Annual Report 2025

BIO

Investing in
a sustainable future

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BIO is a public limited company created in November 2001. The initial capital at the time was EUR 5 M. The capital is owned by the Belgian State. Via so-called development certificates BIO obtained extra investment capital from the Federal Public Service - FPS Development Cooperation; together with the retained profits this led to more than EUR 1.1 billion in assets under management at the end of 2022. The minister for Development Cooperation is responsible for BIO within the framework of the so-called BIO law. The concrete collaboration with the FPS is regulated under a 5-year management contract between the Belgian State and BIO.

Preface by

Joris Totté

Chief Executive Officer, BIO

Dear friends of BIO

The year 2025 unfolded against a backdrop of deep complexity. Across the globe, we witnessed a retrenchment of political ambition on sustainability, even as climate challenges intensified and inequalities deepened. Geopolitical uncertainty, financial exclusion, and fragile supply chains continued to test the resilience of the entrepreneurs and communities we serve.

Yet, in this risky environment, the role of the private sector as driver for development has never been more widely recognised—or more urgently needed. For development finance institutions like BIO, this is both a challenge and a call to action. It reaffirms our mandate: to channel long-term, patient capital where it is needed most, and to prove that investing in sustainable development is not just sound ethics, but also sound economics.

I am proud to report that 2025 was an exceptional year for BIO. We approved €235 M in new financing across 30 projects. A remarkable 25% increase in the number of approvals compared to the previous year and the highest level of net approvals since 2019. These investments are not merely statistics; they represent tangible progress toward the impact we set out to deliver. We are on track to meet most of our goals, with notable progress in job creation, climate finance, and climate adaptation. We have also moved forward on our commitment to reducing inequality both within and between countries. Investments in Least Developed Countries (LDCs) and fragile and conflict affected states (FCS) are at an all-time high, and we have made significant strides in gender-lens investing—57% of our investments in 2024–25 contribute to gender equality, exceeding the 40% target.

Geographically, our 2025 portfolio growth strongly reflects our strategic priorities. A historic 55% of approved investments were directed to Africa, well above our 45% benchmark. Additionally, we reached a major milestone with our second major approved investment in Ukraine after Bank Lviv —$6 M in the Rebuilding Ukraine Fund—demonstrating BIO's readiness to operate in Fragile and Conflict-Affected States where resilient partners are needed most.

This strong performance is not achieved alone. It is the result of a deliberate and collaborative approach that lies at the heart of our identity. As the dedicated development finance instrument of the Belgian State, we actively work with DGD and Enabel, and with our Belgian NGOs and impact investors such as Kampani, Incofin, and Alterfin. Signing our investment in Kampani in 2025 exemplifies this logic: together, we bridge the gap between early-stage support and larger-scale financing, ensuring that companies receive the right capital at the right time.

> **The role of the private sector as driver for development has never been more widely recognised—or more urgently needed.**

At the European level, our role has also grown increasingly important. By deepening our collaboration with other DFIs and the European Commission, we are leveraging EU guarantees, mobilising private capital, and tackling challenges that no single institution can face alone. The EDFI Management Company and Association are key instruments in this shared European ambition.

As we look towards 2026, our mission feels more relevant than ever. We will build on the momentum of 2025, sharpening our focus on areas where we fell slightly short of our targets and continuing to embed the human rights-based approach we formally adopted this year.

Thank you to our dedicated team, whose passion and commitment made this record year possible. And thank you to our partners and clients, who walk this path with us every day.

Together, we are proving that finance, when deployed with purpose, can be a powerful force for good.

Joris Totté
Chief Executive Officer, BIO

> Within our Belgian ecosystem, BIO plays a pivotal role. As it celebrates 25 years, BIO intervenes at critical junctures, when companies are ready to grow, to scale up, to take the next decisive step. This is the logic of an ecosystem that works: each actor plays its role, and together we achieve more.

Maxime Prévot
Deputy Prime Minister and Minister of Foreign Affairs, European Affairs, and Development Cooperation

Table of Contents

2025 in Numbers

In 2025, BIO **approved** €235 M across 30 projects (up 25% from 22 approved projects in 2024) and **signed** 21 investments, reflecting strong demand, improved origination efficiency, and growing transaction complexity, while internal processes were strengthened to support timely execution. The year 2025 was marked by an increasingly diversified portfolio with a particular focus on Least Developed Countries (LDCs) and Fragile and Conflict-Affected States (FCS), strong growth of direct investments focusing on agriculture and finally important progress on inclusion of decent work and human rights considerations in our investment process.

An increasingly diversified portfolio and a particular focus on LDCs

Geographically, approvals continued to reflect BIO's commitment to fight inequality by investing in LDCs, FCS and Lower Income Countries (LICs). In the 2024-2025 period combined, 67% of capital subsidies (code 5 investments) and 33% of capital investments (code 8 investments) were allocated to those regions (against BIO's Strategic Impact Targets (SITs)of 50% and 15% and an overall 30% asindicatedin the investment strategy). BIO also acted upon its commitment to invest in Africa, which received 55% of approvals, more than the 45% objective. Other notable milestones included the approval of a second major investment in Ukraine and two investments in the Democratic Republic of Congo, illustrating BIO's readiness to invest in FCS.

Strong growth of direct investments

Direct investments surged in 2025, with BIO approving 11 investments in enterprises—a sharp increase from just 2 the year before. This growth was driven primarily by investments in the agri-food value chain, including 'ECOM' (agricultural commodities), 'BIO Phyto' (organic fertilizer), and a renewed commitment to long-term client 'La Laiterie du Berger'. BIO also expanded into the pharmaceutical sector with a new direct investment – 'Orchidia' in Egypt – and into the chemical sector with a loan to 'Super Silica', an agri-waste based green sodium silicate manufacturing plant in Chattogram, Bangladesh.

This strong growth in direct investments enabled BIO to make significant progress toward its Strategic Impact Targets (SITs) related to inclusive business and climate change. Inclusive business commitments are on track, reaching 69% against a 50% target for capital subsidies (code 5) and 29% against a 25% target for capital investments (code 8). Additionally, 35% of 2024–2025 commitments include adaptation actions, exceeding the 20% target.

Progress on human rights and decent work

BIO also furthered its efforts on decent work and human rights in 2025, adopting a new human rights-based approach and ensuring decent work-related improvements, especially for projects focusing on decent job creation. BIO's most recent impact figures show that investments at the end of 2024 directly supported around 388,000 jobs and an estimated 10 million jobs indirectly. Notably, BIO also directly supports decent jobs in its portfolio companies through the implementation of (1) Environmental and Social Action Plans (ESAP) targeting the improvement of working conditions (55% of BIO's clients under active E&S monitoring had an ESAP attached to their contract covering IFC Performance Standard 2 – working conditions) and (2) technical assistance projects targeting job quality (4 new projects were signed in 2025).

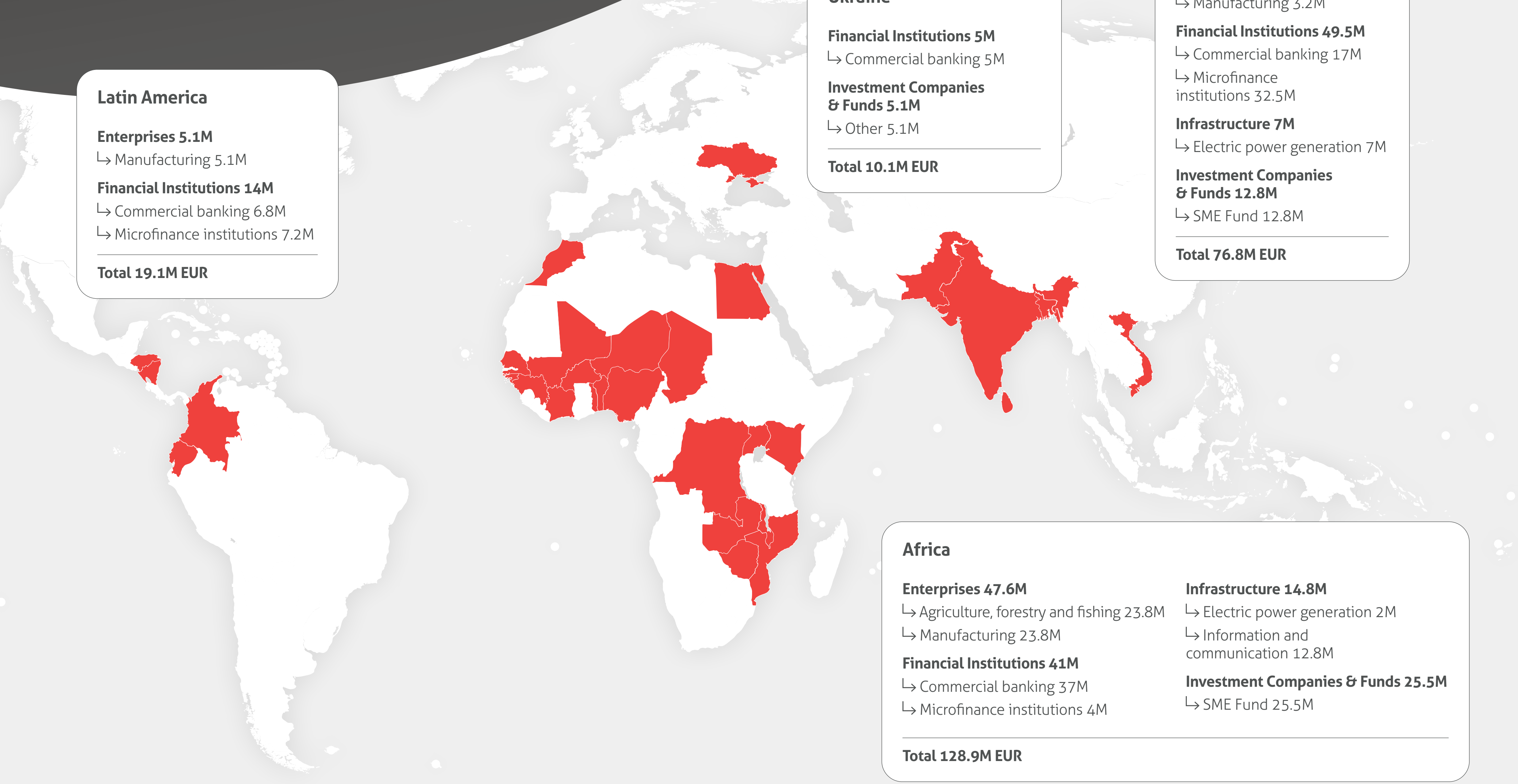
BIO's Human Rights-Based Approach (HRBA)

BIO adopted its Human Rights-Based Approach (HRBA) in 2025, formally embedding respect for the International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work into its investment policy and aligning processes with the UN Guiding Principles in Business and Human Rights (UNGPs) and OECD Guidelines on Multinational Enterprises and the OECD Guidelines for Responsible Business Conduct for Institutional Investors. Implementation is underway across the investment cycle—screening, contextual human rights risk analysis, proportionate due diligence grounded in IFC Performance Standards (IFC PS) and UNGPs, stakeholder engagement, ESAPs, monitoring, grievance mechanisms, and responsible exit—with priority given to higher risk sectors and contexts (e.g., agricultural value chains and fragile settings).

Taken together, the 2025 figures confirm that BIO delivers on its mandate. The institution remains firmly aligned with its strategic objectives and continues to strengthen its model based on risk, return, and impact. The detailed sections that follow provide a deeper look into BIO's results for 2025 across approvals, signatures, and impact performance.

Approved investments

In 2025, BIO approved a record €235 M in development impact investments, across 30 impactful projects in Africa, South-East Asia, Latin-America and Ukraine.



Latin America

Enterprises 5.1M
↳ Manufacturing 5.1M

Financial Institutions 14M
↳ Commercial banking 6.8M
↳ Microfinance institutions 7.2M

Total 19.1M EUR

Ukraine

Financial Institutions 5M
↳ Commercial banking 5M

Investment Companies & Funds 5.1M
↳ Other 5.1M

Total 10.1M EUR

South-East Asia

Enterprises 7.5M
↳ Agriculture, forestry and fishing 4.3M
↳ Manufacturing 3.2M

Financial Institutions 49.5M
↳ Commercial banking 17M
↳ Microfinance institutions 32.5M

Infrastructure 7M
↳ Electric power generation 7M

Investment Companies & Funds 12.8M
↳ SME Fund 12.8M

Total 76.8M EUR

Africa

Enterprises 47.6M
↳ Agriculture, forestry and fishing 23.8M
↳ Manufacturing 23.8M

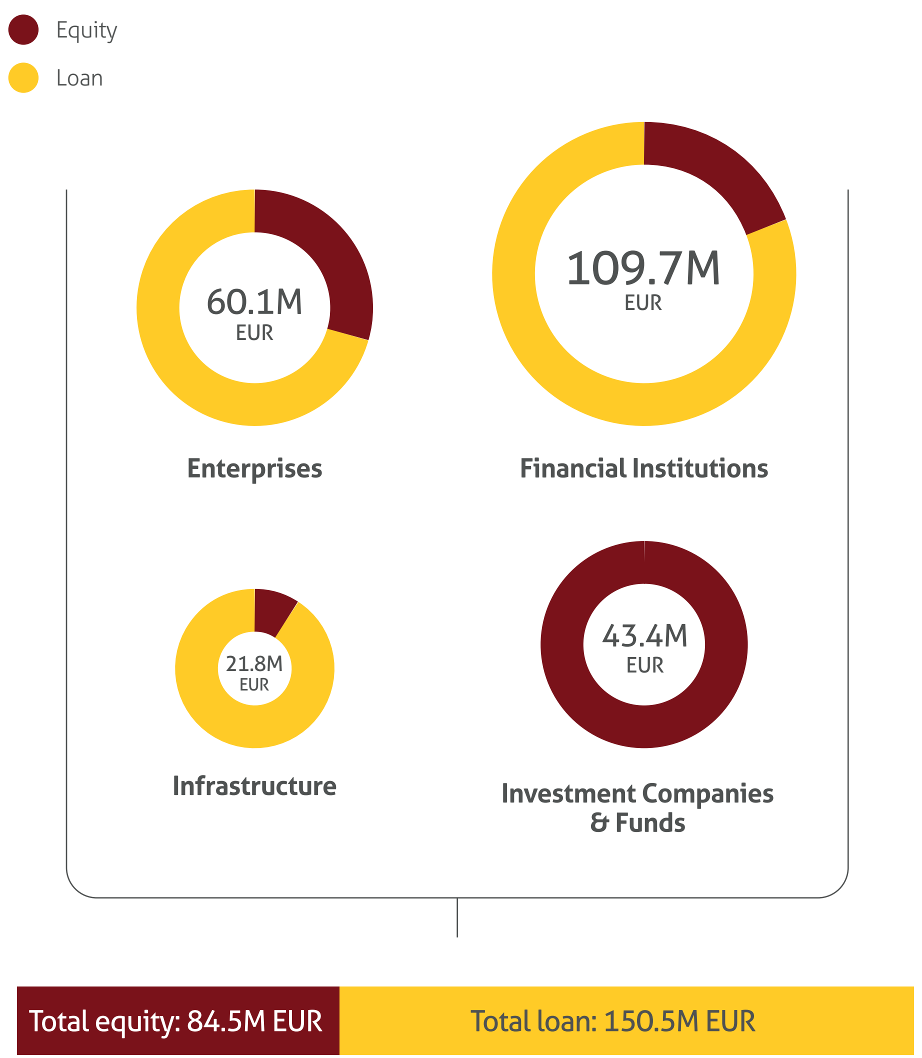
Financial Institutions 41M
↳ Commercial banking 37M
↳ Microfinance institutions 4M

Infrastructure 14.8M
↳ Electric power generation 2M
↳ Information and communication 12.8M

Investment Companies & Funds 25.5M
↳ SME Fund 25.5M

Total 128.9M EUR

Equity and Loan Distribution by Investment Type, 2025



Projects approved in 2025

30

11 in Enterprises

7 in (Agri-)manufacturing
4 in Agriculture, forestry and fishing

11 in Financial Institutions

6 in Microfinance institutions
5 in Commercial banking

5 in Investment Companies & Funds

3 in Infrastructure

2 in Electric power generation
1 in Information and communication

In total, BIO has now committed **€1,200 M in development impact investments** in **171 projects,** meaning an **increase of 10%** from the previous year. This also means the highest amount of net approval since 2019.

#	Category	LAC	Africa	Asia	Multi	Ukraine	Total	Equity	Loan
37	**Enterprises**	**24.56**	**92.09**	**10.79**	**0**	**0**	**127.44**	**16.83**	**110.60**
↳	Agriculture, forestry and fishing	11.53	34.07	4.8	0	0	**50.4**	4.81	45.59
↳	Manufacturing	13.03	47.10	5.98	0	0	**66.11**	12.02	54.09
↳	Other	0	10.92	0	0	0	**10.92**	0	10.92
57	**Financial Institutions**	**133.55**	**148.80**	**116.10**	**27.21**	**5**	**430.66**	**87.73**	**342.93**
↳	Commercial banking	84.44	97.88	41.68	0	5	**229.00**	36.78	192.22
↳	Microfinance institutions	49.11	47.07	65.01	11.25	0	**172.45**	34.47	137.98
↳	Financial leasing	0	3.86	0	0	0	**3.86**	0	3.86
↳	Other	0	0	9.39	15.96	0	**25.35**	16.48	8.87
16	**Infrastructure**	**20.12**	**66.25**	**36.15**	**15.16**	**0**	**137.77**	**2**	**135.68**
↳	Electric power generation	20.12	53.48	36.15	15.16	0	**125.00**	2	133.68
↳	Telecommunications	0	12.77	0	0	0	**12.77**	0	2
61	**Investment Companies & Funds**	**48.89**	**265.80**	**113.70**	**70.16**	**5.78**	**504.27**	**418.75**	**85.53**
↳	Activities of holding companies	0	0	0	2	0	**2.00**	2	0
↳	SME Fund	20.78	177.70	75.19	28.93	0	**302.57**	274.13	28.44
↳	Infra Fund	8.70	58.22	20.42	3.39	0	**90.74**	65.89	24.85
↳	FI Fund	19.41	29.87	18.06	26.85	0	**94.19**	66.46	27.74
↳	Fund of Fund	0	0	0	8.99	0	**8.99**	4.49	4.50
↳	Other	0	0	0	0	5.78	**5.78**	5.78	0
171	**Total**	**227.12**	**572.90**	**276.70**	**112.50**	**10.78**	**1,200.10**	**525.31**	**674.74**

All amounts are in million EUR

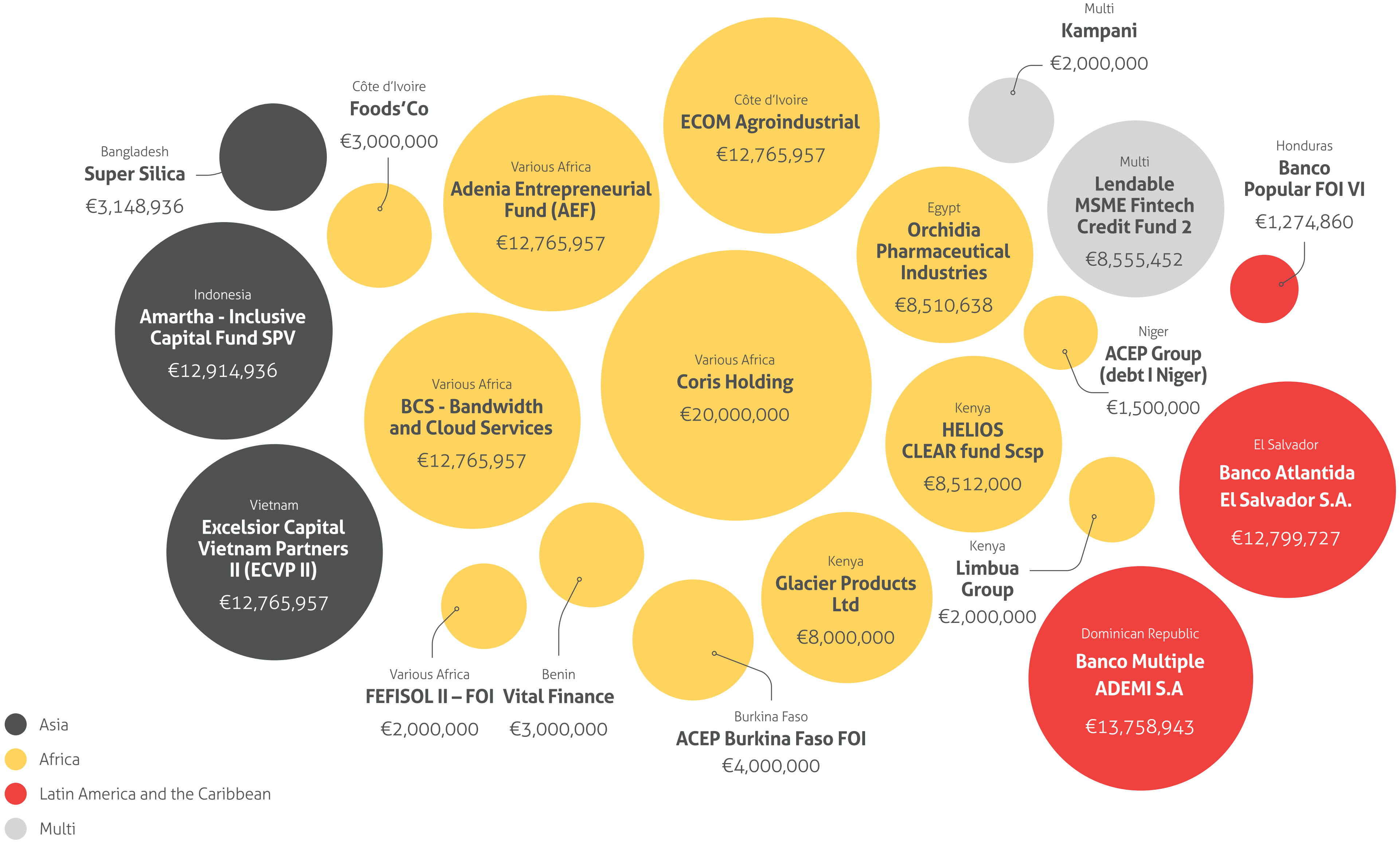
€1,200M
in development impact investments

171
projects

10%
increase from the previous year

Signed investments

In 2025, BIO signed **21 investment projects** for **€166 M.**



In total, BIO now has **€1,033 million in signed investments.**

Category	LAC	Africa	Asia	Multi	Total	Equity	Loan
Enterprises	**18.78**	**67.45**	**5.98**	**0**	**92.21**	**7.02**	**85.19**
Agriculture, forestry and fishing	11.53	25.07	0	0	**36.6**	0	36.6
Manufacturing	7.25	31.46	5.98	0	**44.69**	7.02	37.67
Other	0	10.92	0	0	**10.92**	0	10.92
Financial Institutions	**119.12**	**124.60**	**63.13**	**27.21**	**334.00**	**87.73**	**246.34**
Commercial banking	76.74	78.63	24.61	0	**180.30**	36.78	143.25
Microfinance institutions	42.38	42.07	29.13	11.25	**124.83**	34.47	90.36
Financial leasing	0	3.86	0	0	**3.86**	0	3.86
Other	0	0	9.39	15.96	**25.35**	16.48	8.87
Infrastructure	**20.12**	**64.25**	**29.15**	**15.16**	**128.68**	**0**	**128.68**
Electric power generation	20.12	51.48	29.15	15.16	**115.91**	0	115.91
Telecommunications	0	12.77	0	0	**12.77**	0	12.77
Investment Companies & Funds	**48.90**	**256.00**	**103.50**	**70.17**	**478.49**	**392.97**	**85.52**
Activities of holding companies	0	0	0	2	**2.00**	2	0
SME Fund	20.78	167.90	64.99	28.93	**282.56**	254.13	28.43
Infra Fund	8.71	58.22	20.42	3.39	**90.74**	65.89	24.85
FI Fund	19.41	29.87	18.06	26.85	**94.19**	66.46	27.74
Fund of Fund	0	0	0	9	**9.00**	4.50	4.50
Total	**206.92**	**512.20**	**201.70**	**112.53**	**1,033.40**	**487.72**	**545.73**

All amounts are in million EUR

€1,033M
in development impact investments

Exited investments

Exiting investment projects responsibly is essential to **ensure that development impact endures beyond BIO's involvement.** To support this, BIO's active monitoring focuses on keeping investee companies financially sound, well governed, and capable of operating sustainably. Responsible exits also protect local jobs created through the investments, allow to uphold environmental and social standards, safeguard BIO's credibility as a public development institution, and allow for scarce public capital to be redeployed into new high-impact projects.

At the close of each project, BIO's Impact team prepares a Project Completion Report (PCR): an internal end-term evaluation that combines monitoring data, internal reports, and stakeholder feedback to assess financial, business, environmental, social, and development outcomes. BIO has recently revised its PCR methodology to better draw lessons learnt and use them to improve strategic investment decisions and operational processes.

In 2025, BIO exited 15 investment projects: 2 direct investments, 10 financial institutions, and 3 funds, with an average investment duration of 7.5 years. Key lessons learnt from these exits included the need to continue to focus on improved governance and financial analysis, the opportunities to strengthen the additionality of environmental and social risk management support, and – in some cases - the persisting gaps between local practices and BIO's standards.

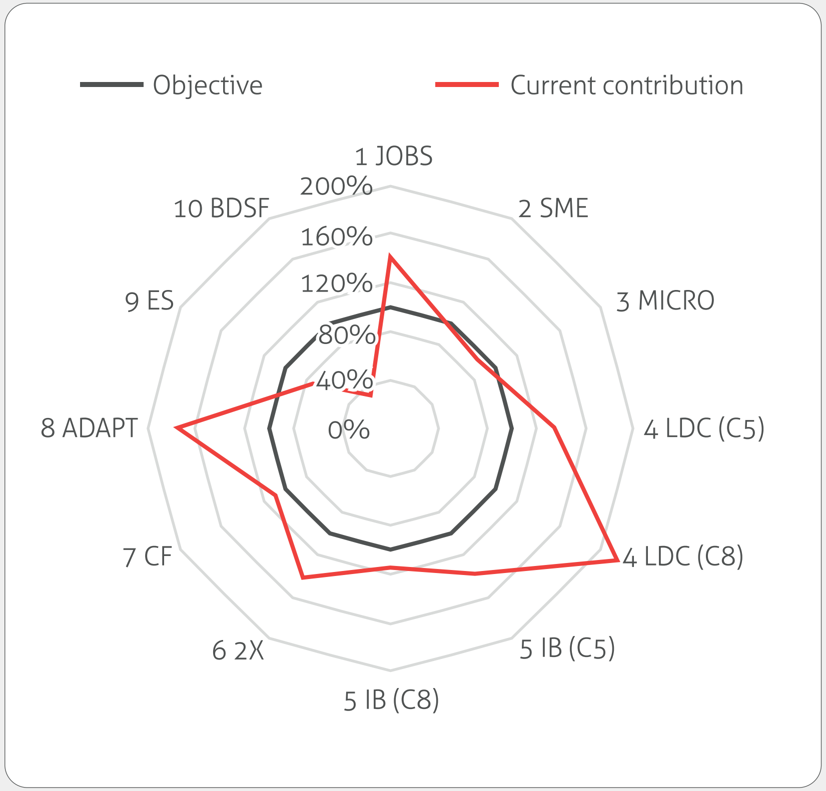
Impact and sustainability

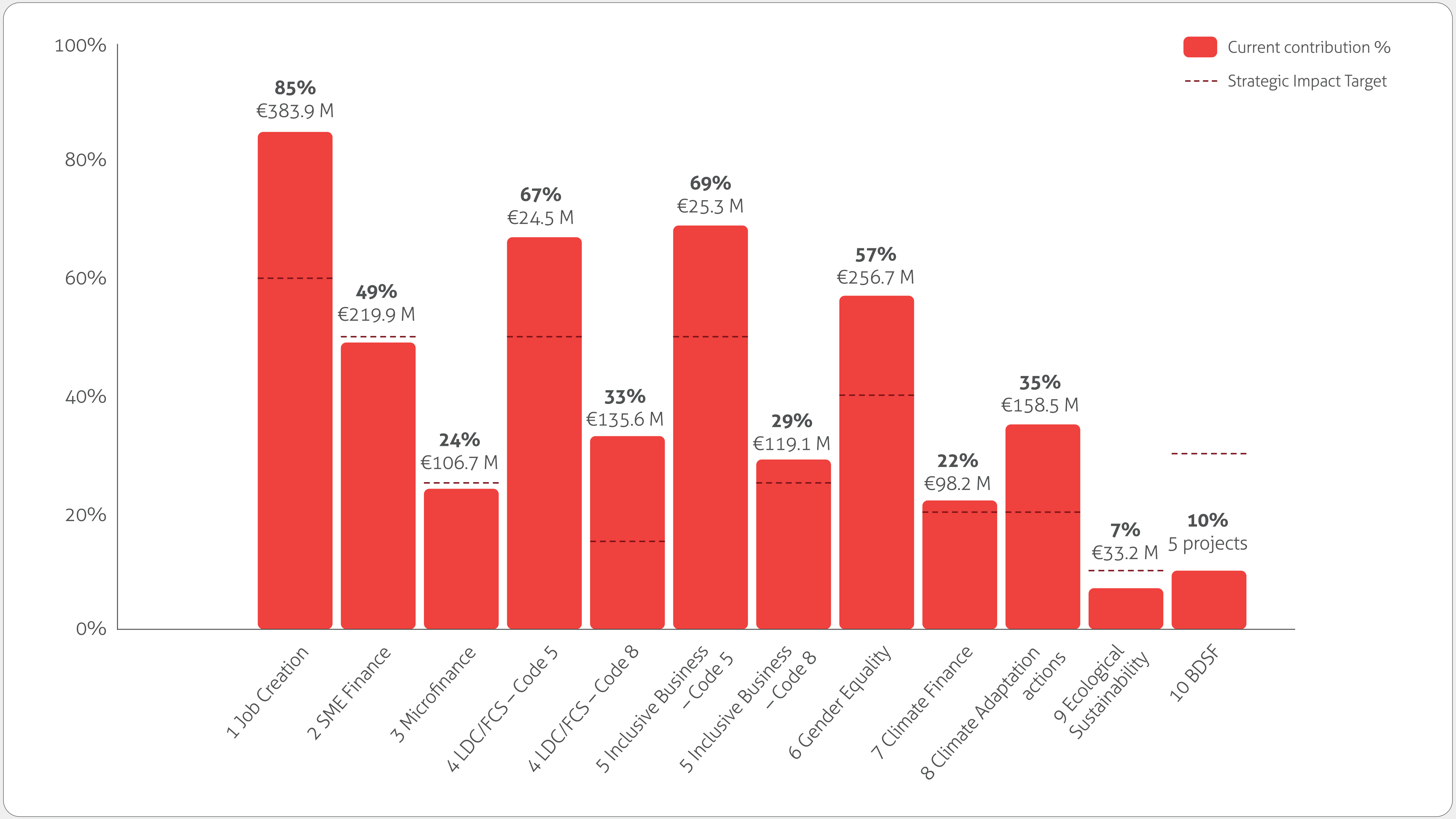
Impact and sustainability at BIO refer to the integrated management of (1) environmental & social risks, (2) impact outcomes, and (3) value creation activities throughout the investment cycle. The presentation of BIO's impact and sustainability performance in 2025 covers two distinct scopes: the **newly approved and signed projects**, and BIO's entire **portfolio**. The first presents the results of the assessment of new commitments against the Strategic Impact Targets, the management of E&S and related requirements for signed projects, as well as additionality and newly approved Business Development Support Fund (BDSF) projects. The second summarises the portfolio's contribution to the SDGs and E&S risk management on our portfolio. You can find more information on BIO's impact framework here.

Impact of the newly approved and signed projects

Strategic Impact Targets (SITs)

Overall, BIO continued to deliver promising results in 2025 as is shown in the figure and table below, assessing the contribution of BIO's approved projects to the SITs cumulatively for 2024 and 2025. Note that the SITs are to be achieved cumulatively over the 5-year duration of the management contract (2024 – 2028).





As shown in the figures, BIO is largely on track to reach its targets for Job Creation (SIT1), Investments in LDCs/FCS (SIT4), Inclusive Business (SIT5), Gender Lens Investing (SIT6), Climate Finance (SIT7), and Climate Adaptation actions (SIT8).

International Climate Finance

BIO's climate change ambition is deployed through three priorities, driving the investment approach across all sectors:

- **Priority 1:** Do no significant harm to long-term climate goals
- **Priority 2:** Mainstream climate actions in BIO's investments (aligned with SIT8)
- **Priority 3**: Increase climate finance ambition (aligned with SIT7)

BIO's investment projects that meet priority 2 and 3 are also directly feeding Belgium's International Climate Finance's contribution, as defined in the Paris Agreement in 2020 and as updated in the New Quantified Goal on Climate Finance (NCQG) in Baku in 2024. Since 2023, Belgium's contribution to meeting international climate finance criteria has significantly increased (from about € 150 M to nearly € 250 M), partly thanks to BIO's new climate ambition.

In 2023 and 2024, BIO's contribution to international climate finance (covering signed projects aligned with SIT7 and SIT8) added up to € 66 M and € 70 M respectively (~25% of Belgium's total contribution)*. In 2025, BIO's contribution dropped to € 30.2 M, mostly due to delay in the signature of large renewable energy projects. Contribution is expected to remain strong in the next years, evidenced by the level of approved projects aligned with SIT7 and SIT8.

* Amount for signed projects, primary (SIT7) and secondary (SIT8) climate objectives cumulated, using 20% factor for projects with a secondary climate goal (aligned with Belgian government reporting rules)

Introduced in 2023, BIO's new climate strategy has fulfilled our ambition to not only continue to support renewable energy infrastructure development but also find opportunities for new innovative projects in sustainable agriculture value chains, decentralised renewable energy enablers or low-carbon and circular SMEs.

BIO also started working more actively with financial intermediaries who can have a large positive impact as well by enabling access to capital for climate projects.

Thibaud Lemercier
Impact and Sustainability Manager

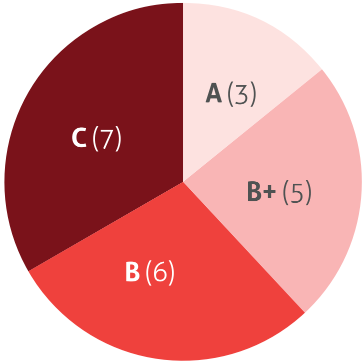
Performance in SME finance (SIT2) and Microfinance (SIT3) was slightly below expectations for the 2024-2025 period, mainly due to a lower share of investments in financial institutions, offering a clear area for renewed focus in 2026. The share of commitments including Ecological Sustainability actions (SIT9) remained just under target for 2024-2025, reflecting the emerging nature of biodiversity and environmental management as a priority topic in development finance.

Progress on the Business Development Support Fund (BDSF) objective (SIT10) is evolving as anticipated, with BIO already well positioned to exceed its long-term goal as projects advance through the investment cycle. In 2025, more investment projects already supported through the BDSF were approved, including the investments in Super Silica and Banco Popular.

Level of Environmental and Social (E&S) Risk

For all of the 21 projects signed in 2025, BIO conducted an E&S risk assessment. Following this assessment, the risks are classified into four risk categories corresponding to projects with high **(A), medium to high (B+), medium to low (B),** and **low risk (C).** The figure below shows the E&S risk categorisation of the projects signed in 2025.

Based on the risk categorisation, BIO defines the appropriate environmental and social requirements for each client and takes follow-up measures to ensure their implementation through an Environmental and Social Action Plan (ESAP) integrated into the financing agreements. For 2025, 18 of the 21 signed projects were accompanied by an ESAP. The most common issues monitored through the ESAPs established in 2025 include labour and working conditions, resource efficiency and pollution prevention as well as community health, safety and security.



Additionality

As part of the impact and sustainability assessment, each investment is also evaluated on its additionality:

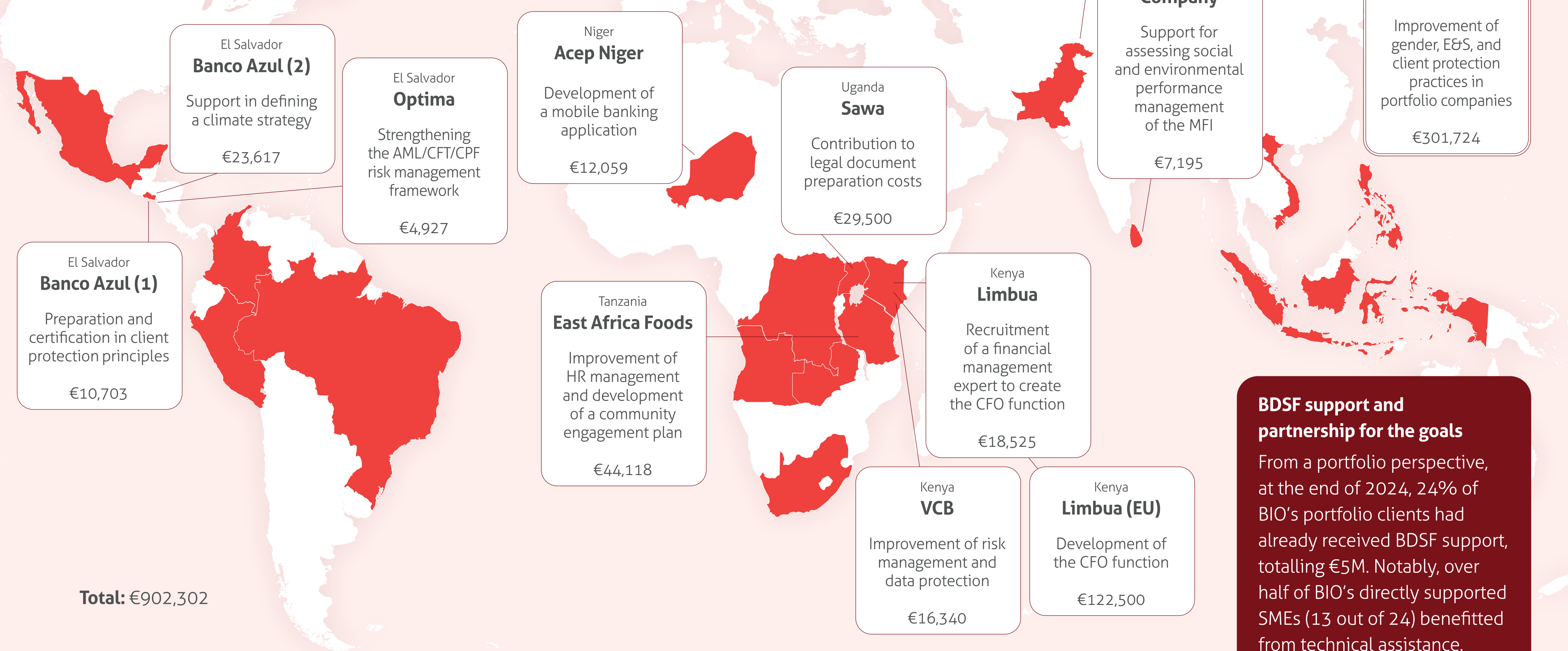
- BIO's investments are **financially additional** either when private sector partners cannot obtain financing from local or international capital markets for a specific activity at the necessary terms or scale, or when they mobilise private sector finance that would otherwise not have been invested.
- In parallel, BIO delivers **non-financial – or value -additionality** when it contributes to non-financial risk mitigation or capacity building for instance. This is the kind of support that capital markets would not offer but ultimately leads to stronger development outcomes.

In 2025, all approved investments evidenced financial additionality. Non-financial additionality was also strong: 90% of investments attest to it, targeting improved E&S risk management, strengthened management and governance capacities, and progress on gender and climate topics. Many of these contributions are expected to materialise through the Business Development Support Fund, with several projects already supported or likely to receive targeted technical assistance.

The Business Development Support Fund

The Business Development Support Fund (BDSF) goes beyond financing by providing the expertise businesses need to grow sustainably. Through co-funded Technical Assistance (TA), feasibility studies, and investment support, BIO helps companies overcome operational challenges, adopt sustainable practices, strengthen internal capacities, and unlock productivity gains. Sometimes, a small grant is the needed incentive to embed stronger commercial, financial, and sustainable practices.

In 2025, BIO approved **13 new projects for the BDSF, totalling €902,302.** Note that for 2025, 5 out of 13 projects supported environmental and social risk management whilst the others focus on improving the company's operational and financial management via improved risk management, financial management and developing new digital tools.



El Salvador
Banco Azul (2)
Support in defining a climate strategy
€23,617

El Salvador
Optima
Strengthening the AML/CFT/CPF risk management framework
€4,927

Niger
Acep Niger
Development of a mobile banking application
€12,059

Uganda
Sawa
Contribution to legal document preparation costs
€29,500

Pakistan
Kashf Foundation
Support for CRO training on strengthening overall risk management
€9,005

Sri Lanka
Alliance Finance Company
Support for assessing social and environmental performance management of the MFI
€7,195

Multi
Africa River Fund IV TAF
Capacity building and promotion of sustainable practices for fund portfolio companies
€302,089

Multi
Lendable TAF
Improvement of gender, E&S, and client protection practices in portfolio companies
€301,724

El Salvador
Banco Azul (1)
Preparation and certification in client protection principles
€10,703

Tanzania
East Africa Foods
Improvement of HR management and development of a community engagement plan
€44,118

Kenya
Limbua
Recruitment of a financial management expert to create the CFO function
€18,525

Kenya
VCB
Improvement of risk management and data protection
€16,340

Kenya
Limbua (EU)
Development of the CFO function
€122,500

Total: €902,302

BDSF support and partnership for the goals

From a portfolio perspective, at the end of 2024, 24% of BIO's portfolio clients had already received BDSF support, totalling €5M. Notably, over half of BIO's directly supported SMEs (13 out of 24) benefitted from technical assistance.

Impact of BIO's Portfolio

Contribution to economic, social and environmental impact

BIO measures the impact effectiveness of its investments through their contributions to the Sustainable Development Goals (SDGs), measured through the monitoring of a set of key indicators organised around the economic, social and environmental pillars of BIO's Strategic Impact Framework:

8 DECENT WORK AND ECONOMIC GROWTH

Under the **economic pillar,** BIO monitors its contribution to job creation, SME finance, and microfinance (targeting in particular SDG8, Decent Work and Economic Growth).

10 REDUCED INEQUALITIES

Under the **social pillar,** BIO monitors how its investments reduce inequalities between countries (by focusing on LDCs/FCS), within countries (by focusing on inclusive businesses) and support gender equality (targeting in particular SDG10, Reduced Inequalities).

13 CLIMATE ACTION

Under the **environmental pillar,** BIO monitors how investments contribute to the transition towards low-carbon, resilient and ecologically sustainable economies (targeting in particular SDG13, Climate Action).

Data disclaimer

The data are gathered through self-reporting from clients on a selected number of indicators using a standardised template. There is a one-year lag due to the time required for clients to provide yearly figures, and for BIO to verify, consolidate and analyse these data. Most figures are based on data reported by project / client and aggregated on a portfolio level. These are non-attributed figures and do not take BIO's investment share into account. In other words, they capture the entire activity and development effects of the funded companies. BIO continuously aims to improve its data collection and reporting on the development effectiveness of its investments. This publication is based on the 109 reports (out of 125 expected) submitted to BIO. Another 27 projects are not included in the reporting because they are in distress or exempt from reporting.

8 DECENT WORK AND ECONOMIC GROWTH

The economic pillar

BIO supports sustainable growth in target countries through the creation of new decent jobs and through the development of SME finance and microfinance. In 2024, directly supported portfolio companies generated **2,752 new jobs**, representing a 7% net increase from 2023. As of end-2024, BIO's investments supported 67,334 jobs through its direct investments (92% in financial institutions) and 320,809 jobs through investments in funds. Moreover, BIO's investments also support more than 10 million indirect jobs[1], largely driven by finance enabling effects of financial institutions.

In **SME finance**, BIO's direct portfolio includes **24 SME investments** totalling €63.2 M, primarily in agri-value chains, manufacturing, and services. Through 44 investment funds, BIO supports **397 SMEs across 14 sectors**, with €2.1 billion deployed. Additionally, 38 financial institutions reached 188,628 SMEs with combined loan portfolios of €4.0 billion.

In **microfinance**, BIO directly supports 23 microfinance institutions (MFIs) and 11 other Financial Institutions (FIs) serving the microfinance segment, together deploying €2.9 billion in microloans to over 5.7 million microbusinesses, while client savings reached €25.3 billion. Nine investment funds channel €452 M to 127 MFIs, reaching 2.8 million microenterprises.

10 REDUCED INEQUALITIES

The social pillar

BIO continued to honour its social mandate by directing capital to **the world's most vulnerable markets,** aimed at reducing inequalities between countries. As of end-2024, BIO holds 32 direct investments in Least Developed Countries (LDCs) and Fragile and Conflict-Affected States (FCS), totalling €139.2 M (30% of the direct portfolio). These are primarily in financial institutions (44%) and infrastructure (43%), with 7 renewable energy projects supporting national grids. In addition, BIO invests indirectly through 12 funds (out of 60) whose core strategy focuses on LDCs/FCS—11 of which target Sub-Saharan Africa. These funds have deployed €839 M across 165 companies based in these challenging markets.

As part of the social pillar considerations, BIO also looks at several **inclusivity aspects of the businesses it supports**, with the ambition to reduce inequalities within countries. Based on sector and stakeholder mapping (rather than a comprehensive inclusive business analysis including value-add considerations), BIO directly supports 38 businesses that generate economic value while engaging low-income populations: 15 agribusinesses and 23 microfinance institutions (MFIs). Together, they reach 2,709 rural workers, 19,437 small-scale farmers, and 5.7 million microentrepreneurs.

Indirectly, 12 of BIO's 60 funds invest most of their capital in agribusinesses and/or MFIs. Applying the same methodological approach, the 240 entities supported through these funds reach an additional 112,190 rural workers,

1 Estimation calculated through Joint Impact Model Methodology | Joint Impact Model

3.1 million small-scale farmers, and 3.1 million microentrepreneurs, while generating over €1.1 billion in local tax revenues.

Specific attention is given to the **inclusivity aspects** related to **gender equality,** which is one of BIO's three transversal commitments. At the direct investment level, 39 of BIO's 82 direct investments support gender equality goals or align with 2X Challenge criteria, representing 45% of the direct portfolio. Within these direct investments, seven companies are owned or led by a woman, and nine microfinance institutions target an almost exclusively female clientele. On average, women hold 23% of board seats and 30% of C-suite management positions across directly supported companies. Directly financed companies support 33,158 jobs for women, accounting for 49% of total direct jobs. Furthermore, 8% of SME loans and 57% of microloans outstanding from supported financial institutions were directed to women entrepreneurs.

30 funds in BIO's portfolio support gender equality goals or align with 2X Challenge criteria at the fund-manager level. Among these fund managers, women hold 18% of partner and upper management positions and 39% of all employee roles. Across the 715 underlying investments, **63 companies are owned or led by a majority of women**. On average, women hold 22% of board seats and 30% of C-suite management positions across indirectly supported companies. Indirectly financed companies support 112,096 jobs for women, representing 35% of total indirect jobs. Finally, 36% of SME loans and 27% of microloans outstanding from supported financial institutions were directed to women entrepreneurs.

The environmental pillar

BIO continues to drive **climate action** and **ecological sustainability** through direct and indirect investments in renewable energy, sustainable agriculture, and low-carbon / circular SMEs. At the end of 2024, BIO's portfolio included **11 renewable energy projects** with a combined installed capacity of 587 MW (44% solar, 30% hydro, 26% wind). These generated 639 GWh over the year—which corresponds to the annual consumption of 4.5 M people—while avoiding an estimated 262,937 tCO2eq. Five companies of BIO's direct SME portfolio were certified by a relevant environmental standard that contributes to climate mitigation or ecological sustainability (e.g. organic, Fairtrade, FSC, etc.). On the enabling finance side, seven financial institutions in BIO's direct portfolio report that an average of 2% of their gross loan portfolios is allocated to green loans.

Indirectly, six BIO-funded channels invest most of their capital in projects substantially contributing to climate change mitigation and/or adaptation. For example, funds are deploying €476.2 M across 87 clean energy investees (923.9 MW, primarily solar at 41% and hydro at 36%). Reporting investees generated 1,242 GWh, equivalent of the annual consumption of 8.7 M people and avoiding approximately 470,000 tCO2eq.

Environmental & Social risk management in our portfolio

Across the entire project portfolio, 81 projects are subject to active E&S monitoring. These include projects signed within the last three years, projects for which the ESAP has not yet been finalised, as well as projects that have experienced serious incidents.

BIO applies enhanced E&S monitoring to projects with particularly high E&S risks, especially when serious incidents occur, when clients breach BIO's exclusion list, or when projects attract negative attention that could affect BIO's reputation. Such projects are placed on the E&S Watchlist. In 2025, BIO recorded 25 serious incidents across its portfolio, and by yearend, four projects were being closely monitored under the BIO E&S Watchlist.

BIO's commitment to Client Protection Principles in Microfinance

In December 2025, BIO hosted an information session to raise awareness on microfinance—a cornerstone of its investment strategy—bringing together representatives from development impact investors, NGOs, and think tanks. Daniel Rozas set the scene with a historical overview and real-world client diaries, emphasising the importance of client protection. Milena Loayza, BIO's Financial Institutions Manager, detailed BIO's integration of the seven Client Protection Principles, requiring investees to verify compliance with standards like the Universal Standards for Social and Environmental Performance Management (US ESPM) and implement action plans to address gaps such as over-indebtedness and fair pricing. Hanan Osman and Sadiaa Haque of BRAC International showcased their impact framework, demonstrating how responsible lending to more than 980,000 women builds financial resilience. The session concluded that strategic, client-centric microfinance remains vital for sustainable development.

Evaluation

The year 2025 was a foundational year for establishing BIO's enhanced evaluation function. It has focused on developing a robust operational roadmap for BIO's new evaluation plan and the launch of the procurement process for the upcoming independent end-beneficiary focus surveys, two per year expected from 2026 onwards. It is also worth noting that BIO hired its first dedicated Monitoring, Evaluation and Learning Officer who will actively contribute to the implementation of evaluation activities.

BIO's Double Materiality Assessment

In 2025, BIO launched a double materiality assessment (DMA) to review the effectiveness of its E&S risk management approach through two dimensions: how a company's activities affect the environment and society (impact materiality), and how these impacts affect the company's financial performance (financial materiality). In line with the principles of EU sustainability standards (CSRD and VSME), BIO assessed its entire value chain — from its service providers and workforce to its clients and their own value chain. The objective of the DMA is to help BIO identify and prioritise actual and potential negative environmental and negative impacts, as well as risks and opportunities.

BIO reviewed more than 90 topics across short, medium, and long-term time horizons, based on guidance given in relevant EU standards. Internal experts evaluated each topic by considering how serious and likely the impacts were, as well as the scale and likelihood of related risks and opportunities. This provided a clear overview of risks and impacts affecting people, the environment, and our business.

In 2026, BIO will engage with key stakeholder groups - shareholder, management, employees, clients, peers and civil society - to review and refine the results, with the objective to publish the results in 2027.


EXPIRY DATE
NET WEIGHT
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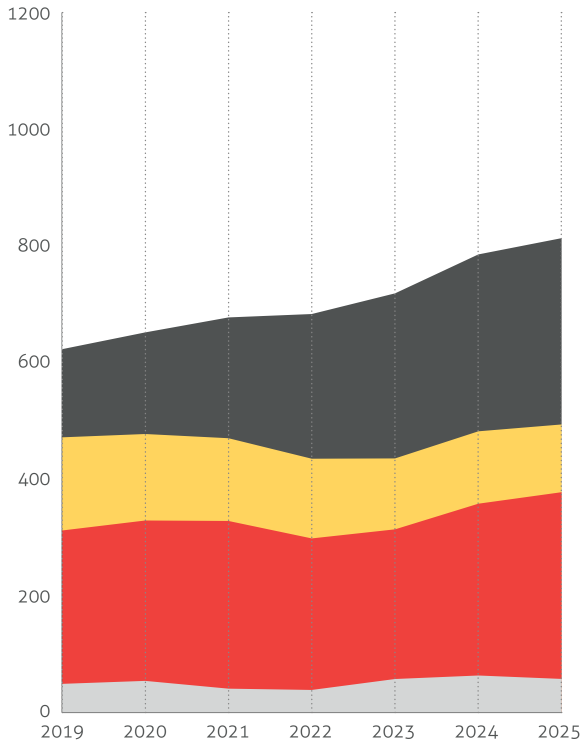
Departments

BIO organises its investments into four clusters: Enterprises, Financial Institutions, Infrastructure, and Investment Companies & Funds. These clusters reflect BIO's focus on supporting SMEs, strengthening access to finance, enabling essential infrastructure, and reaching businesses active on those themes through specialised funds.

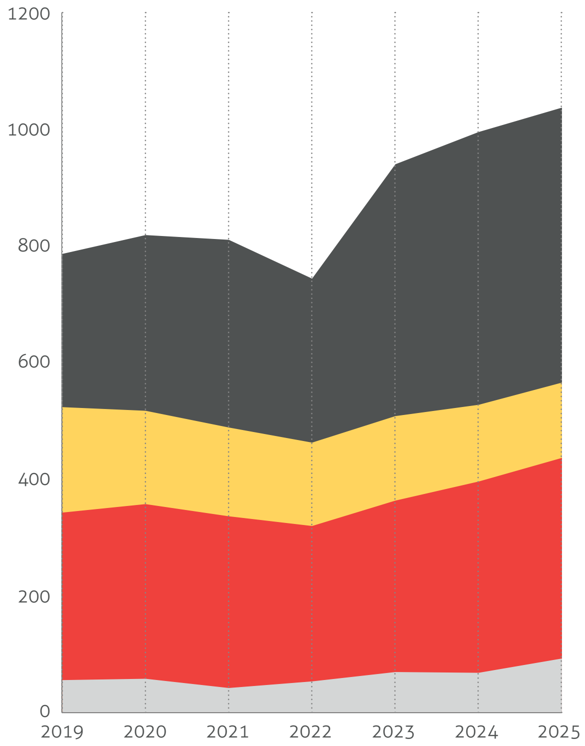
In 2025, performance evolved in line with strategic priorities: Enterprises and Investment Companies & Funds activities continued to grow, Financial Institutions remained stable, and Infrastructure faced a more challenging pipeline, while still playing a key role in BIO's mandate.

This part of the annual report dives deeper into BIO's investments for each of the four clusters, highlighting the relevance of the departmental focus and giving more details on the investments as well as the additional support provided through the Business Development Support Fund.

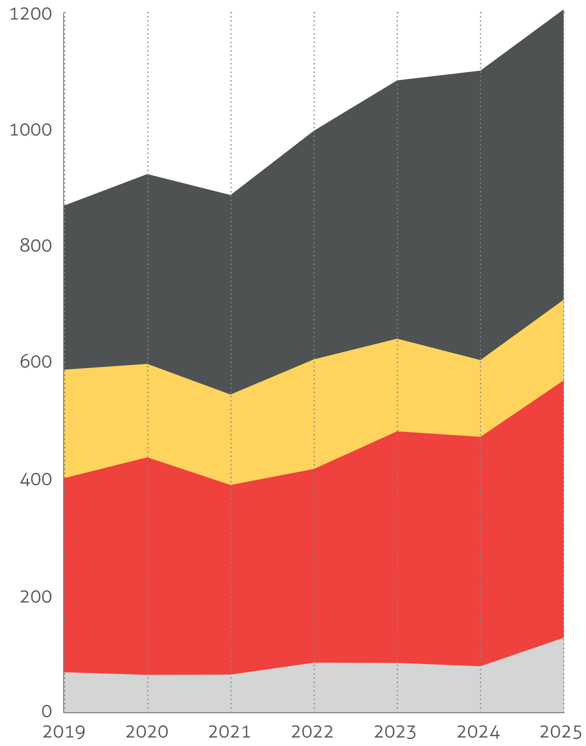
Total outstanding



Total net signed



Total net approved



Investment Companies & Funds Infrastructure Financial Institutions Enterprises

All amounts are in million EUR

> Investing in SMEs in Africa, Latin America, Asia and Ukraine, is investing in the future of global prosperity. These businesses create the jobs, resilience, and opportunity that growing economies—and their young people—urgently need.

Marie Watelet
SME and Infrastructure Manager at BIO

Enterprises

A focus on SMEs

In its line of activities supporting enterprises in Africa, Latin-America, Asia and Ukraine, BIO has a specific focus on SMEs. That is because they form the backbone of economies—90% of businesses, over half of global employment, around 80% of jobs in Africa—yet they face major constraints, including inflation, climate pressures in agri-food value chains, and a significant financing gap exceeding $5.7 trillion globally.

BIO's Theory of Change confirms the central role SMEs plays in inclusive growth, noting their limited access to patient capital as well as the strategic importance of agri-food companies in fragile economies. By providing tailored financing and technical assistance, BIO helps strengthen governance, resilience, and sustainability across these essential sectors.

Approved and signed commitments 2025

In 2025 BIO **approved** 11 investments in enterprises. Most of them contributed to BIO's objectives of decent jobs creation (9 projects aligned with SIT1) and SME Finance (7 projects aligned with SIT2). Enterprise projects were the only contributor to actions towards ecological sustainability (3 projects aligned with SIT9). Finally, enterprises also substantially contributed to the good performance of BIO towards investments in inclusive businesses (6 projects aligned with SIT5) and climate finance (5 projects aligned with SIT7).

BIO also **signed** 6 investments in enterprises for a total investment of €37.4 M for 2025.

#	Category	LAC	Africa	Asia	Total	Equity	Loan
11	**Enterprises**	**5.11**	**47.58**	**7.40**	**60.09**	**17.77**	**42.32**
7	↳ Agriculture, forestry and fishing	–	23.77	4.26	**28.02**	4.26	23.77
4	↳ Manufacturing	5.11	23.82	3.15	**32.07**	13.51	18.56

All amounts are in million EUR

Example – Glacier

In 2025, BIO strengthened its support to Kenya's agrifood sector through **an €8 M investment in Glacier Products Limited**, a leading regional dairy manufacturer. This financing enables Glacier to expand its production and storage capacity to meet growing demand while securing a stable market for more than 7,000 smallholder dairy farmers who supply its milk. The investment is structured as a partnership with I&M Bank, a major Kenyan financial institution, and EXEO Capital, through its AgriVie Fund II equity fund, reinforcing both local and regional mobilisation of capital. By supporting the modernisation of Kenya's dairy value chain and improving income prospects for rural producers, the investment illustrates BIO's commitment to promote sustainable private sector development and broad-based economic impact in East Africa. In terms of impact, the investment is expected to contribute to BIO's strategic impact targets on Job Creation (SIT1), SME finance (SIT2), Inclusive Businesses (SIT5), Gender Equality (SIT6) and Business Development Support (SIT10). You can find more info on BIO's investment in Glacier here.

Total approved investments in Enterprises (31/12/2025)

The table below illustrates the total approved investments in enterprises at BIO. Within investments in enterprises, apart from the focus on SMEs, BIO has a clear focus on agriculture and food, whether it is directly in production, in transformation, in distribution, or in other adjacent industries. Besides a focus on agri-food, it is important to also mention BIO's portfolio in manufacturing, not just of food products but also of pharmaceuticals and medical supplies for instance. BIO's investments in manufacturing are strong contributors to decent job creation. In terms of geographic focus, most enterprise investments are made in Africa.

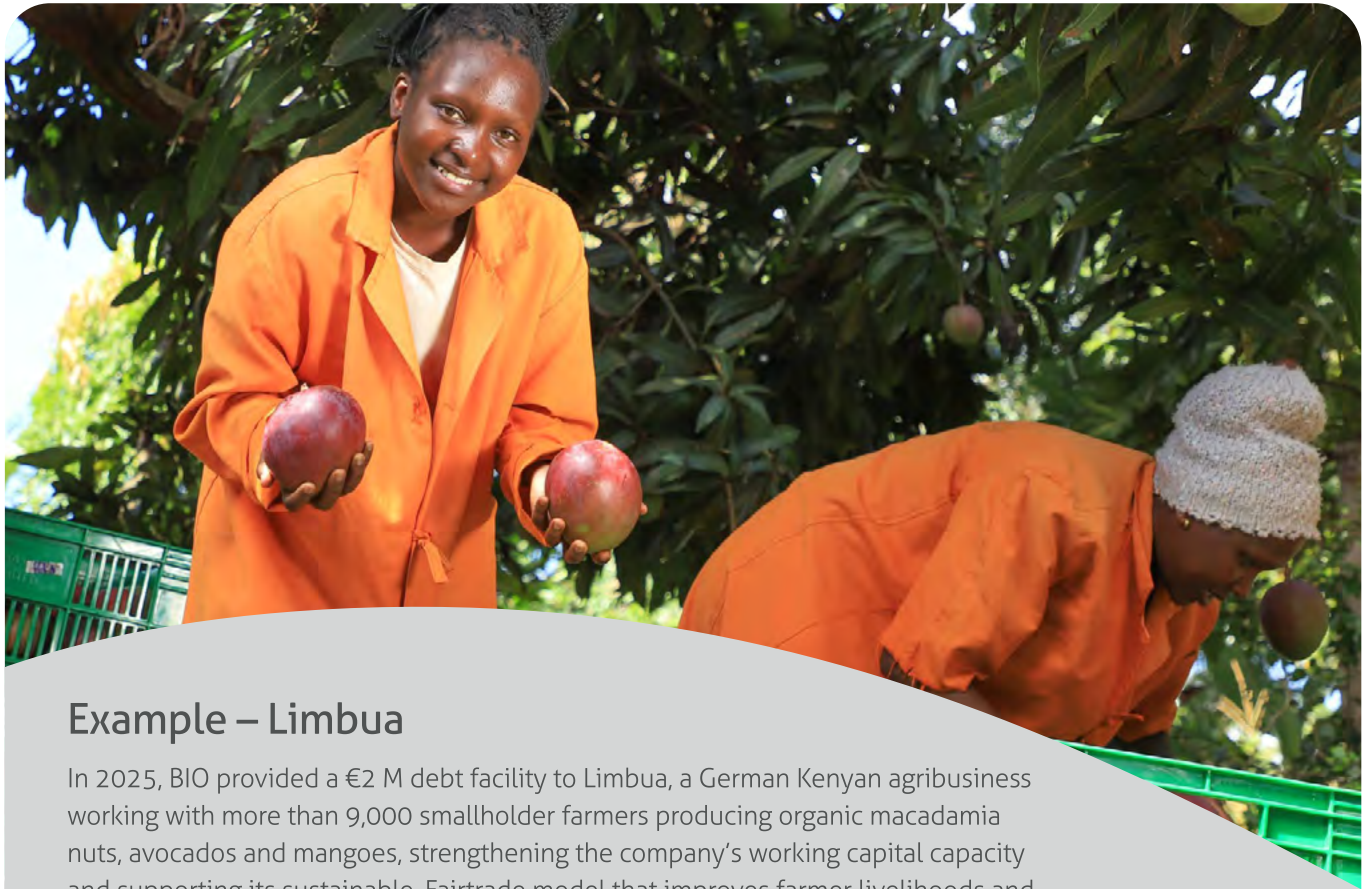
#	Sector	LAC	Africa	Asia	Total	Equity	Loan
14	**Agriculture,forestry and fishing**	**11.5**	**34.07**	**4.8**	**50.37**	**4.8**	**45.57**
↳	Cereal	–	1.26	–	**1.26**	–	1.26
↳	Fruits	–	13.11	–	**13.11**	–	13.11
↳	Beverage crops	2.7	–	–	**2.7**	–	2.7
↳	Spices	0.82	–	–	**0.82**	–	0.82
↳	Plants	7.9	–	–	**7.9**	–	7.9
↳	Poultry	–	5.69	–	**5.69**	–	5.69
↳	Growing of other tree and bush fruits and nuts	–	14.0	–	**14.0**	–	14.0
↳	Post harvest crop activities	–	–	4.8	**4.8**	4.8	–
17	**Manufacturing**	**13.03**	**47.1**	**5.98**	**66.1**	**12.02**	**54.08**
↳	Seafood	0.3	–	–	**0.3**	–	0.3
↳	Fruits & vegetables	1.97	4.45	–	**6.42**	–	7.7
↳	Grain mill products	–	3.0	–	**3.0**	–	3.0
↳	Bakery	–	–	1.96	**1.96**	–	2.0
↳	Chocolate	–	9.0	–	**9.0**	–	11.0
↳	Paper	4.9	–	–	**4.9**	–	4.9
↳	Generators	–	0.0	–	**0.0**	–	0.1
↳	Furniture	–	–	0.86	**0.86**	–	1.4
↳	Dairy	5.78	7.89	–	**13.67**	–	8.0
↳	Ice cream	–	8.0	–	**8.0**	–	8.0
↳	Fertilisers and nitrogen compounds	–	2.75	–	**2.75**	–	2.75
↳	Pharmaceutical preparations	–	–	7.02	**7.02**	7.02	–
↳	Medical and dental instruments and supplies	–	–	5.0	**5.0**	5.0	–
↳	Organic basic chemicals	–	–	3.15	**3.15**	–	3.15

#	Sector	LAC	Africa	Asia	Total	Equity	Loan
6	**Other**	–	**10.92**	–	**10.92**	–	**11.1**
↳	Wholesale and retail trade	–	5.23	–	**5.23**	–	4.7
↳	Accommodation	–	1.72	–	**1.72**	–	2.0
↳	ICT	–	3.0	–	**3.0**	–	3.0
↳	Professional, scientific and technical activities	–	0.6	–	**0.6**	–	0.6
↳	Education	–	0.3	–	**0.3**	–	0.8
37	**Total Enterprises**	**24.53**	**92.09**	**10.78**	**127.39**	**16.82**	**110.75**

All amounts are in million EUR

Agri-dilemmas

In 2025, BIO organised two workshops with the Board Investment Committee, the DGD – the Directorate-General for Development Cooperation and Humanitarian Aid, the federal government department responsible for managing Belgium's official development aid and humanitarian policy - and Enabel experts to address some of the key dilemmas inherent in agricultural value chain investments. The outcome is a concise internal guidance note that clarifies priorities and prerequisites for financing and provides a shared framework for project selection and analysis.



Example – Limbua

In 2025, BIO provided a €2 M debt facility to Limbua, a German Kenyan agribusiness working with more than 9,000 smallholder farmers producing organic macadamia nuts, avocados and mangoes, strengthening the company's working capital capacity and supporting its sustainable, Fairtrade model that improves farmer livelihoods and promotes environmentally responsible agriculture. This project benefits from EDFI TGVC, a guarantee managed by EDFI Management Company and funded by the European Union under the EFSD+ programme, as part of the EU's Global Gateway strategy. The guarantee covers up to 70% of BIO's loan and enabled BIO to support Limbua's expansion and to reinforce inclusive, climate smart value chains. In addition, Limbua receives BDSF support to strengthen its financial and operational management through a grant to develop the CFO position, helping professionalise the company and enhance its attractiveness for future investment. BIO's investment in Limbua adds to most of its strategic impact targets but in particular to those on Jobs (SIT1), SME finance (SIT2), Inclusive Businesses (SIT5), Climate Finance (SIT7), Climate Adaptation (SIT8) and Ecological Sustainability (9). More info on the investment here.

Technical assistance projects for enterprises

In 2025, BIO **approved** 3 technical assistance projects through the BDSF for SMEs in Kenya and Tanzania, focusing on organisational development and community engagement. The total amount of these 3 projects was €185,143.

Financial Institutions

A focus on access to finance

Access to finance remains a major constraint for micro, small, and medium-sized entrepreneurs and enterprises (MSMEs), especially in Latin America, Asia, and Africa. Despite recent growth, 1.3billion people still lack a financial account, limiting both individuals and MSMEs in accessing formal financial services. High costs, distance to financial institutions, and limited digital connectivity continue to impede financial inclusion, while a persistent gender gap remains: in low- and middle-income countries, women are five percentage points less likely than men to hold an account, constraining the growth of many women-led MSMEs.

To address these challenges, BIO invests in financial institutions that expand access to finance for MSMEs and individuals—particularly women—to strengthen the financial backbone of their economies. In line with its Theory of Change, BIO's investments in financial institutions particularly add – though not exclusively - to its impact targets on SME Finance and Microfinance, recognising responsible financial intermediation as essential for inclusive economic growth.

Through patient, long-term capital, BIO enables financial intermediaries to withstand economic and climate shocks while extending credit to underserved and often low-income entrepreneurs. By supporting responsible MFIs, SME lending by commercial banks and promoting financial innovation, BIO advances its objective of enhancing financial inclusion and local economic resilience.

> BIO invests in microfinance institutions to foster an inclusive, responsible, and sustainable financial system. Access to financial services reduces poverty and builds resilience by empowering entrepreneurs to protect their livelihoods, seize opportunities, and adapt to shocks.

Milena Loayza
Financial Institutions Manager

Approved and signed commitments in 2025

In 2025, BIO approved 11 investments in microfinance and commercial banking institutions in Nicaragua, Pakistan, Burkina Faso and Ecuador, among others. Most of them contributed to BIO's objectives of decent jobs creation (10 projects aligned with SIT1), SME finance (4 projects aligned with SIT2) and/or Microfinance (6 projects aligned with SIT2). Financial institutions also substantially contributed to LDC/FCS investments (4 projects aligned with SIT4) and the development of inclusive businesses (5 projects aligned with SIT5).

In terms of signed investments in financial institutions, BIO signed 8 such investments, totalling €69.25 M.

Example – Amartha

In 2025, BIO extended a $15 M loan as part of an IFC-led facility to support the expansion of Amartha, an Indonesian fintech-enabled microfinance platform providing productive loans to unbanked women in rural areas. It connects 1.5 million female borrowers with institutional and retail lenders across 92,000 villages and operates under a combined model that blends traditional microfinance with peer-to-peer (P2P) lending. The investment strengthens financial inclusion, boosts rural entrepreneurship, and supports the growth of women-led microbusinesses in Indonesia. Through its investment in Amartha, BIO expects to contribute to its impact targets on Job Creation (SIT1), Microfinance (SIT3), Inclusive Businesses (SIT5) and Gender (SIT6). You can find more info on the investment here.

#	Category	LAC	Africa	Asia	Ukraine	Total	Equity	Loan
11	**Financial Institutions**	**14.04**	**41.02**	**49.55**	**5**	**109.62**	**21.28**	**88.34**
6	↳ Microfinance institutions	7.23	4	32.53	–	**43.76**	1.28	42.49
5	↳ Commercial banking	6.81	37.02	17.02	5	**65.85**	20	45.85

All amounts are in million EUR

Total approved investments in financial institutions 31/12/2025

The table below represents BIO's total approved investments in financial institutions at the end of 2025. It illustrates BIO's intentional focus on microfinance institutions when it comes to financial inclusion.

Technical assistance projects for financial institutions

In 2025, BIO **approved** 7 technical assistance projects for support through the BDSF for financial institutions in Africa, Asia and Latin America, focusing on improved risk management, support obtaining Client Protection Principles (CPP) Certification, developing a climate strategy, improved connectivity, etc. The total amount of these projects was €83,846.

#	Category	LAC	Africa	Asia	Ukraine	Multi	Total	Equity	Loan
21	**Commercial banking**	**84.44**	**97.89**	**41.68**	**5**	**–**	**229.00**	**36.77**	**192.23**
36	**Microfinance institutions**	**49.11**	**47.07**	**65.0**	**–**	**11.25**	**172.45**	**34.47**	**137.98**
2	**Financial leasing**	**–**	**3.86**	**–**	**–**	**–**	**3.86**	**–**	**3.86**
4	**Other**	**–**	**–**	**9.39**	**–**	**11.7**	**21.09**	**16.49**	**4.6**
63	**Financial Institutions**	**133.55**	**148.82**	**125.43**	**5**	**34.65**	**447.5**	**104.23**	**343.27**
	↳ Hedging	–	–	–	–	7.1	**7.1**	7.1	–
	↳ Nonlife insurance	–	–	9.3	–	–	**9.3**	9.3	–
	↳ Auxiliary services	–	–	–	–	4.6	**4.6**	–	4.6
	↳ Rental and leasing activities	–	–	0.06	–	–	**0.1**	0.1	–

All amounts are in million EUR

Example – Banco Azul de El Salvador

In 2024, BIO provided a $15 M loan to Banco Azul de El Salvador to expand its lending to small and medium-sized enterprises and to strengthen responsible banking practices. In 2025, BIO complemented this with targeted support through the BDSF, including $12,543 to help the bank prepare for certification in international client protection standards and $28,279 to develop a climate strategy. This support was designed to help Banco Azul understand its exposure to climate-related risks, define priorities for climate-aligned lending, and build the internal capacity needed to gradually expand green finance. Together, these interventions reinforce the bank's ability to offer responsible, transparent, and climate-aware financial services in El Salvador. BIO expects it to contribute to its SITs on SME Finance (2), Gender (6) and Climate Finance (7). You can find more info on the investment here.

Infrastructure

Rationale

Adequate access to reliable energy, digital connectivity, and transport are essential for well-being and for building competitive, resilient economies. Demand for clean and affordable energy continues to rise, creating opportunities for renewable solutions even as regulatory and market conditions grow more complex. In recent years, BIO has focused its infrastructure investments mainly on telecommunications and renewable energy—both on and off grid—, with most projects directly contributing to climate objectives.

This focus aligns with BIO's Theory of Change and supports the strategic impact targets on Job Creation (SIT1), Climate Adaptation (SIT8), Climate Finance (SIT7), and Ecological Sustainability (SIT9).

In addition, as traditional medium-sized independent power projects become harder to finance, BIO plays a catalytic role by backing smaller, more innovative projects that diversify green energy sources and fill market gaps. Through this approach, BIO expands access to reliable services and accelerates the shift toward sustainable economies. BIO also invests in telecommunications infrastructure, because access to affordable, reliable internet is now considered a fundamental enabler of economic progress, as essential as energy or transport.

> BIO supports the development of digital infrastructure as well as small and innovative distributed renewable energy projects as they are essential for building a truly inclusive system.

Marie Watelet
SME and Infrastructure
Manager at BIO

Approved and signed commitments 2025

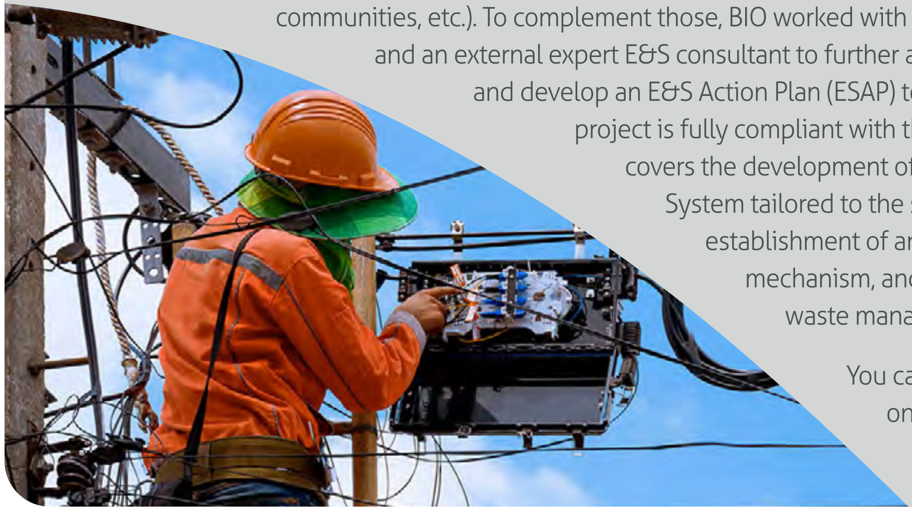
In 2025, BIO **approved** 3 new investments in infrastructure for a total of € 21.8 M. The two renewable energy infrastructures directly contribute to substantial climate change mitigation (2 projects aligned with SIT7). Infra investments also contributed to LDC/ FCS development (2 projects aligned with SIT4).

In terms of **signed** commitments in infrastructure, BIO signed 1 infrastructure investment for €12.8 M in information and communication in 2025.

Example - BCS - Bandwidth and Cloud Services

At the end of 2025, BIO signed a $15 M financing agreement—alongside DEG's $25 M—to support BCS, a fibreoptic network operator active across seven Sub-Saharan African markets. The joint facility finances BCS's largescale expansion plan, adding 15,000 km of new fibre across the DRC, Malawi, Mozambique, Zambia, and Zimbabwe. BIO contributes $3 M to the first tranche and $12 M to the second, enabling the rollout of 6,600 km of backbone fibre and 3,000 km of metro fibre through railroad, submarine, and overhead routes, significantly strengthening regional connectivity.

BCS already had relevant E&S policies and systems to manage some of the key risks related to the project (gender equality, land acquisition and compensation, engagement with local Indigenous communities, etc.). To complement those, BIO worked with the co-investor, DEG Invest, and an external expert E&S consultant to further assess the broader E&S risks and develop an E&S Action Plan (ESAP) to ensure that the financed project is fully compliant with the IFC PS. The ESAP notably covers the development of an E&S Management System tailored to the scale of the project, the establishment of an external grievance mechanism, and a waste and hazardous waste management program.



You can find more information on our BCS investment here.

#	Category	Africa	Asia	Total	Equity	Loan
3	**Infrastructure**	**14.76**	**7**	**21.76**	**2**	**19.76**
2	↳ Electric power generation	2.00	7	**9.00**	2	7
1	↳ Information and communication	12.76	–	**12.76**	0	12.76

All amounts are in million EUR

Total approved investments in infrastructure 31/12/2025

The table below presents BIO's total investments in infrastructure projects. For clarity, the number of investments in infrastructure funds has been included, as BIO also reaches the sector indirectly through fund investments. The figures confirm a clear focus on infrastructure in Africa—both direct and indirect—in line with the priorities set out in BIO's investment strategy.

Technical assistance projects for infrastructure

In 2025, BIO approved 1 technical assistance through the BDSF for one infrastructure project in Uganda to support a company's due diligence efforts. The total amount of this project is €29,500.

#	Category	LAC	Africa	Asia	Multi	Total	Equity	Loan
22	**Infrastructure**	**20.1**	**66.25**	**36.13**	**15.16**	**137.64**	**2**	**135.64**
21	↳ Electric power generation	20.1	53.48	36.13	15.16	**124.87**	2	122.87
5	↳ hydropower	4.5	17.86	17.0	–	**39.36**	–	39.36
10	↳ solar	15.6	18.81	18.97	15.16	**68.54**	2	66.54
4	↳ thermal	–	16.81	–	–	**16.81**	–	16.81
2	↳ wind	–	–	0.16	–	**0.16**	–	0.16
1	Information and communication	–	12.77	–	–	**12.77**	–	12.77
14	**Investment Companies & Funds**	**8.7**	**58.22**	**20.42**	**3.39**	**90.73**	**65.88**	**24.85**
14	Infra Fund	8.7	58.22	20.42	3.39	**90.73**	65.88	24.85

All amounts are in million EUR

> Through fund investments, BIO reaches far more SMEs while ensuring stronger governance, diversification, and climate-aligned impact.

Grégory Behin
Private Equity Manager

Investment Companies & Funds

Rationale

Investing in financial intermediaries—including private equity funds, private debt funds, financial institution funds, and climate-focused funds—is a keyway for BIO to build a well-balanced and resilient portfolio. This approach directly fosters our core mission by providing entrepreneurs and financial institutions with the long-term, patient capital they need, thereby strengthening local financing ecosystems.

As outlined in our Theory of Change, this channel is essential to close the SME financing gap, support the development of robust private equity and financial sectors, and crucially, mobilise additional private investors (SDG17). By leveraging the strong local expertise of fund managers and their diversified portfolios, climate-focused funds can also specifically drive the growth of innovative business models supporting the transition to low-carbon, resilient and nature-positive economies in our target regions, aligned with BIO's Strategic Impact Targets on climate and ecological sustainability (SIT7, SIT8, SIT9).

Approved and signed commitments 2025

In 2025, BIO **approved** 5 investments in investment companies and funds. Most of the committed funds will focus on Africa and one particular investment focuses on Ukraine. Investment companies and funds are a main contributor to BIO's objectives of decent jobs creation (3 projects aligned with SIT1). They are also the main contributors to gender equality (3 projects aligned with SIT1) and climate adaptation actions (3 projects aligned with SIT8).

BIO also **signed** 6 investments in investment companies & funds in 2025, totalling €46.6M.

Example - REBUF

In 2025, BIO committed €5.1 M to the Rebuild Ukraine Fund (REBUF). Launched by Dragon Capital, REBUF provides critical capital to small, medium, and larger enterprises operating under wartime conditions, with a focus on consumer goods and services in key sectors such as healthcare, agribusiness, construction materials, retail, and technology. REBUF aims to raise $250 M to preserve jobs and support long-term growth. BIO partnered with the EBRD, IFC, and Norfund in this effort. The investment agreement was signed in January 2026, for a value of $6 M (approximately €5.10 M). You can find more on the investment here.

#	Category	Africa	Asia	Multi	Ukraine	Total	Equity	Loan
5	**Investment Companies & Funds**	**25.53**	**12.77**	**–**	**5.10**	**43.40**	**43.40**	–
4	↳ Enterprise Fund	25.53	12.77	–	–	38.29	38.29	–
1	↳ Other	–	–	–	5.10	5.11	5.11	–

All amounts are in million EUR

Total approved investments in investment companies and funds 31/12/2025

The table below shows BIO's investments in funds and investment companies. These are primarily SME-focused funds, with a strong geographical emphasis on Africa, followed by Asia. Notably, only a small portion of these investments are made through debt. It is important to note that at least 26 of these fund investments also have a particular climate focus, either as primary or secondary objective.

Technical assistance projects for investment companies and funds

As part of the BDSF, BIO approved two technical assistance projects for investment companies and funds for a total amount of €603,813.

Example – Lendable MSME Fintech Credit Fund

In 2025, BIO approved a €301,724 grant through the BDSF in the Lendable MSME Fintech Credit Fund in which BIO has invested $9 M in equity. This grant will be used to strengthen gender equality, environmental and social (E&S) management, and client protection practices (CPP) within the fund's portfolio of companies. Specifically, the fund will help develop a gender lens investment framework, enhance E&S due diligence tools, and implement customer-centric standards to ensure responsible lending to underbanked MSMEs in Kenya, Nigeria, South Africa, India, Indonesia, and Vietnam.

#	Category	LAC	Africa	Asia	Multi	Ukraine	Total	Equity	Loan
93	**Investment Companies & Funds**	**48.89**	**265.76**	**113.67**	**70.16**	**5.17**	**503.67**	**418.14**	**85.52**
1	↳ Activities of holding companies	–	–	–	2.00	–	**2.00**	2.00	–
59	↳ SME Fund	20.78	177.67	75.19	28.93	–	**302.57**	274.14	28.43
14	↳ Infra Fund	8.70	58.22	20.42	3.39	–	**90.73**	65.88	24.85
17	↳ FI Fund	19.41	29.87	18.06	26.85	–	**94.20**	66.45	27.74
1	↳ Fund of Fund	–	–	–	8.99	–	**9.00**	4.50	4.50
1	↳ Other	–	–	–	–	5.17	**5.17**	5.17	–

All amounts are in million EUR

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A sustainable future does not pit the economy against the environment: it relies on their balance. I was profoundly inspired by seeing this principle in action during my visit to Ecoa Burn in Kenya. We can be proud that BIO, as an instrument of Belgian Development Cooperation, is a financial partner to such a high-potential project. This is how we promote sustainable development and contribute tangibly to the Sustainable Development Goals.

Jean-Luc Crucke
Belgian Minister of Mobility, Climate and Ecological Transition, responsible for Sustainable Development

BIO invests in Ecoa Burn in Kenya through its investment in the Spark+ Africa Fund

The SDG Frontier Fund

The SDG Frontier Fund, a Belgian fund-of-funds established by BIO in 2019, invests in private equity and venture capital funds across Africa and Asia. It brings together 14 Belgian institutional and private investors with the dual objective of generating measurable social and environmental impact alongside competitive financial returns. By backing local fund managers, the fund seeks to channel capital to high-growth SMEs in developing markets. More information on the SDG Frontier Fund is available here.

In 2025, the SDG Frontier Fund demonstrated resilience, posting a positive net income of €1.4 M driven by successful exits and showing good performance in terms of valuation. Deployment of the portfolio continued to accelerate in 2025 as several portfolio funds were still in the investment phase, with the fund reaching 65% investment ratio at year end. The first half of the year was characterised by continued portfolio expansion and one significant exit, while the second half shifted toward cash returns, with a couple of exits generating solid multiples. However, performance was tempered by foreign exchange headwinds, particularly the depreciation of the USD and to a lesser extent of the Indian Rupee, and mixed results across African portfolio funds. Despite these challenges, the fund continued to deploy capital where opportunities aligned, bringing the total number of indirectly supported companies to 139, well above the initial target of 100.

Looking ahead, the fund is fully committed and getting closer to its full deployment and harvesting phase. Performance will now depend on the successful execution of exits in the portfolio, while navigating volatility in emerging markets.

> The SDG Frontier Fund is an example of BIO's role as an anchor investor whereby BIO helps to de-risk high-development projects. The approved investment projects of 2024 mobilised €55 M in private sector co-investment.

Thibaud Lemercier
Manager Impact and Sustainability

Partnerships

Team BIO

Behind the record year 2025 stands a committed and engaged team which grew to 90 employees in 2025. With a balance of long-standing expertise and new talent, BIO's staff demonstrated flexibility, cooperation, and a strong sense of ownership. Time spent together beyond daily operations, including a two-day team-building event and engagements with key stakeholders, strengthened alignment, collaboration, and shared understanding. These connections supported both our strong performance this year and our long-term ambitions.

Team Belgium

As the Belgian State's dedicated development finance instrument, BIO works alongside the DGD, Enabel, fellow Belgian impact investors, and civil society to maximise collective impact as part of Team Belgium. Though wholly owned by the State, BIO sees itself as accountable to a wider community—engaging actively with Belgian stakeholders to advance development goals. This commitment was underscored by four site visits by Deputy Prime Minister and Minister of Foreign Affairs, European Affairs and Development Cooperation Maxime Prévot, and Minister of Mobility, Climate and Ecological Transition Jean-Luc Crucke, as well as by BIO's presentation of its annual results to the Parliamentary Foreign Affairs Committee, together with Enabel and the DGD.

BIO at the 2025 Impact Week

In November 2025, BIO co-organised the Belgian Impact Week alongside Impact Finance Belgium members 'Incofin', 'Alterfin', 'Kampani', and 'Inpulse'.

The aim was to bring Belgian stakeholders together for a day of discussion on development finance challenges and opportunities, with a full programme of panels exploring the Belgian ecosystem approach, diversity, food systems, and the chocolate value chain. BIO clients 'EA Foods' and 'Danper'—a client of the 'Fairtrade Access Fund', a fund managed by Incofin and in which BIO is also an investor—joined the sessions and shared their perspectives. In his keynote, 'EA Foods' CEO Elia Timotheo delivered a powerful message: "African SMEs don't need aid. Africa needs access—to capital, to markets, and to trust. The continent with the youngest population on earth will not wait. Let's trust local entrepreneurs who are proving every day that scalable impact is possible." Steven Serneels echoed that message in the aftermovie: "Development finance is the frontrunner and driver of impact investing... Development finance investors were the first to know that you have to mobilise capital for the benefit of the beneficiaries." Together, their messages highlighted BIO's core mission: investing in trust and empowering local entrepreneurs to drive change and eventually change finance from within. Watch the aftermovie here.

In 2025, BIO—as investment arm of Belgian international development cooperation—actively participated in various other meetings and platforms. These included sessions of the Platform on Agriculture and Food Security and the Belgian Coordination Platform on Decent Work. Through its engagement in these activities, BIO demonstrates its commitment to strengthen its presence within the Belgian international cooperation ecosystem. This role was further reinforced in 2025 through BIO's investment in Kampani.

Signature of BIO's investment in Kampani

Though celebrated in January 2026, BIO's investment in Kampani was signed in 2025. BIO invested €2 M in Kampani, the Belgian impact fund supporting small-scale agricultural producers worldwide. The investment aims to strengthen the Belgian ecosystem to support private sector development in Africa and Latin America by bridging the gap between early-stage support and larger-scale financing—a "from cradle to crib" approach where NGOs, public actors, impact funds, and development finance institutions complement each other. Kampani typically invests between €100,000 and €500,000 to help agricultural cooperatives and SMEs grow and become investment-ready for larger players like BIO.

Team Europe

In terms of partnerships, BIO also increasingly develops its activities as part of Team Europe and together with other members of the Association of European Development Finance Institutions (EDFI) which represents the 15 European bilateral development finance institutions. This does not only mean co-investing together with other EDFI members – in 2025, 55% of BIO's investments were done jointly with other EDFI members – but also participating in the important work EDFI is doing in terms of knowledge exchange and capacity building amongst its members, as well as representing the interest of Development Finance Institutions (DFIs) at the European level. 2025 has been an interesting year in that sense, with a continued search to define 'European Interest' in European external action policies, pushed by the EU's Global Gateway Initiative.

Example - Coris Holding

In 2025, BIO commited €20 M in Coris Holding as part of a €100 M capital increase led by Mediterrania Capital Partners, alongside FMO, British International Investment, and Impact Fund Denmark. This Team Europe operation strengthens a leading West African banking group, boosting its capital base to support growth across the WAEMU region. It expands SME, retail, and mesofinance services where banking access is below 30%, helping Coris reach millions of unbanked clients and grow its €1 billion SME portfolio.

The partnership also improves governance and environmental and social systems, showcasing how joint European development finance drives impact in underserved African markets. BIO's investment in Coris Holding is expected to contribute to its strategic impact targets related to job creation (1), SME Finance (2) and LDCs (4). You can find more info on the investment here.

EFSD+ Guarantees

In 2025, under the EU's Global Gateway initiative, the EDFI Management Company (EDFI MC) was entrusted with administering a portfolio of EFSD+ guarantee programmes totalling €1.39billion. Through these guarantees, EDFI MC allocates risk cover to eligible European Development Finance Institutions—including BIO—enabling them to invest in high-impact projects that would otherwise be too risky to finance. BIO considers the guarantees that are provided under the TGVC (Transforming Global Value Chain), Micro, Small and Medium-sized Enterprise (MSME) and RET (Renewable Energy Transition) guarantee windows for its investments in SMEs, financial institutions and in renewable energy. In 2025, two of its investments in African SMEs – Foods'Co in Ivory Coast and Limbua in Kenya – were covered by these guarantees, allowing BIO to take more/increased risk in terms of invested funds. The guarantees provided under the EFSD+ program are also linked with Technical Assistance (TA) programmes for which BIO received funding at the end of 2025. This funding also allowed BIO to increase its capacities in the Impact and Sustainability department. More on EFSD+ Guarantees here.

Global Gateway

Team World

In addition to its European commitments, BIO also works alongside multilateral development banks, including the European Bank of Reconstruction and Development, the European Investment Bank, the African Development Bank, the International Finance Corporation and many others. BIO prioritises investments together with multilateral development banks similar to co-investments with other DFIs.

In addition, BIO also joined the 2025 World Bank Annual Meetings in Washington, D.C., where BIO's CEO connected with DFI peers and World Bank leadership to advance key development priorities. BIO expressed concern that international policy attention to poverty eradication, climate, and gender equality is waning amid rising geopolitical tensions.

Example - Helios Clear Fund

In 2025, BIO approved an €8.5 M investment in the Helios Climate, Energy, Adaptation and Resilience (CLEAR) Fund alongside the European Investment Bank (EIB), British International Investment (BII), FMO (the Dutch development bank), and Swedfund. Helios Clear is a pan-African private equity fund managed by Helios Investment Partners and dedicated to securing a low-carbon growth pathway for Africa. The CLEAR Fund applies a climate-first investment strategy and targets mid-cap companies delivering both climate mitigation and adaptation impact across five key themes: green energy solutions, climate-smart agribusiness, green transport and logistics, resource efficiency, and climate enablers. BIO invests alongside other leading development finance institutions, contributing to a fund designed to channel growth capital to climate-relevant businesses, reduce emissions, strengthen resilience, and improve ESG standards across the continent.

If we respect the boundaries between profit and development, between European interests and local priorities, and between the roles of each actor, Global Gateway will not just build infrastructure—it will build trust, create jobs, and become a model for responsible global cooperation.

Joris Totté
BIO's CEO at an EDFI event in November on Sustainable EU Finance Legislation

Institutional Sustainability

Governance

Information about BIO's management and governance bodies is available on the website here. In 2025, following the formation of a new government in February, the function of the government commissioner representing the Minister of Development Cooperation was assigned to Hannelore Delcour, with Tim Bogaert as her deputy. Eddy Van Der Meersch, who has served as government commissioner (representing the Minister for Budget) since 17 July 2021, continued in this role throughout 2025. Details on board members' remuneration are provided alongside.

Heidy Rombouts, Director General Development Cooperation and Humanitarian Aid, attends the board meetings as representative of the DGD and Jean Van Wetter, CEO of Enabel, is invited as an observer.

Name	First Name	Function	Attendance Fees	Compensation	Total
GEORGES	Géraldine	Member	5,500.00	4,957.88	10,457.88
BERSOUL	Samira	Member	8,500.00		8,500.00
CHARLIER	Jean-Christophe	Member	10,000.00		10,000.00
CHRISTIANS	Laurence	Member	8,500.00		8,500.00
DE BACKER	Annelies	Member	11,000.00		11,000.00
MARRAHA	Illias	Member	6,000.00		6,000.00
SALHAB	Jade	Member	10,500.00		10,500.00
MOORS	Peter	Member	10,000.00		10,000.00
TIBESAR	Sophie	Member	7,500.00		7,500.00
VERHELST	Pieter	Member	5,500.00	2,478.96	7,978.96
Total in EUR			83,000.00	7,436.84	90,436.84

Diversity & inclusion metrics

At the end of 2025, BIO had a total workforce of 90 employees (in Belgium and the local offices in Abidjan and Nairobi) of which 42 male and 48 female of 11 different nationalities. Including employees' opinionin its overall management is vital to BIO. That's why in 2025, BIO continued working on a safe, healthy and balanced working environment. This is the result of the good social dialogue within the company and collaboration with employee representatives. BIO truly believes that a company that listens to its employees enables them to speak freely and can address their issues in line with BIO's core values.

Safeguards and grievance mechanisms

In addition to BIO's portfolio companies being required to provide an appropriate grievance mechanism for their stakeholders, BIO also maintains its own dedicated mechanism. BIO's Grievance Mechanism is set up to respond in a timely manner to legitimate grievances and demands for redress by people affected or potentially affected by projects financed by BIO. The BIO Grievance Mechanism policy is available on BIO's website and is overall managed by the BIO internal audit function to ensure independence and impartiality. In 2025, the BIO Grievance Mechanism recorded no eligible grievances.

Financials

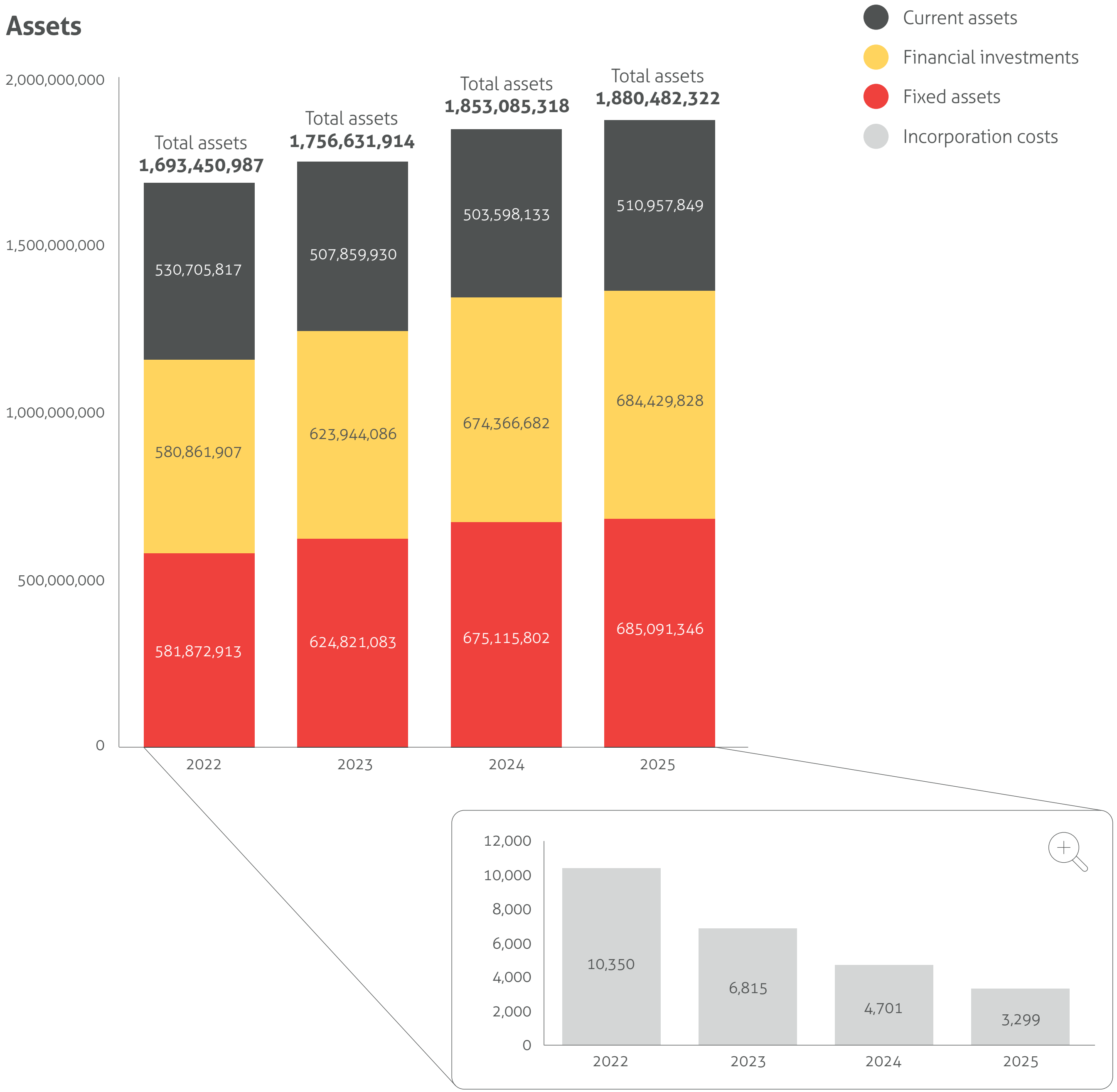
Balance sheet

BIO's balance sheet remained broadly stable in 2025, with total assets increasing slightly to €1.196 billion (+1%). The investment portfolio continued to grow, contributing to a €10 M rise in financial fixed assets, while higher provisioning partially offsets this increase. Cash and cash investments also remained at comparable levels to last year, supported by balanced operational cash flows and additional capital means provided by the State.

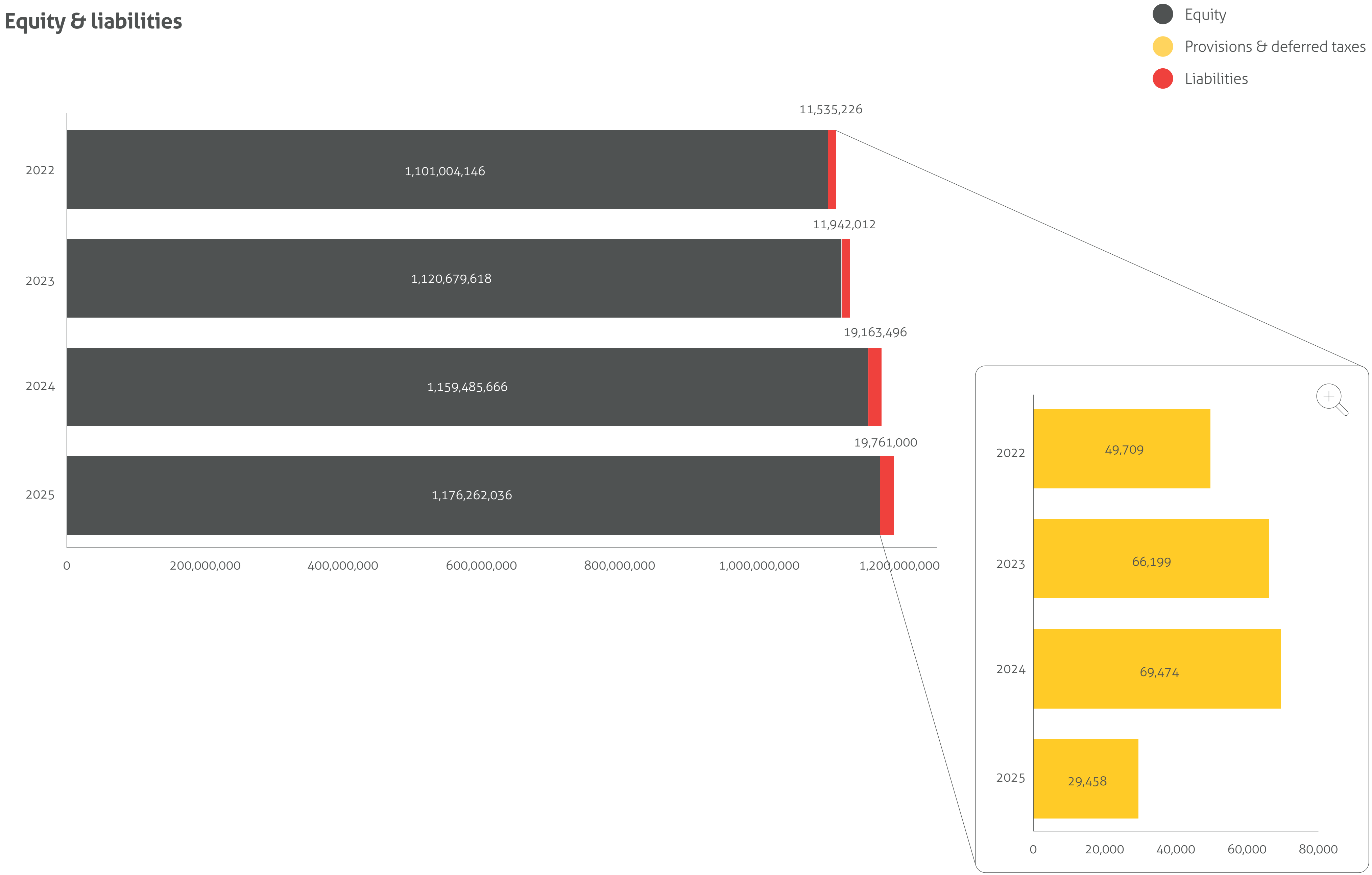
Equity strengthened by €16.7 M, reflecting new capital grants, the allocation of capital subsidy results, and retained earnings after dividend distribution.

Overall, the balance sheet structure shows continuity and supports BIO's ability to sustain its investment activities over the long term.

Assets



Equity & liabilities



Income statement

In 2025, BIO delivered a solid financial performance in a year characterised by strong Foreign Exchange rate (FX) volatility and increased risk materialisation in several segments. Total income reached €55.3 M, driven by higher loan revenues and sustained capital gains on equity investments, while treasury income declined compared to 2024. After project charges, the gross margin rose to €54.5 M, reflecting stable underlying portfolio performance.

Operating costs increased by €2.8 M, mainly due to lower management fees, higher staff costs, and continued investments in BIO's digital infrastructure. The resulting net margin amounted to €40.2 M, broadly in line with 2024. It was partly reduced by a higher cost of risk (€20.1 M) and by a negative FX result of €5.9 M, mainly driven by valuation effects and the appreciation of the euro.

BIO closes the year with a positive operating result of €20.1 M and a net profit of €9.0 M after taxes. Retained earnings increased to €34.9 M, further strengthening BIO's financial position and long-term sustainability.

For the second consecutive year, BIO will propose a dividend to its shareholder, the Belgian state. The amount for 2025 is €4.5 M.

	2025	2024	2023
Income	55,310,567	53,072,059	37,324,956
Project charges	-840,518	-767,899	-750,000
Gross margin	54,470,049	52,304,160	36,574,956
Operating costs (net of Management Fees)	-14,303,383	-11,456,095	-13,285,533
Net margin	40,166,666	40,848,065	23,289,422
Provisions and write-offs on projects (cost of risk)	-20,108,344	-17,180,279	-2,234,368
Operating result	20,058,322	23,667,786	21,055,054
FX results	-5,947,383	-2,939,846	-3,641,752
Extraordinary result	0	91	0
Result before taxes	14,110,939	20,728,031	17,412,640
Corporate tax & capital subsidy transfer	-5,140,159	-1,529,042	0
Net result	8,970,780	19,198,990	17,412,640

Colophon

The Belgian Investment Company for Developing Countries, BIO, is a development finance institution established in 2001 by the Belgian government to support private sector growth in Africa, Asia & Latin America. BIO provides long-term financing to enterprises, the financial sector, and private infrastructure projects, as well as grants for feasibility studies and technical assistance programmes. BIO invests in projects targeting both high and sustainable development impact, and a modest financial return. BIO is a member of EDFI.

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BIO and its investees

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