2024:

Liabilities at amortized cost	31 December 2025	31 December 2024
A) Deposits from banks (Cauris ROPPA, AFD)	**211**	**7,913**
I-Debts represented by a security		
BOAD bond issues (*)	2,074,794	1,543,374
BOAD bills	0	0
Maturities of less than one year/debts repr. by securities	0	0
Sub-total I	*2,074,794*	*1,543,374*
II- Other loans from foreign partners		
Accrued interest on debts represented by a security	36,976	29,980
Deferred charges on bonds and bonds	0	0
Sub-total II	*36,976*	*29,980*
B) Total debts represented by a security (I+II)	**2,111,770**	**1,573,354**
I- Debts attached to loans and & debts repr.		
Loans to finance long-term projects	1,073,946	794,609
Loans for financing long-term studies	280	380
Maturities within one year/borrowings	178,561	0
Sub-total I	*1,252,787*	*794,989*
II- Debts related to other borrowings		
Accrued interest and commissions on other borrowings	*18,222*	*5,620*
Deferred charges on other borrowings	*-35,680*	*-28,519*
Sub-total II	*-17,457*	*-22,898*
C) Total others debts (I+II)	*1,235,330*	*772,090*
D) Subordinated debts (**)	**400,552**	**128,736**
Total I+II+III+IV	**3,747,862**	**2,482,092**

(*) The total amount of outstanding bond debt consists solely of eurobonds raised in 2017, 2019, 2021 and 2025 on the international financial market.

(**) Subordinated debt (hybrid debt) consists of instruments issued by BOAD and has similar characteristics. It has an initial maturity of 30 years with a non-call period of 5 years. The list of lenders and sources of funding for this resource is provided in the loan variation table in section 9.2 below. IFRS Accounting Standard This is a debt instrument without an equity component due to contractual clauses obligating BOAD to pay coupons upon the occurrence of certain events beyond its control. From a prudential perspective, the instrument meets the criteria for full integration into effective capital within the Tier 2 category. It is taken into account in the calculation of the debt-to-equity ratio (Effective Capital/Financial Debt) and capital adequacy ratios.

9.2 Table of changes in borrowings

The change in borrowings by counterparty between December 31, 2024 and December 31, 2025 is as follows:

Changes in deposits from banks

Debts	Balance as at 31 december 2024	Increases	Decreases	Exchange risk	Capitalisation interests differential by effective interest rate	Balance as at 31 december 2025
Deposits from Banks	7,913	223	-7,925	0	0	211
						0
TOTAL	7,913	223	-7,925	0	0	211

Changes in debt securities issued

Debts	Balance as at 31 december 2024	Increases	Decreases	Exchange risk	Capitalisation interests differential by effective interest rate	Balance as at 31 december 2025
Debentures	1,543,374	652,026	0	-122,308	1,701	2,074,794
Bonds	0	0	0	0	0	0
TOTAL	1,543,374	652,026	0	-122,308	1,701	2,074,794

Changes in other debts by counterparties

Debts	Balance as at 31 december 2024	Increases	Decreases	Exchange risk	Capitalisation interests differential by effective interest rate	Balance as at 31 december 2025
IDA	149,480	7,019	-14,576	-3,148	0	138,775
KfW	146,104	32,798	-23,689	0	0	155,213
AFD	131,316	27,389	-17,948	0	0	140,757
BEI	0	0	0	0	0	0
BAD	54,576	22,958	-10,763	0	0	66,772
BDC	0	0	0	0	0	0
BADEA	0	0	0	0	0	0
BNP Fortis	3,473	0	-3,473	0	0	0
BDA	19,679	0	-3,280	0	0	16,399
OPEC	32,798	0	-3,280	0	0	29,518
SMBC	65,596	0	0	0	0	65,596
CDP 1 60MEuros	19,679	19,679	0	0	0	39,357
CDP2 75 MEuros	39,357	0	-19,679	0	0	19,679
FinDev Canada	6,560	6,560	0	0	0	13,119
HSBC	63,186	63,186	0	0	0	126,371
SOCIETE GENERALE	63,186	63,186	0	0	0	126,371
Banque de Chine	0	98,394	0	0	0	98,394
JICA Facility	0	131,191	0	0	0	131,191
Commercial Facility (SMBC)	0	85,274	0	0	0	85,274
TOTAL BY COUNTERPARTIES	794,989	557,633	-96,687	-3,148	0	1,252,787

Changes in subordinated debts

Debts	Balance as at 31 december 2024	Increases	Decreases	Exchange risk	Capitalisation interests differential by effective interest rate	Balance as at 31 december 2025
BADEA	63,140	0	0	-7,314	0	55,826
CDP	65,596	0	0	0	0	65,596
BLOSSOMBond	0	316,057	0	-36,927	0	279,130
TOTAL	128,736	316,057	0	-44,241	0	400,552

TOTAL BY COUNTERPARTIES	2,475,011	1,525,939	-104,612	-169,696	1,701	3,728,344

The change in borrowings by counterparty between December 31, 2023 and December 31, 2024 is as follows:

Changes in deposits from banks

Debts	Balance as at 31 december 2023	Increases	Decreases	Exchange risk	Capitalisation interests differential by effective interest rate	Balance as at 31 december 2024
Deposits from Banks	6,814	1,701	-602	0	0	7,913
						0
TOTAL	6,814	1,701	-602	0	0	7,913

Changes in debt securities issued

Debts	Balance as at 31 december 2023	Increases	Decreases	Exchange risk	Capitalisation interests differential by effective interest rate	Balance as at 31 december 2024
Debentures	1,478,539	0	0	63,210	1,625	1,543,374
Bonds	0	0	0	0	0	0
TOTAL	1,478,539	0	0	63,210	1,625	1,543,374

Changes in other debts by counterparties

Debts	Balance as at 31 december 2023	Increases	Decreases	Exchange risk	Capitalisation interests differential by effective interest rate	Balance as at 31 december 2024
IDA	154,736	853	-7,585	1,477	0	149,480
KfW	151,863	19,679	-25,438	0	0	146,104
AFD	146,506	0	-15,190	0	0	131,316
BEI	0	0	0	0	0	0
BAD	42,381	22,958	-10,763	0	0	54,576
BDC	0	0	0	0	0	0
BADEA	0	0	0	0	0	0
BNP Fortis	4,019	0	-547	0	0	3,473
BDA	19,679	0	0	0	0	19,679
OPEC	32,798	0	0	0	0	32,798
SMBC	65,596	0	0	0	0	65,596
CDP 1 60MEuros	0	19,679	0	0	0	19,679
CDP2 75 MEuros	0	49,197	-9,839	0	0	39,357
FinDev Canada	0	6,560	0	0	0	6,560
HSBC	0	63,186	0	0	0	63,186
SOCIETE GENERALE	0	63,186	0	0	0	63,186
TOTAL BY COUNTERPARTIES	617,578	245,296	-69,362	1,477	0	794,989

Changes in subordinated debts

Debts	Balance as at 31 december 2023	Increases	Decreases	Exchange risk	Capitalisation interests differential by effective interest rate	Balance as at 31 december 2024
BADEA	59,363	0	0	3,777	0	63,140
CDP	0	65,596	0	0	0	65,596
TOTAL	59,363	65,596	0	3,777	0	128,736

TOTAL BY COUNTERPARTIES	2,162,293	312,593	-69,965	68,463	1,625	2,475,011

9.3 Maturity of financial liabilities at amortized cost

Maturity	31 December 2025	31 December 2024
At most six months	43,918	41,489
More than six months and less than one year	123,829	38,861
More than one year and less than two years	581,993	173,736
More than two years and less than three years	112,004	611,686
More than three years and less than five years	533,780	128,458
More than five years	2,343,826	1,490,127
Sub-total outstanding	3,739,351	2,484,357
Debts attached to loans and & debts repr.	19,519	7,081
TOTAL	3,758,870	2,491,438

9.4 The Bank's debt-equity ratio

The WAEMU Council of Ministers has decided that the Bank's total outstanding loans will be limited at all times to three times its equity capital. As of December 31, 2025, outstanding loans represent 209% of equity capital for risks, against a statutory limit of 300%.

NOTE 10. EARMARKED FUNDS

The earmarked funds are funds with external contributions from certain donors. The resources of these funds consist either of direct grants from the donor or of loans granted by the donor at reduced interest rates (the interest rate differential compared to the market rate being used to establish the Fund). The use of the resources obtained by the Bank and recorded in these Funds is governed by the provisions of the agreements established for this purpose. The Bank is obligated to reimburse these funds if their final use does not correspond to that stipulated in the contracts concluded with the donors.
As of December 31, 2025 and December 31, 2024, they break down as follows:

Earmarked funds	Funders	31 December 2025	31 December 2024
Belgian Technical Assistance Fund	Royaume de Belgique	217	217
Dutch Fund	Pays bas	34	34
IDA Counterpart Fund	IDA	599	490
AFD Research Fund	AFD	310	310
AFD Counterpart Fund	AFD	26	26
Environmental Partnership Fund	Fonds de Partenariat Environnemental	4	4
KfW Counterpart Fund	KfW	4,293	4,577
China Cooperation Fund	CHINE	139	139
AFD IV Capacity Improvement Fund	AFD	30	30
Energy Development Fund	FDE	1,985	1,985
Crop Insurance Fund	UEMOA	2,864	2,873
Regional Collaboration Centre (RCC)	Centre Régional de Collaboration (CRC)	937	807
News subsidy mechanism fund	Fonds du nouveau mécanisme de bonifi	0	33,745
CMS Fund for Interest Subsidy	CMS	1,000	1,000
Global environment fund	FEM	8,882	9,373
Climate change fund	Fonds d'Adaptation	10,186	12,071
Green Climate Fund	Fonds Vert pour le Climat	25,225	25,225
Regional initiatives supports fund	UEMOA	383	383
PACAN KFW Funds	KfW	3,772	3,772
RSE Project ressources	RSE	5	5
Fonds Etudes Climat	FEM	0	1,000
AFD-Bonif/SONG-TAABA	AFD	6,351	6,351
Digital Transformation Fund (KfW)	KFW	836	874
TOTAL		68,078	105,291

NOTE 11. ADJUSTMENT ACCOUNTS AND OTHERS LIABILITIES

As of December 31, 2025, the accrual and others liabilities accounts are as follows:

Others liabilities	Note	31 December 2025	31 December 2024
Derivatives liabilities	11.1	34,712	3,366
Accruals liabilities	11.2	71,919	24,351
Other liabilities	11.3	14,866	15,601
TOTAL		121,496	43,319

11.1 Derivative Liabilities

The Bank has put in place hedging instruments to protect itself against exchange rate risks on its debts denominated in dollars and SDRs and against the risks of changes in the rates of its variable rate loans (See note 7.1).

Derivative liabilities correspond to the negative value of hedging instruments as of December 31, 2025

The distribution of derivative liabilities by type of hedging relationship is as follows:

Derivatives liabilities	31 December 2025	31 December 2024
Derivatives liabilities -fair value hedge	4,167	1,794
Derivatives liabilities -cash flow hedge	30,545	1,573
TOTAL	34,712	3,366

The amount of derivative liabilities as of December 31, 2025, totaled 34,712 million CFA francs and relates to the hedging of bond issues and borrowing lines denominated in US dollars and SDRs. This level of financial liability results from the combined effect of (i) the decline in the value of the US dollar and SDRs relative to the guaranteed exchange rates obtained by BOAD when the hedging contracts were established, and (ii) the increase in the Euribor rate as of December 31, 2025, compared to December 31, 2024.

The value of the hedge is broken down as follows:

Instruments	Type of coverage	31 December 2025	31 December 2024
Eurobond Coverage 2017-2027	Cash flow	-	-
Eurobond Coverage 2019-2031	Cash flow	-	-
Fair Value Hybrid Debt Coverage 2024-2028	Cash flow	2,378	-
Fair Value Hybrid Debt Coverage 2025-2030	Cash flow	28,167	0
Coverage of other debts to institutional lenders	Fair value	4,167	1,794
Coverage Rate	Cash flow	-	1,573
Total		34,712	3,366

11.2 Accruals liabilities

This item records deferred revenue, expenses payable by the Bank for which invoices have not yet been received by the closing date of the accounts, and funds received pending allocation to a specific project.

The details of the adjustment accounts are as follows:

Accruals liabilities	31 December 2025	31 December 2024
Deferred income (*)	18,815	12,098
Accrued liabilities (**)	5,978	6,281
Advanced payments (***)	47,125	5,973
TOTAL	71,919	24,351

* The receipts to be regularized are cash receipts received in suspense accounts but not yet identified at the closing date and cash receipts received on securitized receivables awaiting transfer to the Securitization Fund.

** Accrued expenses relate to expenses for the financial year for which invoices have not yet been received at the closing date.

*** The deferred revenues primarily concern (i) prepayments of interest on treasury bills, which will be spread over the maturity of the bills on a pro rata basis, and (ii) the unspent balance of interest subsidy resources within the framework of the overall budget advance established by the WAEMU Commission and the new subsidy mechanism. The balances of these funds represent the remaining amounts to be used for interest subsidies on loans for the period after December 31, 2025.

The change in the position at December 31, 2025 is explained by the importance of (i) revenues to be regularized, (ii) expenses to be paid relating to invoices not received by the closing date and (iii) bonus resources to be used.

11.3 Other liabilities

The "other liabilities" item records debts to the Bank's suppliers of goods and services, as well as amounts owed to staff, social security organizations, and the Tax Administration.

The details of the other liabilities are as follows:

Other liabilities	31 December 2025	31 December 2024
Sundry creditors (*)	5,805	1,986
Suppliers payables	9,060	13,616
TOTAL	**14,866**	**15,601**

*Miscellaneous creditors consist of sums owed to Bank staff, social security organizations, the Tax Administration and certain returns of funds related to unsuccessful operations which will have to be re-executed.

NOTE 12. PROVISIONS

This item relates to the amount of liabilities under defined benefit plans for retirement severance pay and the financial liability corresponding to the value of financial guarantees issued by BOAD.

As of December 31, 2025, the amount of the provision stands at 13,668 MFCFA compared to 13,184 MFCFA as of December 31, 2024.

The liability relating to financial guarantees issued amounted to 304 million FCFA on December 31, 2025, compared to 51 million on December 31, 2024.

The table below compares the opening and closing balances of the net liability for defined benefits.

12. Provision for retirement severance pay	2025	2024
	KFCFA	KFCFA
Current value of the bond		
Opening balance	13,133,646	11,937,917
Cost of services rendered during the period	922,383	842,144
Contributions made by participants	0	0
Financial cost	825,033	777,912
Actuarial differences due to:		
a) changes in demographic assumptions	0	0
b) changes in financial assumptions	-202,686	
c) experience adjustments	269,032	216,338
d) total	66,346	216,338
Services provided	-1,582,847	-640 665
Cost of past services	0	0
Regulations	0	0
Closing balance	**13,364,560**	**13,133,646**
entirely unfunded schemes	*13,364,560*	*13,133,646*
schemes fully or partially funded		
Fair value of the plan's assets	n / A	n / A
Opening balance	0	0
Expected yield	0	0

12. Provision for retirement severance pay	2025	2024
Actuarial discrepancies	0	0
Employer contributions	0	0
Contributions made by participants	0	0
Services provided	0	0
Regulations	0	0
Closing balance	0	0
Net assets/liabilities recorded in the balance sheet		
Current value of the bond	13,364,560	13,133,646
Fair value of the plan's assets	0	0
Surplus / deficit	13,364,560	13,133,646
Amount not recorded as an asset due to limit 58(b)	0	0
(Assets)/Net liabilities recorded in the balance sheet	**13,364,560**	**13,133,646**
Total load		
Cost of services rendered during the period	922,383	842,144
Cost of past services	0	0
Effect of any regulation	0	0
Cost of services rendered in net income	**922,383**	**842,144**
Financial cost	825,033	777,912
Interest income	0	0
Net interest in net income	**825,033**	**777,912**
Actuarial discrepancies	66,346	216,338
Additional return on plan assets	0	0
Effect of the limit in paragraph 58(b)	0	0
Revaluations of net liabilities in other comprehensive income	**66,346**	**216,338**
Total load	**1,813,762**	**1,836,394**
Cumulative amount of actuarial differences recognized in the statement of income and expenses	**5,777,994**	**5,711,648**
Reconciliation of net liabilities recorded		
Opening balance	13,133,646	11,937,917
Total charge in net income	1,747,416	1,620,056
Services provided	-1,582,847	-640 665
Revaluations of net liabilities in other comprehensive income	66,346	216,338
Closing balance	13,364,560	13,133,646
Actuarial assumptions at closing		

12. Provision for retirement severance pay	2025	2024
The main actuarial assumptions used at the closing date are as follows:		
Main actuarial assumptions		
Discount rate	6.29%	6.10%
Expected rates of wage increase	6.00%	6.00%
Mortality rate	TH / TF 2002 multiplied by 200%	
The duration of the obligation is equal to:	8.4	8.4

The total projected cost of defined benefit plan contributions for 2026 amounts to 1,819 million CFA francs. The Bank also plans to pay out benefits of 387 million CFA francs in 2026.

12. Provision for retirement severance pay						
Sensitivity analysis						
At the closing date, possible changes in reasoning regarding one of the relevant actuarial assumptions would have affected the defined benefit obligation by the following amounts (other assumptions constant):						
			Change in obligation			
Main actuarial assumptions			2025		2024	
Discount rate	-1%	5.29%	8.4%	14,490,146	8.4%	14,238,910
Expected rates of wage increase	+1%	7%	8.4%	14,481,974	8.3%	14,228,789
Mortality rate	Rate x 50%	50%	-0.1%	13,344,835	-0.1%	13,116,944

* Sensitivity test results show that a 1% decrease in the discount rate would result in a bond of 14,490,146 KFCFA versus13,364,560KFCFA in the accounts, representing an 8.4% increase. Similarly, a 1% increase in the salary increase rate makes the obligation to13,364,560K FCFA to14,481,974KFCFA, representing an increase of 8.4%.

NOTE 13. EQUITY

13.1 Equity breakdown

The evolution of equity as of December 31, 2024 and December 31, 2025 respectively is as follows:

Equity capital	31 December 2025	31 December 2024
Subscribed capital	1,525,750	1,525,750
Callable capital	-892,170	-892,170
Unpaid Capital	-154,844	-230,529
Cost related to deferred paying-up of capital	-4,906	-9,281
Capital (A)	**473,830**	**393,770**
Share premium (B)	**2,622**	**2,622**
Reserves allocated to development activities	76,050	76,050
Other reserves	7,821	26
Retained earnings	744,065	706,554
Reserves and retained earnings (C)	**827,935**	**782,629**
Net income for the period (D)	**42,476**	**39,402**
Net gains on investments in equity instruments designated at fair value thro	47,559	50,284
Cashflow hedging reserves	19,565	-17,580
Remeasurements of defined benefit liability	-1,604	-1,538
Other comprehensive income (E)	**65,520**	**31,167**
EQUITY CAPITAL (A+B+C+D+E)	**1,412,383**	**1,249,590**
Subordinated debts (F)	**400,552**	**128,736**
EQUITY CAPITAL AND SUBORDINATED DEBTS (A+B+C+D+E+F)	**1,812,935**	**1,378,326**

13.2 Capital Structure

a) The following table shows the Bank's capital structure as of December 31, 2025, in nominal value and its distribution into shares. Each share confers the same rights and obligations on its holder.

SHAREHOLDERS	SUBSCRIBED CAPITAL	%	Number of shares	CALLED-UP CAPITAL	PAID UP CAPITAL	UNPAID CAPITAL	CALLABLE CAPITAL
	(1)=(2)+(5)			(2)=(3)+(4)	(3)	(4)	(5)
CATEGORY A							
BENIN	95,400	6 25	1,908	46,913	34,613	12,300	48,487
BURKINA	95,400	6 25	1,908	46,913	34,613	12,300	48,487
COTE D'IVOIRE	95,400	6 25	1,908	46,913	34,613	12,300	48,487
GUINEE BISSAU	95,400	6 25	1,908	46,913	16,163	30,750	48,487
MALI	95,400	6 25	1,908	46,913	34,613	12,300	48,487
NIGER	95,400	6 25	1,908	46,913	16,163	30,750	48,487
SENEGAL	95,400	6 25	1,908	46,913	34,613	12,300	48,487
TOGO	95,400	6 25	1,908	46,913	34,613	12,300	48,487
BCEAO	547,950	35 91	10,959	141,604	134,224	7,380	406,346
	1,311,150	**85 93**	**26,223**	**516,908**	**374,228**	**142,680**	**794,242**
CATEGORY B							
France	84,300	5 53	1,686	27,960	23,370	4,590	56,340
Germany	34,750	2 28	695	34,750	34,750	0	0
Belgium (1)	16,950	1 11	339	5,940	4,124	1,816	11,010
EIB	22,700	1 49	454	19,700	19,700	0	3,000
AfDB	20,750	1 36	415	16,250	10,350	5,900	4,500
EXIMBANK OF INDIA	750	0 05	15	188	188	0	563
CHINA	18,150	1 19	363	5,460	4,476	984	12,690
MOROCCO	16,250	1 07	325	6,425	2,645	3,780	9,825
	214,600	**14 07**	**4,292**	**116,673**	**99,602**	**17,070**	**97,928**
	1,525,750	**100%**	**30,515**	**633,581**	**473,830**	**159,750**	**892,170**
UNSUBSCRIBED CAPITAL	**183,600**		**3,672**				
AUTHORIZED CAPITAL (*)	**1,709,350**		**34,187**				

(1) Payment in advance of an amount of XOF 4,200 M into an escrow account

(*)In 2022, the Bank's governing bodies authorized a capital increase of 554 million CFA francs, thereby increasing the Bank's authorized capital from 1,155 million CFA francs to 1,709 million CFA francs. At the close of the 2025 financial year, subscriptions for this increase amounted to 422,100 million CFA francs, with payments totaling 116,350 million CFA francs.

b) The table below shows the details of the "capital to be released" appearing in the capital structure.

	31 December 2025	31 December 2024
Unpaid Capital without cost related to deffered paying-up of capital (a)	154,844	230,529
Cost related to deferred paying-up of capital (b)	4,906	9,281
Unpaid capital (a+b)	**159,750**	**239,810**

13.3 Effective Equity

The Bank's effective equity is broken down as follows as of December 31, 2025 and December 31, 2024:

Items	31 December 2025	31 December 2024
A- Tier 1 capital * (=1+2) (a)	**1,299,914**	**1,185,899**
1- Capital and other funds	473,830	393,770
2- Reserves and other funds	826,083	792,128
B1- Additionnal equity excluding subordinated debt	**80,081**	**76,196**
Effective own funds for risks (=A+B)	**1,379,994**	**1,262,095**
B2 - Additional equity (component of subordinated debt classified as Tier 2)	400,552	128,736
Effective equity (A+B1+B2)	**1,780,546**	**1,390,831**
C1- Own funds allocated	7,795	
C2- Unpaid own funds and cover reserves	24,594	- 12,505
Equity capital and Subordinated debts (A+B1+B2+C)	**1,812,935**	**1,378,326**

a. **The basic funds**represent higher quality risk capital, enabling the Bank's continued operation.

b. **Additional equity :** They represent equity of lower quality than basic equity but with a capacity to absorb losses in the event of liquidation or difficulties deemed significant by BOAD. They consist of (i) subordinated debt (hybrid debt) and (ii) other equity (capital gains on securities valued at fair value by other elements of comprehensive income).

c. **Dedicated equity and unpaid equity**

   C.1. Dedicated equity corresponds to funds endowed by the BOAD and dedicated to the support of certain activities (BOAD Foundation, Climate Studies Fund, New Bonus Mechanism).

   C.2. Unpaid equity corresponds to equity elements without cash consideration. They include (i) reserves to cover foreign exchange risk related to hedged debt interest, (ii) the unpaid portion of issue premiums and (iii) the unreleased portion of State endowments.

NOTE 14. MARGIN ON INTEREST AND COMMISSIONS

The details of this section are as follows:

Margin on interests and commissions	2025	2024
Interests and related income	211 217	183 144
Interests and related charges	-135 589	-93 534
Sub-total on interests (A)	*75 628*	*89 610*
Commissions (income)	9 687	8 213
Commissions (charges)	-7 173	-3 059
Sub-total on commissions (B)	*2 514*	*5 153*
TOTAL (A) + (B)	78 143	94 763

14.1. Interest

Interest and related income

Interests and related income	2025	2024
Interests and related income/ interbank loans	8,982	7,007
Interest on loans to customers	141,831	149,053
Interest on staff loans	251	241
Interest on securities portfolio	58,357	24,521
Commission on loan commitments	1,796	2,323
TOTAL	211,217	183,144

Interest and related charges

Interests and related charges	2025	2024
Interest charges on debts represented by a secu	-89,340	-62,299
Interest charges on other debts	-38,722	-26,907
Commissions/commitments received	-1,297	-806
Credit insurance commission	-6,230	-3,523
TOTAL	-135,589	-93,534

14.2. Commissions

Commissions (income)

Fees and commissions (income)	2025	2024
Commission obtained as processing fees	3,203	2,137
GARI's commission on guarantees	25	23
Other flat commissions	0	626
Commission on financial arrangements and advisory services	5,484	4,623
Commssions on FEM and FA	0	803
Retroceded commissions to partners	915	0
Participation fee	60	0
TOTAL	9,687	8,213

Commissions (charges)

Fees and commissions (charges)	2025	2024
Other charges/debts represented by securities	-1,266	-1,229
Other fees on borrowings	-5,905	-1,831
Charges and losses on investment securities	-1	0
TOTAL	-7,173	-3,059

NOTE 15. EXCHANGE RISK AND HEDGING INSTRUMENTS

Exchange rate gains and losses result from the Bank's mobilization of non-euro foreign currency resources from financial partners and on the international financial market to finance projects. These gains and losses were hedged through forward purchase and swap transactions. The Bank's foreign exchange risk management procedures are described in note 19.2.1, Foreign Exchange Risk.

As of December 31, 2025, the impact on the income statement of the valuation of the Bank's non-euro foreign currency debts with various financial partners is as follows:

Exchange risk and hedging instruments	2025	2024
Exchange gain consumed	854	316
Potential exchange gain	169,696	0
Sub-total forex gains (A)	*170,550*	*316*
Foreign exchange loss consumed	-415	-262
Potential foreign exchange loss	0	-68,463
Sub-total forex losses (B)	*-415*	*-68,726*
Net forex loss of C = (A) + (B)	*170,135*	*-68,410*
Loss/profit on hedging instruments	-150,517	84,009
Net profit/loss on currency transactions	**19,618**	**15,599**

Exchange gains and losses result from the Bank's mobilization of foreign currency resources other than the euro from financial partners and on the international financial market to finance projects. Their amount corresponds to the effect of exchange rate fluctuations during the period.

These foreign currency resources were hedged through forward purchase and swap transactions. The amount of gains and losses on hedging instruments corresponds to the change in these hedging contracts over the period moving in the opposite direction to the exchange rate risk, in order to neutralize its impact.

The residual difference between foreign exchange gains and losses on the one hand and gains and losses on hedging instruments on the other is explained essentially by swap points (foreign exchange carryovers and carryovers) which are gains or losses realized by the Bank from the moment the hedging contract is signed and are spread linearly over the duration of the contract.

Analysis of the sensitivity of gains and losses on foreign exchange transactions :

	2025			2024		
Sensitivity of Net Gains/Losses on Foreign Exchange Transactions to Income	Impact on potential foreign exchange gains and losses on debt	impacts on potential gains and losses on hedging	Net impact on the result for the period	Impact on potential foreign exchange gains and losses on debt	impacts on potential gains and losses on hedging	Net impact on the result for the period
100 basis points increase in the dollar rate against the euro	-12,698	12,698	0	-11,191	11,191	0
Dollar rate down 100 basis points against the euro	12,698	-12,698	0	11,191	-11,191	0
100 basis points increase in the SDR rate against the euro	-410	410	0	-473	473	0
100 basis points cut in the SDR rate against the euro	410	-410	0	473	-473	0

The Bank has put in place effective foreign exchange hedges which completely neutralize the impact of any currency fluctuations on the result.

NOTE 16. DIVIDENDS RECEIVED

The breakdown of dividends received on the Bank's investments is as follows :

Dividends received	2025	2024
Dividends from BRVM	259	168
Dividends from DC BR	98	98
Dividends from BOA Bénin	468	353
Dividends from CIPREL	0	382
Dividends from BOA NG	268	488
Dividends from BDM-SA	1,324	0
Dividends from AFREXIMBank	201	1,232
Dividends from SONIBANK	0	0
Dividends from PROPARCO	44	66
Dividends from CICA-RE	70	67
Dividends from Fidelis Finance	68	0
Dividends from SOAGA	107	139
Dividends from BDU BF	309	246
Dividends from BDU CI	301	287
Dividends from SICAV ABDOU DIOUF	162	159
Dividends from ORABANK CI	0	0
Dividends from ASKY	425	386
Dividends from FAA	0	8
Dividends from ADIWALE FUND	23	0
Dividends from BIIC BENIN	485	0
Dividends from NEM ASSURANCE (AFIG FUND)	11	0
TOTAL	4,624	4,079

NOTE 17. COST OF RISK

The evolution of the cost of risk as of December 31, 2025 and December 31, 2024 is shown in the table below:

Cost of risk	December 2025	December 2024
Depreciations on receivables from customers	-19,958	-29,906
Write-back of depreciations on receivables from customers	4,265	9,093
Depreciations on securities portfolio	-4,653	-3,698
Write-back of depreciations on securities portfolio	0	5
Losses on receivables covered by depreciations	-53	-3,501
Depreciations on other assets	0	-9,227
Write-back of depreciations on other assets	-253	0
TOTAL	-20,652	-37,234

The distribution of the risk cost per bucket is as follows:

Distribution by bucket of the cost of risk	December 2025	December 2024
Bucket 1	-1,029	-821
Bucket 2	-18,046	-9,369
Bucket 3	-1,578	-27,044
TOTAL	-20,652	-37,234

The evolution of impairments on bucket 2 between the two periods stems essentially from taking into account the economic situation in Senegal in addition to the security and socio-political situation in Burkina Faso, Mali and Niger in the adjustment of the ratings of counterparties based in these countries and, consequently, in the estimation of expected credit losses.

The evolution of provisions allocated to reserves over the period is as follows:

Evolution of provisions	Balance as at	Period Movements			Accumulated balance as of
	31/12/2024 (a)	Increases / Allocations (b)	Decreases / Recoveries (c)	Balance 31/12/2025 (d) = (b) + (c)	31/12/2025 (e) = (a) + (d)
Provisions on gross outstanding loans	196,595	20,210	-4,265	15,946	212,541
Provisions on securities portofolio	7,909	4,653	0	4,653	12,563
Provisions on others assets	8,244	53	0	53	8,297
Total provisions (*)	**212,749**	**24,917**	**-4,265**	**20,652**	**233,401**

* Provisions increased from 212,749 MFCFA on December 31, 2024 to 233,401 MFCFA on December 31, 2025, resulting in a cost of risk of 20,652 M FCFA mainly related to provisions for customer receivables.

NOTE 18. OTHER OPERATING INCOME

Other operating income amounted to -40,057 million FCFA as of December 31, 2025, compared to -38,249 million FCFA as of December 31, 2024. They break down as follows:

18.1 State allocations

State contributions are granted to BOAD as compensation for operating expenses arising from commitments made by the Bank. They are initially recorded as deferred income and then allocated to profit or loss under the "State Contributions" line item as expenses related to BOAD's commitments are recognized, up to the limit of expenses actually incurred.

The amount allocated to the result for the financial years 2025 and 2024 remained unchanged and amounted to 3,200 MFCFA.

18.2 Costs related to development activities

This position includes expenses related to development activities carried out by BOAD, including the enhancement of non-commercial projects and preliminary studies for financing development activities.

Expenses related to development activities	31/12/2025	31/12/2024
Interest subsidy	-1,171	-1,352
Punctual assistance to member states	0	-800
TOTAL	-1,171	-2,152

18.3 General operating expenses.

The Bank's general operating expenses are detailed as follows:

General operating costs	2025	2024
Staff overheads (a)	-26 333	-23 888
Amortizations and depreciations - Property, equipment and intangible assets	-1 506	-1 358
Other operating costs (b)	-14 450	-14 194
TOTAL	-42 289	-39 440

(a) **Details of personnel costs** is presented as follows on December 31, 2025 and on December 31, 2024:

Detail of personnel expenses	31/12/2025	31/12/2024
Wages and salaries	-22,534	-20,356
Social security contributions	-1,127	-1,090
Other short-term benefits	-1,616	-1,486
Health insurance funds	-134	-114
Defined benefit plan expenses (*)	-922	-842
TOTAL	-26,333	-23,887

(*) Apart from the amount shown in personnel expenses, the expenses for the year under defined benefit plans include a financial cost amounting to 825 MFCFA, recorded in financial expenses (see note 12).

b) other operating expenses

Other operating expenses cover all operating costs during the financial year. These include maintenance costs for professional premises and accommodation used by certain staff members and Senior Management, maintenance costs for the Bank's professional equipment, fees for computer software, communication, internet, water and electricity costs, travel, hotel and daily allowances paid to staff for professional missions, and fees paid to consultants for services provided to the Bank.

NOTE 19. RISK MANAGEMENT

The Bank's primary objective in its risk management is to ensure its long-term financial viability and operational resilience while pursuing its corporate purpose. To this end, BOAD adopts and implements international best banking practices (in terms of policies, mechanisms, and processes) to promote a robust and prudent risk culture across all its activities.

This note provides information on the main types of financial risks to which the Bank is exposed in its activities, including credit risk, market risk, liquidity risk, and operational risks. It also contains information on the objectives, policies, procedures, limits, and controls that enable BOAD to identify, assess, monitor, report on, mitigate, and control these risks.

The Bank is not subject to the regulations of its member states. However, it has adopted as a reference for its risk management framework the recommendations of the Basel Committee on Banking Supervision and best practices at the peer level.

BOAD regularly reviews its risk and control policies, including its monitoring procedures, in accordance with best banking practices.

19.1. Credit Risk

Credit risk represents the financial loss incurred by the Bank when clients or counterparties of a financial instrument fail to meet their contractual obligations. Credit risk is the Bank's primary source of risk and stems mainly from its lending, equity, and cash investment activities.

Credit risk management relies on standards and procedures, management tools, rating systems, a provisioning and risk coverage policy and a close monitoring system.

The overall organization of credit risk management is characterized by:

- a structured granting process, based on the separation between commercial business lines and risk business lines (second opinion), allowing for a dual objective perspective;
- commitment limits set in proportion to equity for Risks and validated by the deliberative bodies;
- an internal rating system composed of models specific to each segment of the client portfolio (sovereign, corporate, bank, project in creation, capital investment at the corporate level, capital investment in banks) based on both quantitative and qualitative variables specific to the client and its socio-economic environment;
- a policy for the impairment of debt instruments and the fair value measurement of equity instruments in accordance with IFRS 9.

19.1.1 Description of the Bank's internal portfolio rating system

All counterparties receiving assistance from the Bank are subject to a rating at least once a year. To do this, the Bank has six (6) models: “Sovereign” (States), “Corporate” (Portfolio companies), “Bank” (Portfolio banks), “Project Finance” (financing of projects in creation), “Bank Private Equity” (equity investments in Banks) and “Corporate Private Equity” (equity investments in companies).

19.1.1.1 The Bank's internal masterscale: correspondence with external rating agencies

The Bank's internal rating scale comprises 21 positions. Each scale corresponds to a probability of default. The Bank's internal "masterscale" with a mapping to external ratings is as follows:

	PD	GEMs	Moodys	SP	Fitch	Appreciation	Risk_Class
1	0.00%	GI1	Aaa	AAA	AAA	Excellent	Extremely low risk
2	0.00%	GI2	Aa1	AA+	AA+	Alright	Very low risk
3	0.00%	GI3	Aa2	AA	AA		
4	0.00%	GI4	Aa3	AA-	AA-		
5	0.01%	GI5	A1	A+	A+	GOOD	Low risk
6	0.01%	GI6	A2	A	A		
7	0.04%	GI7	A3	A-	A-		
8	0.09%	GI8	Baa1	BBB+	BBB+		
9	0.17%	GI9	Baa2	BBB	BBB		
10	0.42%	GI10	Baa3	BBB-	BBB-		
11	1.34%	Gs 1	Ba1	BB+	BB+	Pretty good	Moderate risk
12	1.45%	Gs 2	Ba2	BB	BB		
13	2.06%	Gs 3	Ba3	BB-	BB-		
14	2.74%	Gs 4	B1	B+	B+	Acceptable	
15	3.48%	Gs 5	B2	B	B		
16	4.61%	Gs 6	B3	B-	B-	Weak	
17	7.00%	Gs 7	Caa1	CCC+	CCC+	Special attention	High risk
18	9.45%	Gs 8	Caa2	CCC	CCC		
19	19.70%	Gs 9	Caa3	CCC	CCC		
20	32.87%	Gs 10	Caa3	CC	CC		Very high risk
21	100.00%	D	D	D	D	Default	Default

19.1.1.2 Qualitative and quantitative factors taken into account in the rating

For each internal rating model, distinct quantitative and qualitative factors with specific weightings were selected. These weightings are based on statistical methods, expert judgments, and benchmarking results from other multilateral development banks. The resulting scores are then converted into default probabilities.

19.1.2 The Bank's intervention limits related to credit risk

The Bank's intervention limits are defined in relation to its effective equity capital (FPE) according to the risk appetite matrix as approved by the Council of Ministers in the Bank's Risk Appetite Statement.

Risk appetite statement - Risk appetite matrix		Appetence	Tolerance	Capacity
	BOAD target rating			
	Bank's rating	BBB+	BBB	BBB-
	Quality of credit portfolio			
	Weighted average rating by outstandings (credit portfolio)	Gs3	Gs4	Gs5
	Liquidity			
	LCR	>210%	>200%	150%
	Month of coverage	>12	>10	9
	Capital adequacy			
	(Outstanding loans + Equity investments)/Effective equity (tier 1 capital) (Moodys approach)	<300%	<350%	400%
	Effective equity (tier 1 capital) / total assets + guarantees (Fitch approach)	>27%	>26%	25%
	Outstanding Equity investments / Outstanding loans	<4%	<4.5%	<5%
	Debt/Effective equity (tier 1 capital)	<275%	<290%	300%
*	Venture Capital Utilisation Rate (Economic Capital / Effective equity (tier 1 capital))	<70%	<80%	90%
	Allocation by type of risk			
*	Venture capital allocated to operations (90.00% of the Bank's total venture capital)	<70%	<80%	90%
*	*Credit risk (75.00% of the Bank's total venture capital)*	<70%	<72.50%	75%
*	*Equity investment (15.00% of the Bank's total venture capital)*	<10%	<12.5%	15%
*	ALM risk (2.00% of the Bank's total risk capital)	<1.5%	<1.75%	2%
*	Operational Risk (3.00% of the Bank's total Venture Capital)	<2.5%	<2.75%	3%
*	Non-material risk (5.00% of the Bank's total venture capital)			5%
	Allocation by counterparty category			
*	Sovereigns (40.00% of the Bank's total risk capital allocated to operations)	<30%	<35%	40%
*	Non-sovereign (60.00% of the Bank's total risk capital allocated to operations)	<50%	<55%	60%
*	*Public companies (10.00% of the Bank's total venture capital allocated to operations)*	*7.5%*	*8.5%*	*10%*
*	*Private companies (25.00% of the Bank's total venture capital allocated to operations)*	*20%*	*22.5%*	*25%*
*	*Banks and financial institutions (25.00% of the Bank's total venture capital allocated to operations)*	*20%*	*22.5%*	*25%*
	Sector allocation (non-sovereign portfolio)			
*	Energy and Water (15.00% of the Bank's total Venture Capital allocated to operations)	10%	12.5%	15%
*	Sanitation, transport and environment (10.00% of the Bank's total venture capital allocated to operations)	5%	7.5%	10%
*	Finance and insurance (25.00% of the Bank's total venture capital allocated to operations)	*20%*	*22.5%*	*25%*
	Concentration Overall regional project, all operations of non-sovereign borrowers (15.00% of the Bank's total venture capital allocated to operations)			
*	Concentration global regional project	10%	12.5%	15%
	Global country concentration, all operations and all borrowers combined (25.00% of the Bank's total venture capital allocated to operations)			
	Global country concentration, all operations and all borrow ers combined (25.00% of the Bank's total venture capital allocated to operations)	20%	22.5%	25%
	Single State (5.00% of the Bank's total venture capital allocated to operations)			
	Single State	4%	4.5%	5%
*	**Single country concentration of non-sovereign borrowers across all operations (20.00% of the Bank's total risk capital allocated to operations)**			
	Single country concentration	15,0%	17.5%	20%
*	**Related parties/single group, all operations of non-sovereign borrowers (3.00% of the Bank's total risk capital allocated to operations)**			
	Related parties/single group, all operations of non-sovereign borrow ers (3.00% of the Bank's total risk capital allocated to operations)	2%	2.5%	3%
	Sole debtor, all operations combined, of non-sovereign borrowers (1.00% of the Bank's total risk capital allocated to operations)			
*	Sole debtor, all operations combined, of non-sovereign borrow ers (1.00% of the Bank's total risk capital allocated to operations)	0.5%	0.8%	1%

19.1.3 Dominant sectors of activity

The outstanding loan balance is distributed as follows by sector of activity as of December 31, 2025 and December 31, 2024:

Sectors of activity	31/12/2025	%	31/12/2024	%
Finance and Insurance	339,356 81	12%	333,011	14%
Agriculture, Rural Development and Social Projects	699,125 92	25%	638,929	26%
Industries	87,005 61	3%	70,658	3%
Energy and Water	430,688 82	16%	383,351	16%
Transport infrastructure and equipment, sanitation and urban development	1,088,345 15	39%	976,778	40%
Information and communication technologies	52,368 26	2%	23,392	1%
Hospitality and Tourism and other services	74,455 72	3%	37,016	2%
TOTAL	**2,771,344**	**100%**	**2,463,134**	**100%**

19.1.4 Portfolio Credit Quality Analysis

The Bank has precisely defined the limits and procedures enabling it to frame, measure and control risks in advance, in the form of a system including formalized global limits for its commitments by country, by sector, by borrower and limits by operation.

19.1.4.1 Maximum exposure of the Bank in terms of credit risk

The Bank's maximum exposure to credit risk before taking into account the guarantees received is as follows for 2025 and 2024:

Maximum exposure of the Bank in terms of credit risk	31/12/2025	%	31/12/2024	%
Loans and advances to banks	49,971	1%	33,989	1%
Loans and advances to customers (gross outstandings)	2,771,344	68%	2,463,134	93%
Loans and advances to staff	24,708	1%	23,977	1%
Debt securities portofolio (gross outstandings)	1,178,252	29%	0	0%
Receivables from shareholders	4,526	0%	5,075	0%
Derivatives assets *	26,868	1%	108,895	4%
TOTAL	**4,055,669**	**100%**	**2,635,070**	**100%**

* Potential loss that the Bank would have suffered on foreign currency loans in the absence of hedging instruments.

19.1.4.2 Exposure by financial assets categories

The exposures by type of financial assets categories, taking into account credit risk reduction elements, are as follows:

<u>FINANCIAL ASSETS NOT SUBJECT TO IMPAIRMENT REQUIREMENTS (REPORTED AT FAIR VALUE)</u>

in Millions of XOF	31 December 2025		31 December 2024	
	Maximum exposure to credit risk	Credit risk mitigation Collaterals held Financial guarantees	Maximum exposure to credit risk	Credit risk mitigation Collaterals held Financial guarantees
Equity investments designated at fair value through P&L	11,372	0	10,625	0
Equity investments designated at fair value through OCI non-recyclable	162,425	0	147,036	0
Derivative exchange rate hedging instruments	26,868	0	108,895	0
Total	**200,666**	**0**	**266,556**	**0**

<u>FINANCIAL ASSETS SUBJECT TO IMPAIRMENT REQUIREMENTS</u>

in Millions of XOF	31 December 2025		31 December 2024	
	Maximum exposure to credit risk	Credit risk mitigation Collaterals held Financial guarantees	Maximum exposure to credit risk	Credit risk mitigation Collaterals held Financial guarantees
Loans and advances to banks	49,971	0	33,989	0
of which impaired assets at the reporting date	0	0	0	0
Loans and advances to customers	2,771,344	362,752	2,463,134	341,691
of which impaired assets at the reporting date	64,141	0	60,690	0
Loans and advances to staff	24,708	0	23,977	0
of which impaired assets at the reporting date	0	0	0	0
Debt securities portfolio	1,178,252	0	629,498	0
of which impaired assets at the reporting date	0	0	0	0
Receivables from shareholders	0	0	0	0
of which impaired assets at the reporting date	0	0	0	0
Total Financial assets at amortized cost	**4,024,275**	**0**	**3,150,598**	**341,691**
of which impaired assets at the reporting date	**64,141**	**0**	**60,690**	**0**

<u>OFF-BALANCE SHEET COMMITMENTS SUBJECT TO IMPAIRMENT REQUIREMENTS</u>

in Millions of XOF	31 December 2025		31 December 2024	
	Maximum exposure to credit risk	Credit risk mitigation Collaterals held Financial guarantees	Maximum exposure to credit risk	Credit risk mitigation Collaterals held Financial guarantees
Sureties and other guarantees	**20,698**	**0**	**17,500**	**0**
of which impaired commitments at the reporting date	0	0	0	0
Loans commitments given	**2,692,431**	**0**	**2,749,441**	**0**
of which impaired commitments at the reporting date	0	0	0	0
Total	**20,701**	**0**	**2,766,941**	**0**
of which impaired commitments at the reporting date	0	0	0	0

It should be noted that, in terms of loan protection, the loan agreements include not only collateral and security interests (mortgages on real estate, pledges or liens on equipment, materials, or inventory) but also personal guarantees (sureties), assignments of insurance policy benefits, credit guarantees, and the implementation of payment mechanism agreements. However, the Bank's expected loss calculation model only considered financial guarantees as eligible under credit risk mitigation tools.

19.1.4.3 Exposure of the Bank per country and per window

The distribution of outstanding loans by window and by country is as follows as of December 31, 2025 and December 31, 2024:

COUNTRIES	31/12/2025			Total 2025	31/12/2024			Total 2024
	FDC	FDE	Bank		FDC	FDE	Bank	
BENIN	138,156	9,376	150,469	298,001	140,537	10,329	113,823	264,689
BURKINA FASO	135,103	13,307	179,857	328,268	143,186	14,302	147,918	305,406
IVORY COAST	103,086	25,329	476,416	604,831	98,663	26,426	350,600	475,689
GUINEA BISSAU	111,504	16,492	6,252	134,249	111,152	16,350	6,002	133,504
MALI	142,032	8,663	146,131	296,826	154,009	9,616	148,907	312,532
NIGER	140,286	22,571	151,559	314,416	135,494	23,356	85,629	244,479
SENEGAL	143,118	20,128	307,668	470,914	145,448	21,569	240,724	407,741
TOGO	150,661	162	173,015	323,839	148,655	46	170,394	319,095
TOTAL	**1,063,946**	**116,030**	**1,591,368**	**2,771,344**	**1,077,143**	**121,995**	**1,263,996**	**2,463,134**

19.1.5 Bank Depreciation Policy

Depending on its activities, the Bank manages two types of credit risk, namely sovereign credit risk and non-sovereign credit risk.

19.1.5.1 Sovereign risk and non-sovereign risk

a) <u>Sovereign risk</u>

Sovereign or non-commercial credit risk relates to loans granted to states. This risk is primarily managed by the Bank through a sanctions policy, including the suspension of disbursements and the rejection of new loan applications in the event of default.

b) <u>Non-sovereign risk</u>

Non-sovereign or commercial credit risk is linked to loans granted by the Bank to borrowers in the private sector or public entities with commercial management.

c) <u>Breakdown of outstanding amounts by risk type and by rating</u>

The following table presents the breakdown of the Bank's loan and investment securities portfolio (valued at amortized cost) in terms of gross outstanding amounts by rating scale:

2025							
Portfolio exposure in terms of outstanding amounts by rating		Sovereign		Non-Sovereign		Total	
Appreciation	Rating	Outstanding	(%)	Outstanding	(%)	Outstanding	(%)
Pretty good	Gs1	-	0%	-	0%	0	0%
Pretty good	Gs2	363,560	18%	78,763	11%	442,323	16%
Pretty good	Gs3	0	0%	86,335	12%	86,335	3%
Acceptable	Gs4	222,327	11%	42,439	6%	264,766	10%
Acceptable	Gs5	0	0%	220,182	31%	220,182	8%
Increasing	Gs6	199,787	10%	66,964	10%	266,751	10%
Special attention	Gs7	467,301	23%	28,292	4%	495,592	18%
Special attention	Gs8	274,735	13%	73,291	10%	348,027	13%
Special attention	Gs9	240,722	12%	39,616	6%	280,338	10%
Special attention	Gs10	302,389	15%	500	0%	302,889	11%
Default	D	0	0%	64,141	9%	64,141	2%
Customer receivables		*2,070,821*	*100%*	*700,523*	*100%*	*2,771,344*	*100%*
Pretty good	Gs1	0	0%	0	0%	0	0%
Pretty good	Gs2	289,640	32%	3,901	3%	293,541	28%
Pretty good	Gs3	3,000	0%	0	0%	3,000	0%
Acceptable	Gs4	164,159	18%	93,313	62%	257,473	25%
Acceptable	Gs5	12,000	1%	28,752	19%	40,752	4%
Increasing	Gs6	83,822	9%	6,952	5%	90,774	9%
Special attention	Gs7	119,497	13%	1,500	1%	120,997	12%
Special attention	Gs8	47,418	5%	4,114	3%	51,532	5%
Special attention	Gs9	36,000	4%	11,254	8%	47,254	5%
Special attention	Gs10	137,345	15%	0	0%	137,345	13%
Default	D	0	0%	0	0%	0	0%
Securities portfolio (*)		*892,881*	*100%*	*149,786*	*100%*	*1,042,668*	*100%*
Total		*2,963,703*	*100%*	*850,309*	*100%*	*3,814,012*	*100%*

(*) Good ones are excluded due to their very short maturity.

OFF-BALANCE SHEET COMMITMENTS

Portfolio exposure in terms of outstanding amounts by rating		Sovereign		Non-Sovereign		Ensemble	
Appreciation	Rating	Outstanding	(%)	Outstanding	(%)	Outstanding	(%)
Pretty good	Gs1	-	0%	-	0%	-	0%
Pretty good	Gs2	-	0%	-	0%	-	0%
Pretty good	Gs3		0%		0%	0	0%
Acceptable	Gs4		0%		0%	0	0%
Acceptable	Gs5		0%		0%	0	0%
Increasing	Gs6	2,296,708	100%	395,723	100%	2,692,431	100%
Special attention	Gs7		0%		0%	0	0%
Special attention	Gs8		0%		0%	0	0%
Special attention	Gs9		0%		0%	0	0%
Special attention	Gs10		0%		0%	0	0%
Default	D	-	0%		0%	0	0%
Customer receivables		*2,296,708*	*100%*	*395,723*	*100%*	*2,692,431*	*100%*
Pretty good	Gs1		0%		0%	-	0%
Pretty good	Gs2		0%		0%	-	0%
Pretty good	Gs3		0%		0%	0	0%
Acceptable	Gs4		0%		0%	0	0%
Acceptable	Gs5		0%		0%	0	0%
Increasing	Gs6		0%		0%	0	0%
Special attention	Gs7		0%		0%	0	0%
Special attention	Gs8		0%		0%	0	0%
Special attention	Gs9		0%		0%	0	0%
Special attention	Gs10		0%		0%	0	0%
Default	D		0%		0%	-	0%
Securities portfolio (*)		*0*	*0%*	*0*	*0%*	*0*	*0%*
Total		*2,296,708*	*100%*	*395,723*	*100%*	*2,692,431*	*100%*

d) Breakdown of outstanding amounts by type of financial asset and by credit risk category

FINANCIAL ASSETS AT AMORTISED COST - LOANS AND ADVANCES TO CUSTOMERS

in Millions of XOF	Credit risk classes	31 December 2025				Credit risk classes	31 December 2024			
		Carrying amount					Carrying amount			
		Healthy or impaired assets			Total		Healthy or impaired assets			Total
		Assets subject to ECL one year (Bucket 1)	Assets subject to ECL at maturity (Bucket 2)	Impaired assets (Bucket 3)			Assets subject to ECL one year (Bucket 1)	Assets subject to ECL at maturity (Bucket 2)	Impaired assets (Bucket 3)	
Sovereign	1,3374%<PD<1,449%	0	0	0	0	1,3374%<PD<1,449%	0	0	0	0
	1,449%<PD<2,0626%	220,939	142,621	0	363,560	1,449%<PD<2,0626%	100,362	151,063	0	251,425
	2,0626%<PD<2,7432%	15,842	0	0	15,842	2,0626%<PD<2,7432%	0	0	0	0
	2,7432%<PD<3,484%	117,583	104,770	0	222,353	2,7432%<PD<3,484%	94,167	112,750	0	206,918
	3,484%<PD<4,6082%	65,330	6,777	0	72,107	3,484%<PD<4,6082%	0	0	0	0
	4,6082%<PD<7,0004%	0	207,940	0	207,940	4,6082%<PD<7,0004%	0	482,503	0	482,503
	7,0004%<PD<9,45%	0	467,383	0	467,383	7,0004%<PD<9,45%	0	133,457	0	133,457
	9,45%<PD<19,7%	0	308,409	0	308,409	9,45%<PD<19,7%	0	265,493	0	265,493
	19,7%<PD<32,87%	0	241,504	0	241,504	19,7%<PD<32,87%	0	252,945	0	252,945
	32,87%<PD<100%	0	302,389	0	302,389	32,87%<PD<100%	0	227,973	0	227,973
	PD = 100%	0	0	0	0	PD = 100%	0	0	0	0
Total Sovereign		**419,693**	**1,781,794**	**0**	**2,201,487**		**194,529**	**1,626,184**	**0**	**1,820,714**
Non Sovereign	1,3374%<PD<1,449%	0	0	0	0	1,3374%<PD<1,449%	0	0	0	0
	1,449%<PD<2,0626%	78,761	0	0	78,761	1,449%<PD<2,0626%	0	0	0	0
	2,0626%<PD<2,7432%	70,493	0	0	70,493	2,0626%<PD<2,7432%	158,180	0	0	158,180
	2,7432%<PD<3,484%	41,560	854	0	42,414	2,7432%<PD<3,484%	64,112	1,697	0	65,809
	3,484%<PD<4,6082%	136,272	19,598	0	155,870	3,484%<PD<4,6082%	162,999	21,107	0	184,106
	4,6082%<PD<7,0004%	0	58,811	0	58,811	4,6082%<PD<7,0004%	0	46,780	0	46,780
	7,0004%<PD<9,45%	0	28,209	0	28,209	7,0004%<PD<9,45%	0	14,223	0	14,223
	9,45%<PD<19,7%	0	39,618	0	39,618	9,45%<PD<19,7%	0	80,199	0	80,199
	19,7%<PD<32,87%	0	31,041	0	31,041	19,7%<PD<32,87%	0	23,643	0	23,643
	32,87%<PD<100%	0	500	0	500	32,87%<PD<100%	0	8,790	0	8,790
	PD = 100%	0	0	64,141	64,141	PD = 100%	0	0	60,690	60,690
Total Non Sovereign		**327,086**	**178,630**	**64,141**	**569,857**		**385,291**	**196,439**	**60,690**	**642,421**
Depreciations		-5,104	-88,903	-55,491	-149,499		-4,705	-75,134	-55,809	-135,647
Total		**741,675**	**1,871,521**	**8,650**	**2,621,845**		**575,116**	**1,747,490**	**4,881**	**2,327,487**

FINANCIAL ASSETS AT AMORTISED COST - DEBT SECURITIES PORTFOLIO

in Millions of XOF	Credit risk classes	31 December 2025				Credit risk classes	31 December 2024			
		Carrying amount					Carrying amount			
		Healthy or impaired assets			Total		Healthy or impaired assets			Total
		Assets subject to ECL one year (Bucket 1)	Assets subject to ECL at maturity (Bucket 2)	Impaired assets (Bucket 3)			Assets subject to ECL one year (Bucket 1)	Assets subject to ECL at maturity (Bucket 2)	Impaired assets (Bucket 3)	
Souverain	1,3374%<PD<1,449%	0	0	0	0	1,3374%<PD<1,449%	0	0	0	0
	1,449%<PD<2,0626%	285,640	4,000	0	289,640	1,449%<PD<2,0626%	25,885	7,000	0	32,885
	2,0626%<PD<2,7432%	3,000	0	0	3,000	2,0626%<PD<2,7432%	0	0	0	0
	2,7432%<PD<3,484%	162,159	2,000	0	164,159	2,7432%<PD<3,484%	18,571	2,667	0	21,238
	3,484%<PD<4,6082%	12,000	0	0	12,000	3,484%<PD<4,6082%	0	0	0	0
	4,6082%<PD<7,0004%	0	83,822	0	83,822	4,6082%<PD<7,0004%	0	105,065	0	105,065
	7,0004%<PD<9,45%	0	119,497	0	119,497	7,0004%<PD<9,45%	0	0	0	0
	9,45%<PD<19,7%	0	47,418	0	47,418	9,45%<PD<19,7%	0	58,293	0	58,293
	19,7%<PD<32,87%	0	36,000	0	36,000	19,7%<PD<32,87%	0	21,000	0	21,000
	32,87%<PD<100%	0	137,345	0	137,345	32,87%<PD<100%	0	46,000	0	46,000
	PD = 100%	0	0	0	0	PD = 100%	0	0	0	0
Total Souverain		**462,799**	**430,082**	**0**	**892,881**		**44,456**	**240,024**	**0**	**284,479**
Non souverain	1,3374%<PD<1,449%	0	0	0	0	1,3374%<PD<1,449%	0	0	0	0
	1,449%<PD<2,0626%	3,901	0	0	3,901	1,449%<PD<2,0626%	0	0	0	0
	2,0626%<PD<2,7432%	0	0	0	0	2,0626%<PD<2,7432%	4,918	0	0	4,918
	2,7432%<PD<3,484%	93,313	0	0	93,313	2,7432%<PD<3,484%	127,504	0	0	127,504
	3,484%<PD<4,6082%	28,419	333	0	28,752	3,484%<PD<4,6082%	13,681	667	0	14,348
	4,6082%<PD<7,0004%	0	6,952	0	6,952	4,6082%<PD<7,0004%	0	0	0	0
	7,0004%<PD<9,45%	0	1,500	0	1,500	7,0004%<PD<9,45%	0	0	0	0
	9,45%<PD<19,7%	0	4,114	0	4,114	9,45%<PD<19,7%	0	4,500	0	4,500
	19,7%<PD<32,87%	0	11,254	0	11,254	19,7%<PD<32,87%	0	11,250	0	11,250
	32,87%<PD<100%	0	0	0	0	32,87%<PD<100%	0	0	0	0
	PD = 100%	0	0	0	0	PD = 100%	0	0	0	0
Total Non souverain		**125,633**	**24,154**	**0**	**149,786**		**146,102**	**16,417**	**0**	**162,519**
Dépréciations		-1,704	-10,859	0	-12,563		-1,328	-6,582	0	-7,909
Total		**586,728**	**443,377**	**0**	**1,030,105**		**189,230**	**249,859**	**0**	**439,089**

e) Analysis of restructured loans per bucket

in Millions of XOF	2025			2024		
	Healthy assets		Impaired assets (Bucket 3)	Healthy assets		Impaired assets (Bucket 3)
	Assets subject to ECL one year (Bucket 1)	Assets subject to ECL at maturity (Bucket 2)		Assets subject to ECL one year (Bucket 1)	Assets subject to ECL at maturity (Bucket 2)	
Loans and advances to customers	**22,136**	**49,793**	**18,412**	**17,576**	**21,882**	**5,388**
Amortised cost before change	22,136	50,600	19,399	17,576	22,064	6,013
Net gain or loss on modification	0	-807	-987	0	-182	-625

19.1.5.2 Determination of impairments on loans and receivables

a) General principles

The Bank's impairment assessment model is structured around the following two steps:

- assess whether there has been a significant increase in credit risk since the initial accounting and;
- Measure the provision for impairment based on an expected 12-month loss if there has been no significant increase in credit risk since initial recognition, or based on an expected lifetime loss (i.e., expected loss at maturity) if there has been a significant increase in credit risk since initial recognition.

All new relationships are subject to a rigorous approval process and require a minimum initial credit rating. The rating of each of the Bank's commercial counterparties is updated to mitigate, to some extent, the potential risks of insolvency due to deteriorating economic environments or poor governance that could negatively impact the financial health of the companies involved.

Significant increase in credit risk or significant deterioration

The assessment of a significant increase in credit risk is performed at the transaction level based on indicators and thresholds that vary depending on the type of counterparty and its internal rating. The indicator used to assess a significant increase in credit risk is the counterparty's internal credit rating. The internal rating system is described in section 19.1.1. This assessment is based on a relative criterion expressed as a number of notches of downgrade compared to the original rating. A deterioration in credit quality is considered significant, and the transaction is classified in bucket 2, based on an internal credit rating at the assessment date of Gs5 or lower (sensitivity threshold). An asset is considered in default and classified in bucket 3 if payment is more than 90 days overdue for trade receivables. For non-market receivables, the assessment of the significant increase in credit risk is carried out from two complementary angles: a quantitative criterion relating to the delay in payment of more than 180 days and a qualitative criterion taking into account considerations specific to the counterparty concerned, unless particular circumstances demonstrate that the arrears are due to causes unrelated to the debtor's situation.

Forward-looking information

The Bank incorporates forward-looking information when measuring Expected Credit Loss (ECL) in its calculation parameters, specifically default probabilities. Changes in economic conditions within the WAEMU zone are reflected in a worst-case scenario applied by the Bank, separate from the central or favorable scenario. This worst-case scenario considers the impact of risks materializing from adverse economic conditions in the zone.

b) Breakdown of gross outstanding and related ECL per bucket and per category of counterparty

Counterpart categories	Bucket 1		Bucket 2		Bucket 3		TOTAL 2025			
	Gross value of outstanding amounts	ECL	Gross value of outstanding amounts	ECL	Gross value of outstanding amounts	ECL	Gross value of outstanding amounts	%	ECL	%
Sovereign	338,496	-592	1,732,325	-60,647	0	0	2,070,821	75%	-61,239	41%
Bank	187,449	-1,367	72,631	-4,584	0	0	260,080	9%	-5,951	4%
Public	81,197	-241	49,469	-1,488	0	0	130,666	5%	-1,730	1%
Private	139,639	-2,904	105,998	-22,183	64,141	-55,491	309,779	11%	-80,578	54%
TOTAL LOANS (A)	**746,781**	**-5,104**	**1,960,424**	**-88,903**	**64,141**	**-55,491**	**2,771,344**	**100%**	**-149,499**	**100%**
Sovereign	459,799	-618	430,082	-8,209	0	0	889,881	85%	-8,827	70%
Bank	113,633	-913	12,900	-546	0	0	126,532	12%	-1,459	12%
Public	3,000	-5	0	0	0	0	3,000	0%	-5	0%
Private	12,000	-169	11,254	-2,104	0	0	23,254	2%	-2,273	18%
TOTAL SECURITIES (B)	**588,432**	**-1,704**	**454,236**	**-10,859**	**0**	**0**	**1,042,668**	**100%**	**-12,563**	**100%**
TOTAL ECL (A+B)	**1,335,213**	**-6,808**	**2,414,660**	**-99,761**	**64,141**	**-55,491**	**3,814,012**	**100%**	**-162,062**	**100%**

Counterpart categories	Bucket 1		Bucket 2		Bucket 3		TOTAL 2024			
	Gross value of outstanding amounts	ECL	Gross value of outstanding amounts	ECL	Gross value of outstanding amounts	ECL	Gross value of outstanding amounts	%	ECL	%
Sovereign	194,529	-463	1,626,184	-54,580	0	0	1,820,714	74%	-55,043	41%
Bank	204,721	-1,650	98,975	-5,683	0	0	303,696	12%	-7,333	5%
Public	46,380	-193	16,575	-1,048	0	0	62,956	3%	-1,241	1%
Private	134,190	-2,399	80,889	-13,822	60,690	-55,809	275,769	11%	-72,030	53%
TOTAL LOANS (A)	**579,820**	**-4,705**	**1,822,624**	**-75,134**	**60,690**	**-55,809**	**2,463,134**	**100%**	**-135,647**	**100%**
Sovereign	44,456	-63	240,024	-4,164	0	0	284,479	64%	-4,227	53%
Bank	140,102	-1,189	5,167	-182	0	0	145,269	32%	-1,371	17%
Public	0	0	0	0	0	0	0	0%	0	0%
Private	6,000	-76	11,250	-2,236	0	0	17,250	4%	-2,311	29%
TOTAL SECURITIES (B)	**190,558**	**-1,328**	**256,441**	**-6,582**	**0**	**0**	**446,998**	**100%**	**-7,909**	**100%**
TOTAL ECL (A+B)	**770,378**	**-6,033**	**2,079,064**	**-81,715**	**60,690**	**-55,809**	**2,910,133**	**100%**	**-143,557**	**100%**

c) Breakdown of gross outstanding and related ECL per bucket and per sector

Sectors of activity	Bucket 1		Bucket 2		Bucket 3		TOTAL 2025			
	Gross value of outstanding amounts	ECL	Gross value of outstanding amounts	ECL	Gross value of outstanding amounts	ECL	Gross value of outstanding amounts	%	ECL	%
Agriculture, Rural Development and Social Projects	73,141	-168	625,983	-21,492	0	0	699,124	25%	-21,660	14%
Industries	28,243	-880	41,908	-9,104	16,855	-10,878	87,006	3%	-20,862	14%
Energy and Water	141,267	-1,011	255,076	-14,409	34,346	-28,824	430,689	16%	-44,243	30%
Transport infrastructure and equipment, sanitation and urban development	227,760	-1,262	860,585	-27,013	0	0	1,088,345	39%	-28,275	19%
Information and communication technologies	32,898	-78	9,089	-4,196	10,381	-10,382	52,368	2%	-14,657	10%
Finance and Insurance	208,028	-1,503	129,745	-7,962	1,583	-1,583	339,357	12%	-11,049	7%
Hospitality and Tourism and other services	35,442	-202	38,037	-4,727	977	-3,824	74,456	3%	-8,753	6%
ECL LOANS (A)	**746,779**	**-5,104**	**1,960,424**	**-88,904**	**64,141**	**-55,491**	**2,771,344**	**100%**	**-149,499**	**100%**
Finance and Insurance	588,432	-1,704	454,236	-10,859	0	0	1,042,668	100%	-12,563	100%
ECL SECURITIES (B)	**588,432**	**-1,704**	**454,236**	**-10,859**	**0**	**0**	**1,042,668**	**100%**	**-12,563**	**100%**
TOTAL ECL (A+B)	**1,335,211**	**-6,808**	**2,414,660**	**-99,762**	**64,141**	**-55,491**	**3,814,012**	**100%**	**-162,062**	**100%**

Sectors of activity	Bucket 1		Bucket 2		Bucket 3		TOTAL 2024			
	Gross value of outstanding amounts	ECL	Gross value of outstanding amounts	ECL	Gross value of outstanding amounts	ECL	Gross value of outstanding amounts	%	ECL	%
Agriculture, Rural Development and Social Projects	34,672	-115	604,257	-20,513	0	0	638,929	26%	-20,629	15%
Industries	22,317	-448	29,215	-4,067	19,125	-14,388	70,658	3%	-18,903	14%
Energy and Water	118,927	-772	236,144	-15,181	28,280	-28,212	383,351	16%	-44,165	33%
Transport infrastructure and equipment, sanitation and urban development	163,510	-1,259	813,269	-24,929	0	0	976,778	40%	-26,188	19%
Information and communication technologies	12,811	-30	0	-1,185	10,581	-10,582	23,392	1%	-11,797	9%
Finance and Insurance	224,800	-1,981	106,483	-6,109	1,727	-1,655	333,011	14%	-9,745	7%
Hospitality and Tourism and other services	2,784	-100	33,256	-3,150	977	-971	37,016	2%	-4,221	3%
ECL LOANS (A)	**579,820**	**-4,705**	**1,822,624**	**-75,134**	**60,690**	**-55,809**	**2,463,134**	**100%**	**-135,647**	**100%**
Finance and Insurance	190,558	-1,328	256,441	-6,582	0	0	446,998	100%	-7,909	100%
ECL SECURITIES (B)	**190,558**	**-1,328**	**256,441**	**-6,582**	**0**	**0**	**446,998**	**100%**	**-7,909**	**100%**
TOTAL ECL (A+B)	**770,378**	**-6,033**	**2,079,064**	**-81,715**	**60,690**	**-55,809**	**2,910,133**	**100%**	**-143,557**	**100%**

d) Breakdown of gross outstanding and related ECL per bucket and per country

COUNTRIES	Bucket 1		Bucket 2		Bucket 3		TOTAL 2025			
	Gross value of outstanding amounts	ECL	Gross value of outstanding amounts	ECL	Gross value of outstanding amounts	ECL	Gross value of outstanding amounts	%	ECL	%
BURKINA FASO	0	0	328,268	-13,772	0	0	328,268	12%	-13,772	9%
BENIN	157,079	-755	138,957	-5,569	1,966	-1,966	298,001	11%	-8,290	6%
IVORY COAST	416,712	-2,846	182,074	-4,855	6,045	-2,671	604,831	22%	-10,372	7%
GUINEE BISSAU	0	-45	134,249	-4,927	0	0	134,249	5%	-4,972	3%
MALI	0	0	280,086	-18,883	16,740	-15,590	296,826	11%	-34,473	23%
NIGER	0	0	305,040	-21,913	9,377	-3,863	314,416	11%	-25,776	17%
SENEGAL	71,664	-676	372,335	-11,637	26,915	-26,889	470,914	17%	-39,202	26%
TOGO	101,324	-783	219,416	-7,346	3,099	-4,512	323,839	12%	-12,640	8%
HORS-UEMOA	0	0	0	0	0	0	0	0%	0	0%
ECL LOANS (A)	**746,779**	**-5,105**	**1,960,424**	**-88,903**	**64,141**	**-55,491**	**2,771,344**	**100%**	**-149,499**	**100%**
BURKINA FASO	17,000	-103	48,918	-577	0	0	65,918	6%	-681	5%
BENIN	162,159	-308	8,952	-253	0	0	171,111	16%	-560	4%
IVORY COAST	292,453	-356	8,114	-266	0	0	300,568	29%	-622	5%
GUINEE BISSAU	0	0	36,000	-1,072	0	0	36,000	3%	-1,072	9%
MALI	0	0	137,345	-4,698	0	0	137,345	13%	-4,698	37%
NIGER	18,000	-163	119,497	-1,383	0	0	137,497	13%	-1,546	12%
SENEGAL	98,819	-774	95,410	-2,609	0	0	194,229	19%	-3,383	27%
TOGO	0	0	0	0	0	0	0	0%	0	0%
HORS-UEMOA	0	0	0	0	0	0	0	0%	0	0%
ECL SECURITIES (B)	**588,432**	**-1,704**	**454,236**	**-10,859**	**0**	**0**	**1,042,668**	**100%**	**-12,563**	**100%**
TOTAL ECL (A+B)	**1,335,211**	**-6,809**	**2,414,660**	**-99,761**	**64,141**	**-55,491**	**3,814,012**	**100%**	**-162,062**	**100%**

COUNTRIES	Bucket 1		Bucket 2		Bucket 3		TOTAL 2024			
	Gross value of outstanding amounts	ECL	Gross value of outstanding amounts	ECL	Gross value of outstanding amounts	ECL	Gross value of outstanding amounts	%	ECL	%
BURKINA FASO	0	0	305,262	-12,426	144	-72	305,406	12%	-12,497	10%
BENIN	111,997	-619	149,277	-4,596	3,415	-3,164	264,689	11%	-8,379	6%
IVORY COAST	296,806	-2,395	171,220	-4,011	7,663	-5,780	475,689	19%	-12,186	9%
GUINEE BISSAU	0	0	133,504	-3,301	0	0	133,504	5%	-3,301	3%
MALI	0	0	295,331	-18,531	17,201	-16,051	312,532	13%	-34,582	27%
NIGER	0	0	242,895	-17,709	1,583	-1,583	244,479	10%	-19,293	15%
SENEGAL	63,154	-747	317,001	-7,804	27,586	-26,136	407,741	17%	-34,687	27%
TOGO	107,863	-944	208,134	-6,756	3,099	-3,023	319,095	13%	-10,722	8%
ECL LOANS (A)	**579,820**	**-4,705**	**1,822,624**	**-75,134**	**60,690**	**-55,809**	**2,463,134**	**100%**	**-135,647**	**104%**
BURKINA FASO	0	0	62,793	-960	0	0	62,793	14%	-960	23%
BENIN	18,571	-36	2,667	-11	0	0	21,238	5%	-48	1%
IVORY COAST	25,885	-27	7,000	-11	0	0	32,885	7%	-38	1%
GUINEE BISSAU	0	0	0	0	0	0	0	0%	0	0%
MALI	0	0	21,000	-478	0	0	21,000	5%	-478	11%
NIGER	0	0	46,000	-2,029	0	0	46,000	10%	-2,029	48%
SENEGAL	9,000	-107	43,414	-453	0	0	52,414	12%	-560	13%
TOGO	137,102	-1,158	73,568	-2,639	0	0	210,670	47%	-3,797	90%
HORS-UEMOA	0	0	0	0	0	0	0	0%	0	0%
ECL SECURITIES (B)	**190,558**	**-1,328**	**256,441**	**-6,582**	**0**	**0**	**446,998**	**100%**	**-7,909**	**188%**
TOTAL ECL (A+B)	**770,378**	**-6,033**	**2,079,064**	**-81,715**	**60,690**	**-55,809**	**2,910,133**	**100%**	**-143,557**	**100%**

e) Changes of gross outstanding and related ECL between buckets

FINANCIAL ASSETS AT AMORTISED COST - LOANS AND ADVANCES TO CUSTOMERS

in Millions de FCFA	Healthy assets				Impaired assets (Bucket 3)		Total		
	Assets subject to ECL one year (Bucket 1)		Assets subject to ECL at maturity (Bucket 2)						
	Gross carrying amount	Value adjustments for losses	Gross carrying amount	Value adjustments for losses	Gross carrying amount	Value adjustments for losses	Gross carrying amount	Value adjustments for losses	Net carrying amount
As at 1st january 2025	**579 820**	**-4 705**	**1 822 624**	**-75 134**	**60 690**	**-55 809**	**2 463 134**	**-135 647**	**2 327 487**
Transfers of assets during life from one bucket to another	**-2 294**	**18**	**2 294**	**-18**	**0**	**0**	**0**	**0**	**0**
Transfers from ECL 12 months (Bucket 1) to ECL Maturity (Bucket 2)	-2 783	-45	2 783	45	0	0	0	0	0
Return from ECL Maturity (Bucket 2) to ECL 12 months (Bucket 1)	489	63	-489	-63	0	0	0	0	0
Transfers to ECL Maturity Impaired (Bucket 3)	0	0	0	0	0	0	0	0	0
Return from ECL Maturity Impaired (Bucket 3) to ECL Maturity (Bucket 2) / ECL 12 months (Bucket 1)	0	0	0	0	0	0	0	0	0
Total after transfers	**577 527**	**-4 687**	**1 824 918**	**-75 152**	**60 690**	**-55 809**	**2 463 134**	**-135 647**	**2 327 487**
	0	0	0	0	0	0	**0**	**0**	**0**
Changes in gross carrying amounts and value adjustments for losses	**155 694**	**-431**	**149 065**	**-13 739**	**3 451**	**318**	**308 210**	**-13 852**	**294 358**
New production: purchase, new loans, origination, etc.	310 658	-871	369 641	-13 508	8 590	-3 136	688 888	-17 515	671 373
Derecognition: disposal, repayment, maturity, etc.	-154 964	441	-220 576	5 727	-5 139	3 454	-380 678	9 621	-371 057
Changes in credit risk parameters over the period	0	0	0	-5 958	0	0	0	-5 958	-5 958
Total	733 220	-5 118	1 973 982	-88 890	64 141	-55 491	2 771 344	-149 499	2 621 845
Changes in carrying amount attributable to accounting valuation methods spécificss (with no material impact on the amount of the impairment loss) (1)								-	
As at 31 december 2025	733 220	- 5 118	1 973 982	- 88 890	64 141	- 55 491	2 771 344	- 149 499	2 621 845

FINANCIAL ASSETS AT AMORTISED COST - DEBT SECURITIES PORTFOLIO

in Millions de FCFA	Healthy assets				Impaired assets (Bucket 3)		Total		
	Assets subject to ECL one year (Bucket 1)		Assets subject to ECL at maturity (Bucket 2)						
	Gross carrying amount	Value adjustments for losses	Gross carrying amount	Value adjustments for losses	Gross carrying amount	Value adjustments for losses	Gross carrying amount	Value adjustments for losses	Net carrying amount
As at 1st january 2025	**190 558**	**-1 328**	**256 441**	**-6 582**	**0**	**0**	**446 998**	**-7 909**	**439 089**
Transfers of assets during life from one bucket to another	**-4**	**0**	**4**	**0**	**0**	**0**	**0**	**0**	**0**
Transfers from ECL 12 months (Bucket 1) to ECL Maturity (Bucket 2)	-4	0	4	0	0	0	0	0	0
Return from ECL Maturity (Bucket 2) to ECL 12 months (Bucket 1)	0	0	0	0	0	0	0	0	0
Transfers to ECL Maturity Impaired (Bucket 3)	0	0	0	0	0	0	0	0	0
Return from ECL Maturity Impaired (Bucket 3) to ECL Maturity (Bucket 2) / ECL 12 months (Bucket 1)	0	0	0	0	0	0	0	0	0
Total after transfers	**190 554**	**-1 328**	**256 445**	**-6 582**	**0**	**0**	**446 998**	**-7 909**	**439 089**
	0	0	0	0	0	0	0	0	0
Changes in gross carrying amounts and value adjustments for losses	**397 878**	**-425**	**197 791**	**-4 228**	**0**	**0**	**595 669**	**-4 653**	**591 016**
New production: purchase, new loans, origination, etc.	440 300	-767	252 362	-5 207	0	0	692 662	-5 974	686 688
Derecognition: disposal, repayment, maturity, etc.	-42 422	343	-54 571	539	0	0	-96 993	882	-96 111
Changes in credit risk parameters over the period	0	0	0	439	0	0	0	439	439
Total	**588 432**	**-1 752**	**454 236**	**-10 810**	**0**	**0**	**1 042 668**	**-12 563**	**1 030 105**
Changes in carrying amount attributable to accounting valuation methods spécificss (with no material impact on the amount of the impairment loss) (1)									
As at 31 december 2025	588 432	- 1 752	454 236	- 10 810	-	-	1 042 668	- 12 563	1 030 105
Contractual amounts of financial assets removed from the balance sheet during the period and still subject to enforcement measures							-		

19.1.6 Consideration of forward-looking information

19.1.6.1 Information on macroeconomic scenarios as of December 31, 2025

BOAD has identified the main economic variables that could impact its credit risk and expected loan losses. Among these key economic variables, the GDP growth rate appears to be the most relevant indicator given the Bank's risk profile.

The impact of this economic variable on expected loan losses was determined by performing a principal component analysis, in order to estimate the historical impact of variations in this variable on the default rate of the market in which the bank's clients operate and on the components of expected loan losses.

The forecasts for this economic variable (the "central economic scenario") are derived from reliable external sources such as the WAEMU Commission and represent the best estimate of the economy over the next few years. The impact of this economic variable on the PD was determined by performing a statistical regression analysis to understand the historical impact of variations in this variable on default rates. In addition to the baseline economic scenario, the bank uses two other scenarios (Optimistic Scenario and Pessimistic Scenario) in its expected loan loss calculation model. These probability-weighted expected loan losses are determined by running each scenario through the expected loan loss model and multiplying it by the appropriate scenario weight. The weights assigned to the Baseline Scenario, Optimistic Scenario, and Pessimistic Scenario are 63.27%, 10.87%, and 25.87%, respectively. The scenario weights are determined through a combination of statistical analysis and expert credit judgment, taking into account the range of possible outcomes that each scenario represents.
The historical GDP data used and presented in the table below was obtained from the website of the WAEMU Commission.

Year	2022	2024	2025	2025	2026
Optimistic GDP Growth Rate	6.33%	8.73%	8.01%	7.59%	7.53%
GDP_Central Growth Rate	5.94%	8.34%	7.62%	7.19%	7.14%
GDP Growth Rate_Pessimite	5.54%	7.94%	7.22%	6.80%	6.74%

<u>Source</u> : WAEMU Commission for the central scenario

The projections in the optimistic and pessimistic scenarios are obtained by adding or subtracting a standard deviation (calculated on the historical data of the variable) to the projections made by the commission.

At the end of December 2025, net allocations of reversals of Stage 1 / Stage 2 provisions represented 27.37% of the cost of risk of BOAD against 72.63% for the share of proven Stage 3 risk.

19.1.6.2 Sensitivity analysis of macroeconomic scenarios in the calculation of expected credit losses on category 1 and 2 receivables.

ECL variation from a transition to 100% of the scenario		
Central scenario	Optimistic scenario	Pessimistic scenario
0.08%	-1.06%	+0.23%

This sensitivity on the (ECL) defined according to the central parameters can be adjusted under the local forward looking parameters which, if necessary, could reduce or increase it.
The calculated ECLs are derived from the provisioning model without adjustments.

19.2. Market Risk

19.2.1. Exchange risk – foreign currency transactions

Exchange rate risk is the possibility of incurring losses due to unfavorable exchange rate fluctuations in the market. At BOAD, exchange rate risk arises from the fact that some loans are denominated in foreign currencies, while the balance sheet assets are denominated in CFA francs. The Bank may therefore experience a decline in profitability related to unfavorable exchange rate fluctuations of certain currencies against the euro, given the fixed parity between the euro and the CFA franc.

19.2.1.1 Hedge accounting

To hedge against exchange rate fluctuations, the Bank has implemented hedging contracts (foreign exchange forward contracts) on its SDR and US dollar borrowings. Through these contracts, the Bank hedges 100% of its estimated foreign exchange risk exposure (currencies other than euros). Most of the signed contracts have a maturity of at least one year at the closing date, renewable at each maturity. The Bank's policy is to align the essential terms of the hedging contracts with those of the hedged assets.

<u>Determining an economic link</u>

The Bank determines the existence of an economic link between the hedging instrument and the hedged item based on the currency, amount and timing of their respective cash flows.
The essential conditions (such as the face value, maturity, and underlying asset) of the hedging instrument and the hedged item are perfectly aligned. Indeed, the characteristics of the loans and their hedging instruments are identical. Consequently, the two fluctuate inversely under the influence of the same risk. As a result, in accordance with IFRS 9-B6.4.14, there is an economic link between the Bank's non-euro currency loans and the hedging instruments in place.

<u>Coverage ratio</u>

The Bank hedges its entire foreign exchange risk exposure in foreign currencies (excluding euros). The hedged amounts are the same as the notional amounts of the hedge. Consequently, the hedge ratio is 100%.

<u>Source of inefficiency</u>

For all of the Bank's hedging instruments, inefficiency could arise from certain decisions affecting the maturities and schedules of hedged items, such as early repayments of certain loans, which call into question the alignment between the characteristics of the

hedged items and the hedging instruments.
As of December 31, 2025, the ineffectiveness of the coverage is deemed not significant.
The Bank has not issued any debt with deferred interest payments.The essential conditions of the covering instrument and the covered element are in perfect agreement.

Notional schedule

As of December 31, 2025, the maturity of the notional amount of the hedges is the same as that of the hedged loans. However, some hedge agreements are signed for a shorter period than the debt maturity. They are systematically renewed at each expiration to maintain a closed market position at all times.

The table below presents the respective fair value and notional amounts of derivative financial assets and liabilities as of December 31, 2025 and 2024:

		31 December 2025			31 December 2024		
Financial instruments	Notes	Assets	Liabilities	Notional/ Outstanding	Assets	Liabilities	Notional/ Outstanding
Derivative assets-fair value hedge	7	0	0	0	0	0	0
Derivative assets-cash flow hedge		26,868	0	1,388,955	108,895	0	1,174,738
Derivatives liabilities-fair value hedge	11	0	4,167	45,125	0	1,794	48,496
Derivatives liabilities-cash flow hedge		0	30,545	470,012	0	1,573	252,743
Total		26,868	34,712	1,904,092	108,895	3,366	1,475,977

Derivative assets result from the positive change in the value of hedging instruments on Eurobonds 2 and 3 at December 31, 2025 and derivative liabilities are linked to the negative change in the value of hedging instruments on dollar and SDR credit lines.

19.2.1.2 Debt Structure

The debt structure, in terms of principal on other loans from external partners and debts represented by securities, is as follows:

Debt structure as of December 31, 2025

Debt structure as at 31 December 2025							
Currencies	Currency amount	Exchange rate as at 31/12/2025	Present outstanding amount (millions of XOF)		% of total borrowings (D)	excluding Euro (A)	borrowings (B)
JPY	-	-	-				
USD	2,274,582	558.260	1,269,808		34.06%	96.87%	45.36%
DTS	53,581	764.540	40,965		1.10%	3.13%	1.92%
CHF	0	-	-		0.00%	0.00%	0.00%
TOTAL EXCLUDING Euros (A)			1,310,773	35.16%	35.16%	100%	0.00%
Euro	3,685,241	655.957	2,417,359	64.84%	64.84%		52.72%
TOTAL EXCLUDING F CFA (B)			3,728,133	100.00%			
F CFA for domestic bond issues ('C)					0.00%		
TOTAL BORROWINGS D= (B)+('C)			3,728,133		100%		100%

Debt structure as of December 31, 2024

Debt structure as at 31 December 2024							
Currencies	Currency amount	Exchange rate as at 31/12/2024	Present outstanding amount (millions of XOF)		% of total borrowings (D)	excluding Euro (A)	borrowings (B)
USD	1,772,411	631.400	1,119,100		45.36%	95.94%	45.36%
DTS	57,543	822.832	47,348		1.92%	4.06%	1.92%
TOTAL EXCLUDING Euros (A)	0	-	1,166,449	**47.28%**	47.28%	100.00%	0.00%
Euro	1,982,827	655.957	1,300,649	**52.72%**	52.72%	0.00%	52.72%
TOTAL EXCLUDING F CFA (B)			2,467,098	100%			
F CFA for domestic bond issues ('C)					0.00%		
TOTAL BORROWINGS D= (B)+('C)			2,467,098		100%		100%

19.2.1.3 Exchange Risk Sensitivity Analysis

Exchange rate sensitivity is measured in terms of the impact of exchange rate fluctuations on loan repayments. A positive impact equates to savings on repayment amounts (gain), while a negative impact equates to increased repayment costs (loss). Exchange rates at the balance sheet date, December 31, 2025, are the actual rates at that date, and variations of +/-1% correspond to the anticipated rates for the quarter following the balance sheet date. It should be noted that, on the asset side, all loans are granted and repaid in FCFA.

The balance sheet impact of the analysis of sensitivity to exchange rate risk is nil due to the hedges put in place (see Note 15).

19.2.2. Interest Rate Risk

This is the risk for the Bank of seeing its profitability negatively affected by unfavorable changes in interest rates. Interest rate risk materializes when assets of a given maturity and interest rate are backed by liabilities of a different maturity and/or interest rate type.

19.2.2.1 Sources of interest rate risk exposure and the Bank's strategy

The Bank's exposure to interest rate risk arises from (i) the interest rate sensitivity associated with the net margin between the rate the Bank applies to its assets and the rate at which it borrows to finance its assets, (ii) the interest rate sensitivity associated with the margin the Bank earns on its equity-financed assets, and (iii) the interest rate sensitivity associated with the margin the Bank earns on its assets financed by both equity and debt.

The Bank's financial policy aims to optimize its profitability by ensuring proper matching of the characteristics of each asset class with those of the corresponding liabilities. It should be noted that the Bank's assets and liabilities are fixed-rate. Therefore, the Bank does not use hedge accounting to mitigate interest rate risk.

19.2.2.2 Analysis of interest rate risk sensitivity

The Bank's balance sheet can be analyzed according to several parameters, namely (i) on- and off-balance sheet items, (ii) banking activities alone, or (iii) FDC and FDE activities alone. Then, based on the yield curve, a variation of +/- 1% is applied to the various market rates. The results of the analysis are summarized in the table below:

Scope (excluding off-balance sheet commitments)	31/12/2025		31/12/2024	
	Variation	Impact on 2026 results	Variation	Impact on 2025 results
Banking activity Only	+ 100 basis points	14545	+ 100 basis points	5815
Banking activity Only	- 100 basis points	-14545	- 100 basis points	-5815
FDC activity Only	+ 100 basis points	-4219	+ 100 basis points	-1834
FDC activity Only	- 100 basis points	4219	- 100 basis points	1834

The sensitivity analysis reveals that the Bank's balance sheet profile is characterized by a resource gap in its FDC and FDE activities. It should be noted that, in accordance with its interest rate risk management policy, the Bank does not regularly borrow at variable rates. The few variable-rate loans it does have have been systematically swapped to a fixed rate to mitigate any risk.

19.3. Liquidity Risk

Regarding liquidity risk, that is, the risk of the institution failing to meet its financial obligations in a timely manner and at reasonable prices, it is managed by measuring the degree of transformation and the adequacy of assets and liabilities. The Asset-Liability Management (ALM) Committee, through the analysis of gaps and durations, ensures the proper alignment, in terms of both amount and duration, of assets and liabilities, thereby contributing to liquidity risk management.

19.3.1 Details on asset and liability maturities

The details of the asset and liability maturities on a non-discounted basis are as follows as of December 31, 2025:

	DURING 2026			BEYOND		
	]0 month; 1 month]	]1month;6 months]	]6 months ; 12 months]	]1 year; 5 years]	>5 years	Total
Cash + Bank - opening balance	1,064,381	0	0	0	0	1,064,381
Term deposits	0	89,000	0	0	0	89,000
Assets held for sale	0	0	12,711	0	0	12,711
Loans and advances to banks	11,971	38,000	0	0	0	49,971
Loans and advances to customers	17,247	86,234	247,179	1,382,935	947,482	2,681,076
Loans and advances to staff	471	2,305	3,174	11,295	7,462	24,708
Debts securities portfolio	31,331	156,653	93,270	809,568	100,213	1,191,034
Equity investments	0	0	0	0	173,797	173,797
Shareholders receivables	0	0	0	0	4,526	4,526
Derivatives assets	0	0	0	4,857	22,012	26,868
Accruals assets	0	0	25,581	0	0	25,581
Other assets	0	0	0	0	11,291	11,291
TOTAL ASSETS excluding tangible and intangible assets (A)	1,125,400	372,192	381,914	2,208,655	1,266,782	5,354,944
Deposits from banks (CAURIS, ROPPA, AFD)	211	0	0	0	0	211
Debts securities issued	0	0	0	753,651	1,611,281	2,364,932
Other debts	7,569	36,138	179,028	474,127	696,866	1,393,727
Earmarked funds	0	0	0	0	113,021	113,021
Provisions	0	0	0	0	13,668	13,668
Derivatives liabilities	0	0	0	34,712	0	34,712
Accruals liabilities	0	0	26,976	0	0	26,976
Others liabilities	0	0	0	0	14,866	14,866
Financial Guarantees issued	0	0	0	20,698	0	20,698
TOTAL LIABILITIES (excluding equity) (B)	7,780	36,138	206,003	1,283,188	2,449,701	3,982,810

The details of the asset and liability maturities on a non-discounted basis are as follows as of December 31, 2024:

	DURING 2025			BEYOND		
	]0 month; 1 month]	]1month;6 months]	]6 months; 12 months]	]1 year; 5 years]	>5 years	Total
Cash + Bank - opening balance	410,405	-	-	-	-	410,405
Term deposits	42,000	63,500	-	-	-	105,500
Assets held for sale	-	-	12,711	-	-	12,711
Loans and advances to banks	5,000	28,989	-	-	-	33,989
Loans and advances to customers	19,423	153,484	275,842	1,108,049	815,802	2,372,600
Loans and advances to staff	457	2,237	3,080	10,961	7,241	23,977
Debt securities portfolio	6,792	170,342	109,751	287,574	58,013	632,471
Equity investments	-	-	-	-	157,661	157,661
Shareholders receivables	-	-	-	-	5,075	5,075
Derivatives assets	-	-	-	58,138	50,757	108,895
Accruals assets	-	-	9,458	-	-	9,458
Other assets	-	-	-	-	11,860	11,860
TOTAL ASSETS excluding tangible and intangible assets (A)	484,077	418,551	410,841	1,464,723	1,106,409	3,884,601
Deposits from banks (CAURIS, ROPPA, AFD)	7,913	-	-	-	-	7,913
Debts securities issued	-	-	-	536,690	1,016,030	1,552,720
Other debts	1,420	32,157	38,861	377,190	481,178	930,806
Earmarked funds	-	-	-	-	105,291	105,291
Provisions	-	-	-	-	13,185	13,185
Derivatives liabilities	-	-	-	1,794	1,573	3,366
Accruals liabilities	-	-	24,351	-	-	24,351
Other liabilities	-	-	-	-	15,601	15,601
Financial Guarantees issued	-	-	-	17,500	-	17,500
TOTAL LIABILITIES (excluding equity) (B)	9,332	32,157	63,213	933,174	1,632,858	2,670,733

Furthermore, the Bank has a liquidity policy. This policy requires ensuring that it maintains, at all times, a sufficient reserve of liquid assets to cover disbursements for banking or administrative operations, as well as for debt servicing.
The standard is to hold in liquid assets, at a minimum, the equivalent of nine (09) to twelve (12) months of net loan disbursements (loan disbursements less repayments obtained) and repayment of the debt contracted.

19.3.2 Details of liquidity reserves

The details of the cash reserves are as follows as of December 31, 2024 and December 31, 2025:

	2025		2024	
Liquidity reserves	Carrying amount	Fair value	Carrying amount	Fair value
Cash accounts	134	134	87	87
Balances with central banks	989,232	989,232	376,381	376,381
Cash and balances with other banks	119,092	119,092	108,630	108,630
Other cash and cash equivalents	44,923	44,923	30,806	30,806
Unencumbered debt securities issued by sovereigns	1,022,466	984,029	466,980	428,543
Undrawn credit lines granted by central banks (*)	0	0	0	0
Other assets eligible for use as collateral with central banks	2,412,968	2,436,483	2,135,340	2,162,200
Total liquidity reserves	4,588,681	4,573,758	3,118,137	3,106,560

*BOAD does not have a line of credit with the Central Bank (BCEAO).

19.3.3 Details of liquidity guarantees

The details of the liquidity guarantees are as follows as of December 31, 2024 and December 31, 2025:

		2025				
		Encumbered		Unencumbered		
	Note	Pledged as collateral	Other	Available collateral	Other	Total
Cash and cash equivalents	4	19,370	0	1,134,010	0	1,153,381
Trading assets		0	0	0	0	0
Derivative assets held for risk management	7	0	0	26,868	0	26,868
Loans and advances	5.2	0	0	2,681,076	0	2,681,076
Investment securities	5.2	0	0	1,191,036	0	1,191,036
Non financial assets	7.2 ; 7.3 et 8	0	0	58,125	0	58,125
Total assets		19,370	0	5,091,116	0	5,110,486

		2024				
		Encumbered		Unencumbered		
	Note	Pledged as	Other	Available collateral	Other	Total
Cash and cash equivalents	4	33	0	515,872	0	515,905
Trading assets		0	0	0	0	0
Derivative assets held for risk management	7	0	0	108,895	0	108,895
Loans and advances	5.2	0	0	2,372,600	0	2,372,600
Investment securities	5.2	0	0	632,471	0	632,471
Non financial assets	7.2 ; 7.3 et 8	0	0	42,905	0	42,905
Total assets		33	-	3,672,743	-	3,672,775

*The total of financial assets recorded in the statement of financial position and given as security for liabilities as of December 31, 2025 and 2024 is shown in the preceding table. The amount set aside as collateral relates only to the cash guarantee for hedging (derivative) contracts.
As of December 31, 2025, for derivative liabilities held for risk management purposes, the Bank deposited a cash guarantee (margin call) with its counterparties, for which it recorded an amount of 33 million FCFA (the same amount as of December 31, 2024). These receivables are considered encumbered and included in cash and cash equivalents.

19.4. Operational Risks

The implementation of operational risk monitoring within BOAD is inspired by Basel standards in order to comply with international best practices.
The approach aims to achieve the following objectives: (i) increase risk management by developing a risk culture at the Bank, (ii) anticipate the risks associated with the development of activities, (iii) keep top management informed of the main risks and the mechanism for monitoring them and (iv) improve internal control.
It also allows efforts to be directed according to the priority of risks and to take measures to improve the internal control system.
The operational risk management approach is based on the establishment and annual updating of a risk map. The methodology used has the following characteristics:

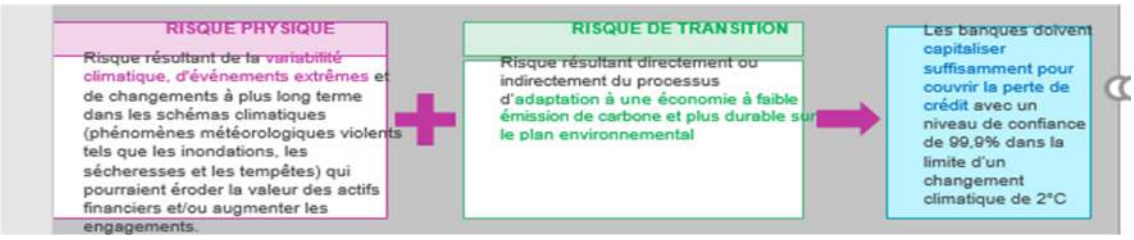
- the business-based approach with the creation and updating of a process map;

- the identification of risks through the Basel risk categories allowing for the refinement of risk typologies;
- the rating of identified risks;
- the rating of net risks based on a grid defining the levels of probability and severity (impact);
- identifying action plans to reduce these risks;
- the designation of a risk owner for each identified risk.

The incident database is developed and updated with the collection of incidents by Operational Risk Correspondents (ORCs) through an automated tool and progressively consolidated in order to obtain sufficient depth of loss for their analysis.

19.5 Environmental and social risks – Climate risks

The risks induced by climate change may have future negative effects on the Bank's activities. These risks include transition risks (e.g., changes in sustainable development regulations and reputational risks) and physical risks (although the risk of physical damage is low due to the Bank's activities and geographical location).



The Bank is firmly committed to the gradual implementation of IFRS S1 and IFRS S2 standards, with the aim of achieving full application of these sustainability standards within two years. The initial results of this commitment are presented below.

19.5.1 Integration of ESG dimensions into the Bank's activities and risk management framework

This integration follows a complementary movement of ambition and commitment by BOAD regarding compliance with E&S standards and the strengthening of regulatory requirements. Within this framework, the Bank is undertaking several actions, namely joining various task forces and launching programs. The most relevant actions related to the application of the new IFRS Sustainability standards are as follows:

- there**Task force on climate-related financial disclosures (TCFD)**This initiative, born from COP21, aims to increase transparency regarding companies' climate strategies. The Bank's implementation of this task force's recommendations puts it in a better position to apply IFRS sustainability standards.
- there**Task Force on Nature/Biodiversity (TCND)**: after joining, the Bank is currently testing the framework in a pilot;
- The "ESG by Design" program launched by the Bank in March 2024, particularly its E&S Risk Management (ESRM) component, aims to embed our actions in sustainability and systematize ESG across all levels of the bank and its processes through three actions:

i. **clarify E&S norms and standards:**broadening the analytical framework and extending the exclusion list with a focus on the transition towards financing more environmentally sustainable and socially responsible projects,

ii. **to produce a new risk map, including extra-financial standards and the duty of vigilance**: inclusion of a non-financial performance statement, which must present information on how the Bank takes into account the social and environmental consequences of its activity,

iii. **formalize three (3) lines of defense or levels of analysis (LOD 1, LOD 2 and LOD 3)**: strengthening the defense lines system in environmental, social and governance analysis and integration of complementary actors for second opinions between the lines, particularly in case of divergence.

19.5.2 Line of defense 2 and the "Credit risk" function

The Bank's objective at this level is to take into account the**impact of climate on risk-weighted assets (RWA)**It is imperative to understand that a climate risk can turn into a credit risk, and therefore will require an additional capital charge and/or an adjustment to the transaction pricing.
It will be necessary to perfect the LOD2 E&S by strengthening expertise in ESG risk, and more particularly environmental risk (Climate, then Biodiversity).
Cand the expansion of our risk framework, to Climate (initially), underpins our decarbonization strategy which the Bank has committed to and which is currently being established.The E&S origin risk management system therefore aims to meet the obligations of extra-financial transparency and the duty of vigilance on the risks of serious harm to the environment, human rights, fundamental freedoms and the fight against modern slavery.

19.5.3 Commitment to a carbon neutrality project

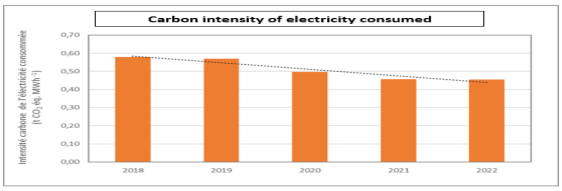
The Bank indicated that it was committedas part of an internal process aimed at achieving carbon neutrality (this provision is part of IFRS S2) by 2030. The year 2024 was chosen as the baseline year for the inventory. This carbon footprint assessment was carried out by a specialized firm in close collaboration with the Bank for data collection, selection of emission factors, and analysis of the results. This inventory only covers Scope 1, Scope 2, and Scope 3 emissions (excluding Category 15, which relates to GHG emissions associated with the portfolio of projects financed by BOAD).
The results of this initial carbon footprint assessment are as follows:

BOAD's carbon footprint

Categories of emissions		t CO2eq. year-1	Contribution (%)
Scope 1		672	22.3%
Scope 2		1 126	37.5%
Scope 3		1 210	40.2%
Carbon footprint		**3 008**	**100%**
GHG emissions per employee		9.14 t CO2eq per employee	

The carbon footprint per employee for the 329 employees of BOAD reached 9.14 tCO2eq in 2022, which is well below the 20 t CO2eq. per employee of the *Agence Française de Développement* (French Development Agency) at the beginning of its carbon neutrality process in 2007.

Headquarters	t CO_2eq. year^{-1}	Contribution (%)
Scope 1	**630,735**	**22.6%**
vehicle fleet	63,990	2.3%
Generators	24,289	0.9%
Air-conditioning systems	542,456	19.4%
Scope 2	**958,697**	**34.2%**
Electricity – *CEET (Power Company)*	958,697	34.3%
Solar electricity	0,000	0.0%
Scope 3	**1 209,561**	**43.2%**
business trips	681,782	24.4%
Commuting	413,722	14.8%
Management of Resident Missions	3,500	0.1%
Internet et telecommunication.	8,441	0.3%
consumables	9,179	0.3%
Computer hardware	92,937	3.3%
Total	2 798,992	100.0%



BOAD is resolutely committed to reducing its GHG emissions through a Net Zero Initiative (NZI) approach. The next step in this exercise will be to define, for each entity of thebankresponsible for emissions from a net zero trajectory.
With regard to scope 3 (category 15), the Bank preferred to carry out, with the assistance of experts, a materiality analysis of its balance sheet over two financial years in terms of the Climate and Biodiversity impacts of the operations financed in connection with the

Climate strategy validated by its Board of Directors.
Furthermore, the policy review sectoral agreements currently being finalized have allowed the concept of sustainability to be introduced.

NOTE 20. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table presents the classification of the Bank's financial assets and liabilities and their fair value as of December 31, 2025.

20.1 Classification of financial instruments

As of December 31, 2025, the classification of financial assets and liabilities is as follows:

Financial instruments	Financial assets and liabilities			Financial assets and liabilities at amortized cost	Total amount of book value	Total amount of fair value
	through profit and loss	through OCI recyclable	through OCI non recyclable			
- Cash and cash equivalents	0	0	0	1,153,381	1,153,381	1,153,381
- Loans and advances to banks	0	0	0	49,971	49,971	49,971
- Debt Securities portfolio	0	0	0	1,191,036	1,191,036	1,173,015
- Loans and advances to customers	0	0	0	2,681,076	2,681,076	2,681,076
- Loans and advances to staff	0	0	0	24,708	24,708	24,708
- Shareholders receivables	0	0	0	4,526	4,526	4,526
- Equity investments	11,372	0	162,425	0	173,797	173,797
- Derivative assets	26,868	0	0	0	26,868	26,868
Total amount of financial assets	38,240	0	162,425	5,104,698	5,305,363	5,287,342
Borrowings	0	0	0	3,747,862	3,747,862	3,625,378
Derivative liabilities	34,712	0	0	0	34,712	34,712
Total amount of financial liabilities	34,712	-	-	3,747,862	3,782,574	3,660,089

As of December 31, 2024, the classification of financial assets and liabilities is as follows:

Financial instruments	Financial assets and liabilities			Financial assets and liabilities at amortized cost	Total amount of book value	Total amount of fair value
	through profit and loss	through OCI recyclable	through OCI non recyclable			
- Cash and cash equivalents	0	0	0	515,905	515,905	515,905
- Loans and advances to banks	0	0	0	33,989	33,989	33,989
- Debt Securities portfolio	0	0	0	632,471	632,471	591,061
- Loans and advances to customers	0	0	0	2,372,600	2,372,600	2,372,600
- Loans and advances to staff	0	0	0	23,977	23,977	23,977
- Shareholders receivables	0	0	0	5,075	5,075	5,075
- Equity investments	10,625	0	147,036	0	157,661	157,661
- Derivative assets	108,895	0	0	0	108,895	108,895
Total amount of financial assets	119,520	0	147,036	3,584,016	3,850,572	3,809,162
Borrowings	0	0	0	2,482,092	2,482,092	2,339,801
Derivative liabilities	3,366	0	0	0	3,366	3,366
Total amount of financial liabilities	3,366	-	-	2,482,092	2,485,459	2,343,167

20.2 Fair value levels of financial instruments

The following table presents the analysis of financial instruments measured at fair value by other comprehensive income at the reporting date, according to the level in the fair value hierarchy in which they are classified. The amounts are based on the values recognized in the statement of financial position.

Fair values include all deferred differences between the transaction price and the fair value at initial recognition, when the latter is determined using a valuation technique based on unobservable data.

	Active market prices (level 1)		Evaluation techniques, of which all critical data are based on observable market data (level 2)		Evaluation techniques, of which all critical data are not based on observable market data (level 3)		Total amount	
	2025	2024	2025	2024	2025	2024	2025	2024
Derivative assets	-	-	26,868	108,895	-	-	26,868	108,895
Equity investments designated at fair value through P&L	-	-	11,372	10,625	-	-	11,372	10,625
Equity investments designated at fair value through OCI non-recyclable	12,895	6,404	-	-	149,529	140,632	162,425	147,036
Total amount of financial assets	**12,895**	**6,404**	**38,241**	**119,520**	**149,529**	**140,632**	**200,666**	**266,557**
Derivative liabilities	-	-	34,712	3,366	-	-	34,712	3,366
Total amount of financial liabilities	**-**	**-**	**34,712**	**3,366**	**-**	**-**	**34,712**	**3,366**

The following table shows a reconciliation of the beginning balances to the ending balances for instruments measured at fair value as of December 31, 2025 and December 31, 2024:

2025	Trading assets		Loans and advances to customers	Investment securities			Trading liabilities	Total
	Asset backed securities	OTC structured derivatives		Asset backed securities	Retained interest in securitisations	Equities	OTC structured derivatives	
Balance at 1 January	-	-	-	-	-	140,632	-	140,632
Total gains or losses :	-	-	-	-	-	546	-	546
in profit or loss	-	-	-	-	-	-	-	-
in OCI	-	-	-	-	-	546	-	546
Purchases	-	-	-	-	-	-	-	-
Issues	-	-	-	-	-	8,539	-	8,539
Settlements	-	-	-	-	-	- 189	-	- 189
Transferts into Level 3	-	-	-	-	-	-	-	-
Transferts out of Level 3	-	-	-	-	-	-	-	-
Balance at 31 December 2025	-	-	-	-	-	149,528	-	149,528

2024	Trading assets		Loans and advances to customers	Investment securities			Trading	Total
	Asset backed securities	OTC structured derivatives		Asset backed securities	Retained interest in securitisations	Equities	OTC structured derivatives	
Balance at 1 January	-	-	-	-	-	138,817	-	138,817
Total gains or losses :	-	-	-	-	-	- 3,473	-	- 3,473
in profit or loss	-	-	-	-	-	-	-	-
in OCI	-	-	-	-	-	- 3,473	-	- 3,473
Purchases	-	-	-	-	-	-	-	-
Issues	-	-	-	-	-	5,791	-	5,791
Settlements	-	-	-	-	-	- 503	-	- 503
Transferts into Level 3	-	-	-	-	-	-	-	-
Transferts out of Level 3	-	-	-	-	-	-	-	-
Balance at 31 December 2024	-	-	-	-	-	140,632	-	140,632

Other instruments valued at fair value are classified into levels 1 and 2. Instruments held by the Bank are valued using the same fair value methods as in previous years. There is no transfer of instruments between the different fair value levels.

20.3 Fair Value Assessment Techniques

The following table lists the level 2 and 3 fair value measurement techniques for financial instruments measured at fair value in the statement of financial position and the key non-observable data used.

Type of financial instrument	Evaluation techniques	Key unobservable inputs	Correlation between key unobservable inputs and fair value assessment
Forward exchange contracts	Forward pricing Fair value is calculated using forward exchange rates quoted at the closing date and present value valuations based on high-quality contract yield/credit rate curves	All the input used to calculate fair value are observable	There is no sensitivity of unobservable inputs
Equity instruments (shares)	Comparable market analysis/discounted free cash flow/net book value Fair value is estimated based on (i) the prices of the last transactions (less than or equal to 12 months), concluded at normal market conditions or under a firm offer of payment and relating to more than 15% of the existing stock or (ii) the net present value calculated using discount rates of securities with similar returns/risks adjusted to take into account the financial structure (provided that the company has generated positive consolidated operating cash flows for at least the two preceding financial years) or (iii) the mathematical value based on the last available financial statements.	- Risk-adjusted discount rate; - Percentage of equity investments and net assets	The estimated fair value would increase (decrease) if: - The risk-adjusted discount rate was lower (higher); - The percentage of ownership and net assets increase (decrease).

NOTE 21. LEASES

21.1. As a lessor

21.1.1 Future Minimum Payments

As of December 31, the amount of future minimum payments under operating lease agreements is as follows:

In millions of F CFA	2025	2024
Less than one year	160	141

21.1.2 Amounts recorded in net income

Rental income is included in "Other operating income" as follows:

Items	2025	2024
Office rental income	160	141
Income from investment properties	0	0
TOTAL	160	141

21.2. As the lessee

21.2.1 Future minimum payments

The amount of future minimum payments under lease agreements is as follows:

In millions of F CFA	2025	2024
Less than one year	212	212

21.2.2 Amounts recognized in net income

Items	2025	2024
Conditional rent payments	212	193
TOTAL	212	193

NOTE 22. TRANSACTIONS WITH RELATED PARTIES

22.1. Loans to Member States

Loans to States are subject to the intervention limits presented in note 20.1.2 and are characterized by a maximum duration of eighteen (18) years (duration of FDC loans) with a grace period of five (05) years.
The outstanding balance of loans to States is distributed as follows as of December 31, 2025:

COUNTRIES	Number of loans	Amount disbursed on signed loans					% Outstanding amounts	Undisbursed amounts
		FDC (1)	FDE (2)	PSCM (3)	PSPUM (4)	TOTAL (4) = (1+2+3)		
BURKINA	113	138,156	9,376	65,914	8,784	222,231	10 7%	263,956
BENIN	98	135,103	13,307	104,193	22,132	274,735	13 3%	278,098
GUINEE BISSAU	109	103,086	25,329	188,660	46,485	363,560	17 6%	441,688
MALI	78	111,504	16,492	6,169	-	134,166	6 5%	31,404
NIGER	80	142,032	8,663	62,329	27,698	240,722	11 6%	186,928
IVORY COAST	96	140,286	22,571	125,822	13,710	302,389	14 6%	239,914
SENEGAL	127	143,118	20,128	138,011	31,877	333,135	16 1%	381,046
TOGO	77	150,661	162	48,964	-	199,883	9 6%	223,439
TOTAL	778	1,063,946	116,030	740,063	150,686	2,070,821	100 00%	2,046,473

As of December 31, 2024, the distribution of outstanding loans to States was as follows:

COUNTRIES	Number of loans	Amount disbursed on signed loans					% Outstanding amounts	Undisbursed amounts
		FDC (1)	FDE (2)	PSCM (3)	PSPUM (4)	TOTAL (4) = (1+2+3)		
BURKINA	86	143,186	14,302	90,292	16,771	264,550	14.54%	205,557
BENIN	114	140,537	10,329	46,733	9,224	206,824	11.37%	305,058
GUINEE BISSAU	52	111,152	16,350	5,955	-	133,457	7.33%	64,692
MALI	80	154,009	9,616	64,335	24,984	252,945	13.90%	215,394
NIGER	94	135,494	23,356	61,123	8,000	227,973	12.53%	282,117
IVORY COAST	102	98,663	26,426	73,480	52,856	251,425	13.82%	484,430
SENEGAL	124	145,448	21,569	106,661	22,001	295,680	16.25%	392,698
TOGO	76	148,655	46	38,123	-	186,824	10.27%	235,602
TOTAL	728	1,077,143	121,995	486,702	133,837	1,819,677	100.00%	2,185,546

22.2. Loans guaranteed by the AGF West Africa Fund (Ex-GARI)

The Bank participates in the capital of the AGF West Africa Fund (Ex-GARI). The outstanding amount of loans guaranteed by the AGF West Africa Fund (Ex-GARI) amounted to 11,561 million FCFA as of December 31, 2025, for a guaranteed amount of 5,225 million FCFA.
The details of these outstanding amounts and their guarantees are as follows:

Items	Outstanding amounts as at 31 December 2025	Guaranteed part	Guarantee ratio
NIGERLAIT	0	0	0%
USINE PHARMAC. DO-PHARMA	2,928	982	34%
MODERN. USINE PHARMAQUICK	0	0	0%
PHARMIVOIRE RCI	1,928	886	46%
MDS BURKINA	0	0	0%
SCS CARTONNERIE	2,251	1,129	50%
MOULIN MODERNE DU MALI	753	377	50%
PARENTERUS	3,701	1,851	50%
TOTAL	11,561	5,225	

22.3. Remuneration of senior executives and corporate officers

The remuneration of senior executives and corporate officers is as follows:

Items	31/12/2025	31/12/2024
Appointments and bonuses	10,373	9,375
Retirement contributions	523	512
Financial/retirement cost	479	480
Cost of service/retreat	424	428
Remuneration of Directors	23	25
Subtotal 1	11,821	10,820
Retirement commitments	7,191	7,446
Subtotal 2	7,191	7,446

The remuneration of the President and Vice-Presidents is set by the deliberative bodies (Council of Ministers and Board of Directors) while that of the Directors is in accordance with the Bank's salary scale.
Retirement commitments relate to retirement benefits to be paid to senior management upon their final departure from the Bank.

NOTE 23. OFF-BALANCE SHEET COMMITMENTS

23.1 Commitments received

These commitments represent financing agreements made to the Bank by foreign lenders and guarantees received from Regional Client Funds. These commitments are broken down as follows:

Commitments received	31 December 2025	31 December 2024
Loan commitments to be drawn (a)	306,919	384,657
Guarantees received from Regional Funds (b)	6,994	7,940
Guarantees received from international insurers (c)	362,752	333,751
Total	676,666	726,348

a) The commitments to be drawn represent the outstanding balance of loans contracted from lenders.

b) The Bank receives guarantees other than financial guarantees on its loans (mortgages, pledges, liens, etc.).

c) The Bank covers the credit risk of a portion of its outstanding loans through insurance policies signed with international insurers. The guarantee on the outstanding amount covered by these policies as of December 31, 2025, amounts to 362,752 million CFA francs.

23.2 Commitments given

The commitments made are primarily related to loan and equity agreements signed with various beneficiaries of BOAD assistance. They can be analyzed as follows:

Commitments given	31 December 2025	31 December 2024
Loan commitments given (a)	2,692,431	2,749,441
Advances for the financing of studies	39,399	35,662
Equity investment commitments (b)	81,342	79,691
Sureties and other guarantees	20,698	17,500
Credit insurance premiums to be paid (c)	17,430	21,137
Total	**2,851,300**	**2,903,432**

(a) The loan commitments given correspond to financing agreements whose implementation remains linked to the fulfillment of suspensive conditions or whose actual disbursement is pending drawdown requests from the borrower.

(b) The commitments to acquire equity stakes relate to BOAD's unpaid subscriptions to the capital of the companies. The details are as follows:

COMMITMENTS FOR EQUITY INVESTMENTS (in XOF 'M)	31 December 2025	31 December 2024
Cauris Croissance II Fund	1,791	1,791
Amethis West Africa (AWA)	282	282
Investors and Partners for Development Fund 2	271	482
Investment fund dedicated to the development of financial services in WAEMU	1,104	3,055
I&P Afrique Entrepreneurs 2 (IPAE2) Fund	532	600
Cauris Croissance IV fund	5,000	5,000
ECP Africa Fund IV	379	379
AFIG Fund II	490	408
ADIWALE FUND I	294	765
Seed Funds	12,000	12,000
Infrastructure Funds	26,238	26,238
Infrastructure Acceleration Fund (IAF)	4,941	5,989
I&P Afrique Entrepreneurs 3 (IPAE2) Fund	5,000	5,000
Development Fund (AGIA-PD)	9,839	9,839
BOAD Titrisation Togo	800	800
BOAD Market Solutions in Ivory Coast	0	2,300
Air Côte d'Ivoire (third capital increase)	2,382	4,763
BIIC Bénin (capital increase)	0	0
Cauris Croissance IV fund (additional)	10,000	0
TOTAL	**81,341**	**79,691**

(c) During the 2024 fiscal year, the Bank entered into credit insurance policies with insurers holding higher international ratings (A, A+, etc.). The objective of this operation is to reduce the Bank's exposure risk and to benefit from the effect of these insurers' higher ratings, which should ultimately allow the Bank to improve its own rating. The cost of committing future payments under these policies amounts to 17,430 million FCFA as of December 31, 2025, compared to 21,137 million FCFA as of December 31, 2024.

NOTE 24. EFFECTS OF THE SECURITY AND SOCIO-POLITICAL SITUATION ON THE FINANCIAL STATEMENTS OF THE BANK

24.1 Conflict in Ukraine

The conflict between Russia and Ukraine, which began in February 2022, is impacting the WAEMU zone, particularly through increased fuel prices and prices of certain basic necessities, leading to widespread inflation. Public counterparties, the Bank's main clients, could be affected by this situation, potentially increasing their deficits and thus lowering their creditworthiness. Private counterparties are also facing this challenging economic environment. However, it should be noted that, as of the balance sheet date, no counterparty was prevented from fulfilling its obligations to BOAD in connection with this situation.

24.2 Israeli-Palestinian Conflict

Since October 7, 2023, a conflict has been unfolding in the Middle East. This conflict has repercussions for the WAEMU zone, particularly through increased fuel prices and prices for certain products transported via the Asia-Africa route. Some counterparties could be affected by this situation. However, as of the balance sheet date, no counterparty has been prevented from fulfilling its obligations to the BOAD in connection with this situation.

24.3 Security and socio-political context within the ECOWAS zone

The BOAD's area of operation remains impacted by the socio-political and security situation in certain states.

In accordance with its prudent provisioning policy, BOAD has taken this evolution of the political situation into account in the preparation of its accounts as of December 31, 2025.

24.4 New tariffs initiated by the United States

During 2025, the United States welcomed a new administration. This administration implemented new tariffs with several countries, including some in the WAEMU zone. However, it should be noted that exports from WAEMU countries to the United States remain low. Although these new tariffs could impact some of the Bank's counterparties, as of the balance sheet date of December 31, 2025, none of them were prevented from fulfilling their obligations to the Bank in connection with the new requirements imposed by the United States. Furthermore, the Bank is not aware of any events likely to jeopardize the financial situation of its counterparties due to the new tariffs. Nevertheless, the Bank is closely monitoring the evolving situation and its potential geopolitical and macroeconomic consequences.

NOTE 25. EVENTS SUBSEQUENT TO THE CLOSING

In addition to the ongoing Israeli-Palestinian conflict, which began in October 2023, the

world has been witnessing a confrontation between Iran and the US-Israeli coalition since February 28, 2026. This conflict is already impacting the oil supply chain from the Middle East. The price of a barrel of oil has risen sharply, with significant fluctuations, and financial markets are experiencing considerable instability. Furthermore, fuel prices at the pump have increased and could have direct consequences on household purchasing power and inflation in some developed countries. Since the Bank's area of operation is dependent on fuel imports, it could feel the effects of this crisis in 2026. The BOAD could also feel the impact of this crisis through the increased cost of raising new funds on the international market. However, as of the date of the financial statements, this crisis has no impact on the accounts closed on December 31, 2025. Furthermore, the Bank is not aware of any events likely to put at risk the financial position of its counterparties in connection with this new crisis. Nevertheless, the Bank will closely monitor developments and their potential consequences for its accounts.
As of the date of closing the accounts on December 31, 2025 by the Board of Directors of BOAD, the Bank's Management has not noted any other subsequent event likely to influence its financial situation and results.