Annual Report 2025

From Insights to Transition

CENTRALE BANK
CURAÇAO & SINT MAARTEN

CONTENT

CBCS CURAÇAO
Simon Bolivar Plein 1, Willemstad, Curaçao
T: + 5999 434 5500

CBCS SINT MAARTEN
Walter Nisbeth Road 25, Pondfill, Philipsburg, Sint Maarten
T: +1721 542 3520

PREPARATION

Years of planning.
Built on collaboration.

1 FINANCIAL REPORT

1.1 FOREWORD

The year 2025 will be recognized as a significant milestone in the history of the Centrale Bank van Curaçao en Sint Maarten (CBCS) and the monetary union of Curaçao and Sint Maarten. The year was distinguished by a historic event: the successful introduction of the Caribbean guilder as the new legal tender of Curaçao and Sint Maarten.

On March 31, 2025, the Caribbean guilder entered circulation, marking the culmination of years of careful preparation, coordination, and execution. This transition represented far more than a currency change. It was a comprehensive transformation involving payment systems, legal frameworks, and public engagement. The introduction process required close collaboration with commercial banks, government authorities, and other stakeholders, ensuring that systems, processes, and infrastructure were fully aligned for a seamless transition.

The operational execution of the currency changeover proceeded smoothly. The co-circulation period, which allowed both the Netherlands-Antillean guilder and the Caribbean guilder to be used in parallel, facilitated a gradual and orderly transition. By mid-2025, the Caribbean guilder had become firmly embedded in daily economic life, supported by well-functioning payment systems and a high degree of public confidence. This success underscores the strength of the institutional framework of the monetary union and the effectiveness of the CBCS in managing complex, system-wide transformations.

While the introduction of the Caribbean guilder was a central highlight, it took place within a challenging international environment. Global economic developments continued to influence the monetary union, including fluctuations in energy prices, tightening financial conditions, and geopolitical tensions. Despite these external headwinds, economic activity in Curaçao and Sint Maarten remained resilient, supported by strong performance in tourism and sustained domestic demand.

In this context, the CBCS continued to prioritize stability, trust, and resilience. The CBCS remained committed to safeguarding the monetary and financial system, while advancing strategic initiatives that position the monetary union for the future.

Core Tasks

Throughout 2025, the CBCS executed its core tasks with a clear focus on strengthening the resilience and integrity of the financial system.

Monetary policy in 2025 was conducted within a framework aimed at preserving external stability and supporting sustainable economic growth. Despite global uncertainties, the monetary union experienced continued economic expansion, accompanied by moderating inflationary pressures. The CBCS maintained a prudent policy stance, utilizing its instruments, including reserve requirements and certificates of deposit, to manage liquidity conditions and safeguard the stability of the currency peg.

Adjustments to the pledging rate were aligned with international monetary developments, particularly those of the United States Federal Reserve, reflecting the open nature of the monetary union and its exchange rate regime. At the same time, the CBCS continued to strengthen its analytical capabilities, laying the groundwork for a deeper understanding of the monetary transmission mechanism and the effectiveness of its policy tools.

In an increasingly complex and digital financial landscape, the Bank further embedded its risk-based and forward-looking supervisory approach. This approach focuses on identifying and addressing material risks at an early stage, with particular attention to institutions that have the greatest potential impact on financial stability and public trust. By the end of 2025, approximately 400 institutions fell within the supervisory perimeter, reflecting the breadth and diversity of the financial sector.

Significant progress was made in enhancing supervisory effectiveness. The implementation of the New Style of Supervision was finalized, strengthening the link between risk assessment, supervisory planning, and enforcement actions. The introduction of an integrated enforcement framework aims to improve the consistency and timeliness of supervisory interventions, while ongoing efforts to align with international standards - particularly in the areas of AML/CFT/CFP and Basel III - continue to strengthen the regulatory framework.

The CBCS further enhanced its macroprudential framework, expanding its toolkit for identifying and mitigating systemic risks. Developments in stress testing, financial soundness indicators, and data analytics have strengthened the Bank's ability to assess vulnerabilities across the financial system. The introduction of the Deposit Guarantee Scheme in Curaçao in 2025 marked an important step in reinforcing depositor confidence, while preparations for its implementation in Sint Maarten are well underway.

At the same time, the CBCS continued to deepen its understanding of emerging risks, including those related to climate change, digitalization, and geopolitical developments. Through research, international cooperation, and stakeholder engagement, the Bank is actively positioning itself to respond to these evolving challenges. The CBCS used its position as chair of the CARICOM governors in 2025 to this effect.

The payment system function was particularly prominent in 2025 due to the introduction of the Caribbean guilder. Although the public focus was rightly so on the beautiful new banknotes and coins, the new currency code required as much a digital transition as a physical one. The successful adaptation of payment infrastructure, including instant payments, clearing and settlement systems, and (online) banking platforms, ensured uninterrupted financial transactions throughout the transition. This achievement highlights the robustness and resilience of the payment system and underscores its critical role in maintaining financial stability.

In parallel, the CBCS advanced broader payment system modernization initiatives. The migration to ISO 20022 standards and the continued development of instant payment solutions represent significant steps toward a more efficient, transparent, and internationally aligned payment ecosystem. These developments support financial inclusion, enhance user experience, and strengthen the overall integrity of the financial system.

Collectively, these efforts across the core tasks reinforce the CBCS's commitment to maintaining a stable, resilient, and well-functioning financial system. They also demonstrate the Bank's ability to balance continuity in its mandate with adaptation to a rapidly changing environment.

Outlook

As the CBCS enters a new phase with its Strategic Plan 2026–2028, it builds on the 2022–2025 cycle with a clear vision: "Driven by innovation, focused on trust." The plan responds to a rapidly evolving global environment marked by technological change, climate risks, and shifting societal expectations, requiring a resilient and adaptive central bank.

The CBCS remains committed to supporting Curaçao and Sint Maarten through transparent monetary policy and proactive advice, promoting sustainable growth and sound public finances. Climate risk integration and sustainability are key priorities, alongside efforts to strengthen a resilient and trustworthy financial sector through enhanced supervision and integrity standards.

The Bank will continue to advance an inclusive, modern payment system while stepping up its internal transformation into a more digital and data-driven organization, supported by investments in technology, analytics, and cybersecurity, as well as a culture of collaboration and transparency.

Although the economic outlook for the monetary union is still positive, downside risks are prominently on the horizon as a result of geopolitical tensions and global financial risk. In this context, the CBCS will stay vigilant and proactive.

Guided by its core mission, the CBCS is well positioned to navigate future challenges and continue fostering a stable, secure, and prosperous monetary union for Curaçao and Sint Maarten.

Curaçao, June 15, 2026

Board of Executive Directors

R. Doornbosch President	L.A. Matroos-Lasten Executive Director

1.2 GOVERNANCE AND CORPORATE STRATEGY

1.2.1 Governance

Since 10 October 2010, the Central Bank of Curaçao and Sint Maarten (CBCS) serves as the central bank of the countries of Curaçao and Sint Maarten. The CBCS is established by means of a mutual arrangement (*onderlinge regeling*) between the two countries, namely the Central Bank Statute for Curaçao and Sint Maarten ("Central Bank Statute"), concluded pursuant to Article 38 of the Charter for the Kingdom of the Netherlands.

This mutual arrangement is incorporated into the legal systems of both countries through national ordinances, specifically the framework national ordinances (*Kader-vaststellingslandsverordening centrale bank, geldstelsel, deviezenverkeer en wisselkoers*). These national ordinances provide the CBCS with its direct legal authority to operate and to carry out its statutory tasks, including monetary policy, supervision, and foreign exchange regulation.

The CBCS is an independent administrative body with no hierarchical subordination to any Minister. The CBCS has its offices in Curaçao at Simon Bolivar Plein 1 and in Sint Maarten at Walter J.A. Nisbeth Road 25.

The CBCS has three statutory bodies, the Entitled Asset Holders, the Board of Supervisory Directors, and the Board of Executive Directors.

The Entitled Asset Holders are the two Countries, each represented by their Minister of Finance. At least one Meeting of Entitled Asset Holders is held per year. The Meeting of Entitled Asset Holders is chaired by the Supervisory Board's Chairman.

In accordance with the Bank Charter, the Supervisory Board should consist of seven members, including its chairman. The members of the Supervisory Board are appointed jointly by the two Countries by national decree. The Supervisory Board supervises the activities of the Executive Board, the management of the Bank's properties and the funds entrusted to the Executive Board, and advises the Executive Board in this regard.

The Board of Executive Directors is composed of a President and two Executive Directors appointed by the Countries by national decree. As of December 31, 2025, the Board of Executive Directors is composed as follows:

Mr. Richard Doornbosch President *start of tenure July 25, 2020*	**Mrs. Leila Matroos-Lasten** Director-Secretary *start of tenure November 14, 2017* [1]

The position of Financial-Economic Director was held by Mr. José Jardim up to and including June 2025 and is currently vacant. Mr. Richard Doornbosch will step down as President of the CBCS effective September 1, 2026. The recruitment process to fill these positions is currently in progress.

[1] The dates listed relate to temporary appointments to the positions shown. The official appointments took place on January 29, 2019.

The Board of Executive Directors implements the CBCS policies, oversees its administration, manages its properties, is authorized to perform all acts of disposition, and decides on the hiring of personnel.

The President chairs the Executive Board and represents the CBCS in and out of court. The Executive Board strives for consensus in its decisions; if consensus cannot be reached, the President has the deciding vote. In the absence or incapacity of the President, the position is assumed by the Financial-Economic Director; if this is not possible, the appointment is made by the chairperson of the Supervisory Board. Due to the vacancy in the position of Financial-Economic Director, the Director-Secretary temporarily replaces the President in the event of the latter's absence or incapacity.

The governance structure is set out in the Central Bank Charter and is further detailed in regulations for the Central Bank's Supervisory Board and Executive Board.

As of December 31, 2025, the CBCS's Supervisory Board consisted of the following members:

Name:	**Title:**	**Start of tenure:**
- Mr. Julian Lopez Ramirez	Acting Chairman	November 30, 2021
- Ms. Miroslava Wedervoort	Member	August 23, 2021
- Mr. Ahmed Bell	Member	August 23, 2021
- Mr. Patrick Newton	Member	August 23, 2021
- Mr. Jason Rogers	Member	August 23, 2021

These Supervisory Board members have been temporarily appointed by the President of the Court of Justice pending final appointments by national decree. Mr. Ahmed Bell and Mr. Julian Lopez Ramirez were already members of the Supervisory Board before their temporary appointment. The position of chairman is currently still vacant and is being acted by Mr. Julian Lopez Ramirez.

In 2025, meetings were held between the Executive Board, the Supervisory Board, and the Entitled Asset Holders in accordance with the Bank Charter.

In 2025, the Executive Board was assisted by a management team consisting of 20 members. As of December 31, 2025, the CBCS had a total of 220 employees.

1.2.2 Corporate Strategy

2025 marks the end of the CBCS 2022 – 2025 strategic cycle. Some of the key strategic accomplishments realized during 2025 included the following:

- The successful introduction of the Caribbean guilder on March 31, 2025. In 2025, the CBCS completed the final preparations for the introduction of the Caribbean guilder. This stage focused on the execution of the logistics plan, information sessions to inform the public of the security features of the Caribbean guilder banknotes and coins, and on finalizing the testing and adjustment of payment systems, of both the CBCS and the commercial banks.

- The launch of two Power Business Intelligence dashboards, to improve our data visualizations for the external sector, financial and monetary data. The new dashboards were presented during the CINEX conference 2025 and are published on our website.
- A strategic review of the financial sector structure to gain insight into necessary structural adjustments to keep the sector future proof. The results of the review were presented during symposia held in Sint Maarten and Curaçao on respectively October 21st and 24th, 2025.
- A benchmark of the local pension system against the Mercer global pension index. A report with recommendations for improving long-term sustainability of the pension system was delivered.
- The implementation of the Deposit Guarantee Scheme for Curaçao as of July 1, 2025, including the launch of a public awareness campaign in September 2025. For Sint Maarten, the Deposit Guarantee Scheme regulations are expected to be implemented in the second quarter of 2026.
- The delivery of a new IT roadmap for the coming years, which will be aligned with the new strategic plan, starting 2026, for execution.
- The IMF Central Bank Transparency Code Review in the second half of 2025, which provided a set of recommendations. These have been carefully evaluated and those that align with the CBCS's objectives and policy priorities will be implemented.
- A carbon footprint analysis for the CBCS, focusing on direct emissions. This resulted in a report with initiatives for reducing the carbon footprint, as well as recommendations for further research. In the future, these analyses should provide insights into targeted actions to control our emissions.

Formulating Our New Strategy: A clear path towards 2028

The development of our **Strategic Plan 2026–2028**, which sets the direction for the coming years, started in the first quarter of 2025. The new strategy was shaped through broad consultation with our employees, the Board of Executive Directors, the Board of Supervisory Directors, and external stakeholders. Throughout the consultations, one message was consistent: the CBCS must continue to innovate, strengthen trust, and support stable and sustainable economic development in Curaçao and Sint Maarten.

The world around us is changing quickly. New technologies, growing climate risks, geopolitical uncertainty, and higher expectations from society require a central bank that not only responds but anticipates. These developments are reflected throughout our new strategic plan, which builds on major achievements of recent years, such as the development of macroeconomic models for Curaçao and Sint Maarten, which, among other things, make it possible to develop fiscal scenarios and balance-of-payments projections. A more focused, risk-based, and intrusive approach to supervision has also been rolled out, enabling shortcomings at institutions to be identified and mitigated in a timely manner. Other strategic milestones include the launch of Instant Payments and the successful introduction of the Caribbean guilder on March 31, 2025. In addition, the groundwork was laid for the introduction of the basic payment account, which improves access to payment services. Strong emphasis has also been placed in recent years on enhancing communication and cooperation, both internally and externally.

Guided by the vision **"Driven by innovation, focused on trust"**, the CBCS will, over the next three years, work towards a future where innovation is embraced, sustainability is embedded and trust in the financial system is further strengthened. This vision is the foundation for a resilient and inclusive financial sector. It is supported by six strategic objectives designed to strengthen our contribution to the Countries, the financial sector, and our own organization.

Focus on the Countries:	1. The CBCS contributes to the well-being of the Countries through transparent monetary policy-making and proactive policy advice.
	2. The CBCS stimulates a sustainable economy, where climate risks are integrated into supervision, policy, and operations.
Focus on the Sector:	3. The payment landscape in the Countries is inclusive and provides access to modern and secure services.
	4. The financial sector in the Countries is future-proof through strengthened enforcement of supervisory standards.
Focus on the CBCS:	5. The CBCS is a digital and data-driven organization.
	6. The CBCS is an organization characterized by ownership, internal unity and transparency.

Implementation of the strategic plan will be realized through the execution of yearly plans that contain initiatives that support the strategic objectives.
The Strategic Plan 2026–2028 positions the CBCS for a future where stability and innovation go hand in hand. A future where we are ready to deliver on our mission for Curaçao and Sint Maarten: To promote and safeguard the stability and integrity of the monetary and financial system, and the security and accessibility of the payment system.

The Strategic Plan 2026–2028 was approved by the Supervisory Board in December 2025 and is available on the CBCS website at: https://www.centralbank.cw/about-the-bank/strategic-plan-cbcs-2026-2028.

1.3 RISK MANAGEMENT AND COMPLIANCE

1.3.1 General risk management

In 2025, the CBCS restructured and strengthened the risk management function. A separate Risk Management Department (RMD) was created, consisting of a Chief Risk Officer (CRO) and a team of two risk officers. The RMD reports directly to the Board of Executive Directors. The RMD is responsible for the realization of policy regarding risk, business continuity, and crisis management and the monitoring of the aforementioned.

In the latter part of 2025, the RMD developed and created a first version of an enterprise–wide Key Risk Indicator (KRI) list. This list provides the Board of Executive Directors with a tool for periodic monitoring of key risks and the accompanied control measures. The risk owners are the different first-line managers within the organization. The KRI project will further expand in 2026. Furthermore, the RMD continued to develop and produce Risk Appetite Statements (RAS) for main processes within the CBCS.

An adequate and updated Business Continuity Plan (BCP), that aligns with the CBCS's overarching Business Continuity Framework, is essential to ensure the continuation of critical processes during a disruption. In this respect, the RMD continued in 2025 to systematically engage with first-line managers to discuss, coordinate and monitor the optimization and updating of BCP's. During 2025, two BCP's were updated for two critical processes.

Regarding crisis management the RMD has organized and coordinated different training courses for the Crisis Management Team (CMT). Furthermore, the Crisis Management Procedure was enhanced in 2025.

The enhanced 2025 Crisis Management Procedure was put at use immediately on January 3, 2026, when the United States of America took actions against the regime of Venezuela. Based on the discussions with the Board of Executive Directors, it was concluded that there was no need to activate the CMT-organization. In March of 2026, the Crisis Management Procedure was triggered again due to the escalated conflict between the United States of America and Iran. However, it was concluded that there was no need to activate the CMT-organization.

1.3.2 Fraud risk management

In 2025, a fraud risk assessment was conducted to identify inherent fraud risks and the corresponding control measures in place. The assessment concluded that all identified fraud risks were adequately mitigated by existing controls.

1.3.3 Information risk management

During 2025, the CBCS further strengthened its information risk management framework to ensure the confidentiality, integrity, and availability of information assets in line with the Bank's security vision and digitalization strategy. The Information Risk Officer (IRO) function was repositioned within the ICT Division separately from the ICT operations.

This organizational alignment improved coordination between risk oversight and operational security, enabling information risk assessments to be translated more effectively into technical and procedural controls. Information risks related to the increased use of cloud technologies and the exploratory application of artificial intelligence were actively managed through updated policies, standards, and procedures.

The human factor remains a key area of focus. Cybersecurity awareness and training activities were further strengthened through regular phishing simulations and targeted training, with content continuously updated based on evolving threats and user behavior. Vendor screening and third-party risk management processes were enhanced, supported by continuous monitoring, periodic penetration testing, and the use of advanced security tools.

Finally, the CBCS remained actively engaged in regional and international cooperation on information risk management and cyber resilience, contributing to the resilience of the broader financial system through knowledge sharing and collaboration.

1.3.4 Compliance

Ethical compliance

The CBCS recognizes its exemplary role in safeguarding internal integrity given its supervisory role within the financial sector of the monetary union of the Countries. Consequently, the CBCS adheres to strict ethical standards and maintains an internal Compliance Manual that all personnel are required to follow. The manual is grounded in the CBCS core values and provides guidance to staff. It consists of a Code of Conduct and other relevant policies, including measures to prevent conflicts of interest and related integrity risks. These measures help safeguard the reputation of both the institution and its personnel. The policies are regularly reviewed and updated. The staff is informed about the policies through various methods: interactive in-person presentations, awareness posters, motivational quotes and tutorial videos.

AML/CFT compliance

With respect to Anti-Money Laundering and Counter Financing of Terrorism and Proliferation, the CBCS is legally designated as a “service provider” under the applicable AML/CFT legislation. To meet these requirements, an internal policy framework is in place: the “Framework for combating Money Laundering and the Financing of Terrorism & Proliferation”. This framework is based on relevant domestic and international standards and legal requirements. It is periodically reviewed and updated as required. Relevant departments receive targeted training on a yearly basis. In addition, training is provided whenever needed in response to legal and regulatory changes and/or other meaningful events and developments.

The most significant event in 2025 was the introduction of our new currency, the Caribbean guilder (XCG). After an extensive period of preparation, our monetary union’s new currency entered circulation on March 31, 2025. This was preceded by, amongst other things, discussions and analysis of potential risks related to money laundering and the financing of terrorism between the Financial Intelligence Units of both Curaçao and Sint Maarten, the Prosecutor’s Office and the CBCS. These risks were primarily associated with the large number of expected transactions, including those potentially linked to illegal activities. The CBCS’ procedures were reviewed and tightened where necessary. An automated online portal was implemented, and temporary external support was engaged to effectively service the expected increase in flow of clients at the CBCS. Internally the necessary training was provided for staff. Finally, the public was duly informed about this important milestone and the corresponding exchange period and procedures.

Individuals and legal entities without a bank account and/or those who wish to exchange damaged banknotes and coins, could visit (and still can) the CBCS and exchange amounts up to and including 20,000 guilders without an appointment. For amounts exceeding ANG 20,000, an online appointment must be requested in advance. Following an internal evaluation, the CBCS revised the threshold, increasing the maximum amount for walk-in exchanges from ANG 2,500 to ANG 20,000, which is in line with the objective criterium applicable for FIU-reporting by commercial banks.

1.4 MONETARY POLICY

1.4.1 Economic developments in 2025 that influenced monetary policy and the outlook for 2026

Notwithstanding a turbulent external environment marked by geopolitical tensions, global policy uncertainty, tighter financial conditions, rising trade protectionism and restrictive migration measures, economic activity in the monetary union continued to expand in 2025. Growth across the monetary union was driven predominantly by tourism, with both domestic and net foreign demand contributing positively. While real GDP growth in Sint Maarten remained stable, increasing from 3.0% in 2024 to 3.4% in 2025, it moderated in Curaçao to 3.9% in 2025, down from 5.0% in 2024. Nevertheless, a growth rate exceeding 3.0% remains robust for both economies and reflects continued solid economic performance despite a challenging global environment.

Alongside continued economic growth, inflationary pressures moderated across the monetary union, although the decline was more pronounced in Sint Maarten. In both countries, inflation eased, supported by lower fuel and energy prices consistent with the decline in international oil prices. Despite increased volatility stemming from tensions in the Middle East, crude oil prices dropped in 2025 compared to 2024, reflecting among other things, ample global supply. As a result, inflation in Curaçao dropped from 2.6% in 2024 to 2.0% in 2025. Meanwhile, in Sint Maarten, the decline was more significant, with inflation falling from 3.6% in 2024 to an estimated 1.6% in 2025.

Looking ahead, growth is projected to moderate in both economies in 2026, while remaining at solid levels. In Curaçao, real GDP growth is set to moderate further to 2.9%, supported by both domestic and net foreign demand. Private demand will be driven primarily by investment, while a projected further deceleration in inflation will support consumer spending. Public demand is also expected to increase, sustained by higher government consumption and investment. Meanwhile, net foreign demand will continue to contribute positively to growth, as exports are projected to rise at a faster pace than imports.

In Sint Maarten, real economic growth is likewise projected to moderate to 2.7% in 2026, driven mainly by domestic demand, reflecting an increase in both private and public demand. The rise in private demand will be due primarily to private real estate investments, including major hotel projects while public demand will grow, sustained by higher government consumption and investment. Meanwhile, the contribution of net foreign demand is projected to remain slightly positive as the increase in exports, reflecting increased activity in the tourism sector, will surpass the rise in merchandise imports driven by stronger domestic spending and tourism spending.

On the fiscal front, fiscal positions remained positive in both countries in 2025. Curaçao's current budget surplus stood at 2.2% of GDP in 2025, unchanged from 2024. Meanwhile, in Sint Maarten, the fiscal position improved, with the current budget balance moving into a surplus of 1.1% of GDP compared to a balanced position in 2024. In both countries, increased economic activity and measures aimed at improving tax compliance contributed to higher tax revenues.

At the same time, the public debt-to-GDP ratio continued its downward path in 2025 reaching 63.0% in Curaçao and 41.2% in Sint Maarten. This decline was driven by an increase in the nominal GDP, even as the public debt stock increased due to bond issuance to finance capital expenditures. Due to the standing subscription rule, these bonds were purchased by the Dutch State. In 2026, despite additional borrowing to finance capital investments in both countries, the debt-to-GDP ratios are projected to decline further to 62.6% in Curaçao and 40.9% in Sint Maarten, reflecting continued nominal GDP growth.

The monetary union's current account deficit narrowed significantly from 16.4% of GDP in 2024 to 9.2% in 2025, reflecting higher exports and lower imports. Export growth was driven mainly by increased foreign exchange receipts from tourism. The decrease in imports resulted largely from a lower oil import bill due to reduced international oil prices, partly offset by higher non-oil merchandise imports associated with stronger domestic demand and tourism spending. The current account deficit is projected to narrow further to 7.2% of GDP in 2026. External financing exceeded the current account deficit in 2025, leading to a 401.1 million increase in gross official reserves. Reserves are expected to rise further by Cg 181.5 million in 2026. The average import coverage rose from 4.5 months in 2024 to 4.9 months in 2025 and is projected to rise further to 5.2 in 2026, well-above the norm of three months.

Money supply is estimated to have expanded in 2025, driven by a rise in net foreign assets, offset by a decline in net domestic assets. The growth in net foreign assets reflects an increase at both the central bank and the commercial banks, with the rise at the central bank consistent with the growth in official reserves. Money supply will increase further in 2026, supported by continued growth in net foreign assets, while net domestic assets will remain relatively stable.

The balance of risks to the outlook for Curaçao and Sint Maarten remains tilted to the downside, largely driven by external factors. Although the direct effects of the US-intervention in Venezuela on January 3, 2026, on the monetary union, and particularly Curaçao, were negligible, renewed escalation could undermine perceptions of the Caribbean as a safe tourism destination and lead to potential migration pressures due to increased regional instability. Ongoing geopolitical conflicts, including the war in Ukraine and in the Middle East, continue to threaten energy markets and global trade. Additional risks stem from global trade uncertainty, tighter financial conditions, climate-related shocks, especially hurricanes in Sint Maarten, and domestic challenges, including investment delays, AML/CFT deficiencies, and rising healthcare and social insurance costs.

1.4.2 Monetary policy

In 2025, the monetary policy stance focused on increasing the outstanding balance of certificates of deposit (CDs) to encourage banks to retain more funds domestically rather than place them abroad, while maintaining the reserve requirement unchanged at 18.50%. This objective was pursued through weekly auctions of two-week CDs, as well as bi-weekly auctions of both Cg and USD-denominated CDs with maturities of three, six and twelve weeks. As a result, the outstanding amount of CDs rose by Cg 261.4 million to Cg 538.9 million at the end of 2025. The total amount consisted of Cg 396.0 million in two-week CDs, Cg 45.0 million in three-week CDs, Cg 50 million in six-week

CDs, and Cg 30 million in twelve-week CDs. In addition, USD 10.0 million in CDs with a three-month maturity was outstanding. Although the reserve requirement percentage remained unchanged, the amount of required reserves increased by Cg 168.9 million due to the higher base on which it is calculated.

Furthermore, adjustments to the pledging rate were aligned with the U.S. Federal Reserve's policy rate cuts. Changes in the federal funds rate immediately impact international money market rates and, given the peg of the Caribbean guilder to the US dollar, also influence domestic money market conditions. Accordingly, the CBCS reduced the pledging rate by 25 basis points in both September and December 2025, bringing it to 4.25% by the end of the year. This decision was supported by the monetary union's solid foreign exchange position and a careful assessment of global developments, while maintaining a cautious monetary policy stance. Following these adjustments, the pledging rate remains 50 basis points above the federal funds rate.

Looking ahead, the CBCS will continue to closely monitor both international and domestic developments and adjust its policy stance as necessary. In addition, the CBCS will initiate a multi-year research program to assess the monetary transmission mechanism and quantitively evaluate the impact and effectiveness of its monetary policy instruments. This initiative is particularly relevant given the persistent excess liquidity in the market and the structural changes in the financial system over the past two decades.

1.4.3 Economic analysis, research and statistical activities

The CBCS conducts economic research to provide an empirical foundation for monetary policy making and to support its advisory role to the governments of Curaçao and Sint Maarten. In 2025, five research papers were published within the themes outlined in the Bank's research agenda 2023 – 2025. These studies examined the economic impact of government size, the role of microcredit in Curaçao, the sustainability of the healthcare system, foreign direct investment inflows in Sint Maarten, and the distributional effects of inflation across income groups. To disseminate the findings and foster discussion with local and regional experts, the CBCS organized research symposia in January 2025 in Curaçao and in May 2025 in Sint Maarten. In addition, the CBCS hosted the 56th Annual Monetary Studies Conference of the Caribbean Economic Research Team (CERT), bringing together participants from academia, central banks and the private sector across the region.

In its advisory capacity on financial and economic affairs, the CBCS also conducted several policy-oriented analyses during the year. These included assessments of the macroeconomic implications of U.S. tariff measuring for the monetary union and of heightened geopolitical tensions between the United States and Venezuela. At the request of the government of Curaçao, the CBCS further provided advice on a potential increase in the old-age pension (AOV).

Data and statistics activities remain an important pillar supporting research and policy analysis. To raise awareness of the importance of reliable data for economic analysis and policymaking, the CBCS organized a symposium in May 2025 in Sint Maarten focusing on balance of payments statistics and bringing together key stakeholders. In addition, the CBCS launched interactive statistical dashboards for monetary and external sector data at the end of 2025. These tools form part of a broader effort to improve data visualization and enhance the accessibility, transparency, and usability of official statistics. Looking ahead, the CBCS plans to expand these dashboards to include real sector and public sector statistics, creating a comprehensive platform that allows users to explore economic developments across all major sectors.

1.5 SUPERVISION

1.5.1 Commitment to a strengthened supervision

The financial system of Curaçao and Sint Maarten continued to mature during a period of accelerating digitalization, closer alignment with international standards, and increasingly cross-border business models. In this environment, the CBCS strengthened prudential, integrity and conduct supervision by embedding a more focused, intrusive and forward-looking approach. The emphasis is on material risks and those institutions with the greatest potential impact on financial stability and public trust. The CBCS New Style of Supervision, of which the implementation is finalized in 2025, provides clearer supervisory expectations and reinforces the link between risk assessment, planning, supervisory activities and remedial action.

Effective January 1, 2026, the supervisory function has been restructured to integrate new responsibilities, while maintaining continuity in day-to-day monitoring. The objective is both to align with international standards for AML/CFT/CFP effectiveness and to increase supervisory intensity where structural weaknesses persist. Collectively, these steps strengthen CBCS's capacity to identify and address emerging risks early while maintaining consistent application of supervisory and enforcement instruments.

1.5.2 Supervisory approach in practice

Supervision is risk-based in both design and execution and reflects the broad and diverse financial landscape within the CBCS's mandate. The supervisory perimeter covers credit institutions, insurance companies, pension funds, credit unions, money transfer companies, trust service providers, asset managers, securities intermediaries, investment institutions and their administrators, microcredit institutions, insurance intermediaries, virtual asset service providers and the local securities exchange. By the end of 2025, approximately 400 entities were under supervision. Within this framework, the CBCS aims to safeguard financial soundness, promote prudent and responsible business conduct, and ensure compliance with AML/CFT/CFP and related regulatory requirements. The overarching objective remains to supervise in a manner that is proportionate and effective, while supporting an inclusive financial system that offers fair and equitable access to financial services.

For institutions classified as highly or moderately significant, the risk-based methodology introduced between 2022 and 2023 has now matured into a business-as-usual process. Supervisors identify institutions' core activities, inherent and residual risks, and the controls designed to mitigate these risks. This results in a structured risk matrix that forms the basis for the institution's supervisory plan, outlining follow-up analysis, onsite examination, and remediation where necessary. These institutions specific risk profiles, risk appetite statements and supervisory plans are maintained on a periodic cycle, providing supervisors with a consolidated view of the activities of the institution and allowing supervisory resources to be allocated where the supervisory impact is greatest.

For institutions classified as low significant, the CBCS has developed a trigger-based approach that draws on financial indicators, regulatory compliance, adverse media, complaints and recent developments. This approach enables early detection of emerging risks and supports proportionate supervisory responses, where trigger patterns indicate elevated net risk. This process is embedded in a broader supervisory architecture that includes the updated supervision handbook (delivered at the end of 2025), which is now being refined to incorporate the methodology for low-significance institutions, updated reporting expectations and responsibilities arising from the reorganized structure.

Information sessions and training promote consistent application across sectors, ensuring that similar risks are treated in a consistent manner. Effective supervision also requires a credible escalation pathway. To this end, the CBCS introduced an integrated enforcement ladder that links supervisory assessments to proportionate intervention from intensified monitoring to formal measures such as administrative fines and penalty payments. Standard templates, regular training and governance arrangements that escalate material cases to senior decision-making bodies help ensure timely, well-substantiated and consistent interventions. The aim is to enhance deterrence, reduce recurring deficiencies and strengthen visible accountability at board and senior management levels.

1.5.3 Structural developments that shape supervision

Digitalization continues to reshape operations across the financial sector. Cloud services, application-based interfaces, and automated control systems are increasingly prevalent. Business models that combine features from multiple sectors require supervisory analysis that follows underlying risks rather than legal form. The CBCS continued implementing an IT Roadmap and an informatization plan to support this evolution. The CBCS's supervisory application has been broadened, while preparatory work continues on a new central platform designed to unify risk modelling, workflow and supervisory statistics. These developments are aligned with prudential reporting reforms and will scale across sectors between 2026 and 2028.

Innovation is guided through CBCS's Innovation Office, which assists institutions and market entrants in navigating the regulatory framework. The objective is to support responsible development of new services in payments and virtual assets while safeguarding financial stability and consumer protection.

Progress has been made on open banking parameters and instant payments access arrangements, supported by clear internal allocation of responsibilities within the Bank. Legislative work to clarify the perimeter for payment service providers, PSPs (institutions that offer payment services such as the transfer, initiation, or processing of funds), and virtual asset service providers, VASPs (which provide services involving virtual assets such as exchange, transfer, custody, or related activities), continued to advance during the years. The VASP law was adopted while the PSP law was submitted to Parliament. Together, these instruments provide a coherent basis for risk-based and ongoing oversight.

1.5.4 Integrity supervision and AML/CFT/CFP

Integrity supervision remains foundational to the CBCS's mandate. The CBCS deepened its risk-based approach to AML/CFT/CFP supervision across supervised institutions, drawing on the sectoral and institutional level assessments appearing from the National Risk Assessment and Mutual Evaluation recommendations. In 2025, the supervisory focus was on beneficial ownership identification, transaction monitoring, sanctions screening and systematic AML/CFT/CFP risk assessments. Targeted examinations were conducted in both Curaçao and Sint Maarten across local and international banks, a credit union, trust company service providers, insurance companies and intermediaries, with findings translated into remedial actions and subject to structured follow up.

The transition to the Caribbean guilder on March 31, 2025, introduced additional integrity risks due to large scale currency exchange operations. In response, CBCS engaged with local banks to test gatekeeper controls and identify good practices.

Thematic work intensified later in the year in alignment with Mutual Evaluation recommendations. Trust company service providers in Curaçao were reviewed with emphasis on transaction monitoring and sanctions screening, while institutions in Sint Maarten - including banks, insurance companies, a credit union and money transfer companies - were assessed on beneficial ownership determination, transaction monitoring and sanctions screening practices.

A separate thematic review was conducted in Sint Maarten to assess compliance with the Systematic AML/CFT/CFP Risk Assessment (SARA) requirements. Several institutions submitted their SARA reports, which were evaluated to determine adherence to regulatory expectations and to identify both effective methodologies and deficiencies in implementation.

Modernization of supervisory tools will continue in 2026. The CBCS will implement an analytics platform for AML/CFT/CFP supervision and has initiated acquisition of blockchain analytics to enhance oversight of virtual asset activities in line with FATF expectations. These efforts form part of both jurisdictions' follow-up to the 4th round of mutual evaluations.

1.5.5 Conduct supervision and consumer outcomes

The CBCS continued to promote fair treatment and transparency in financial products. To support informed decision making, the CBCS introduced an Annual Percentage Rate (APR) calculator, enabling borrowers to determine the effective interest rate of credit products after all relevant costs. Through onsite work in Curaçao and Sint Maarten, compliance with APR disclosure requirements was reviewed and measures to prevent overextension of credit were examined. The findings from these examinations are being addressed through ongoing supervisory engagement, in line with the CBCS' conduct supervision framework.

The digitalization of the complaints process started in 2025, and data visualization tools are being developed to enhance reporting and structure follow up, helping identify broader conduct issues requiring supervisory attention.

1.5.6 Prudential reform and the Basel agenda

The prudential reform agenda remains substantial. The CBCS supported progress on Basel III implementation in both Pillar 1 and Pillar 2 areas. Under Pillar 2, policy works on interest rate risk in the banking book (IRRBB) and the internal capital adequacy assessment process (ICAAP) advanced to the point where sector consultation can be prepared. Under Pillar 1, the liquidity coverage ratio (LCR) was approved for consultation and impact analysis, while the net stable funding ratio (NSFR) and leverage ratio advanced with attention to required legal provisions. Guidance on IFRS 9 provisioning was drafted to align prudential and accounting frameworks. Work on credit, market and operational risks continued, with calibrated operational risk business indicator ranges suitable for the local market. Reporting architecture is being redesigned to promote efficient data submission and reliable, comparable information for supervisors. The direction of travel is clear: capital quality and buffers will be strengthened, and liquidity and funding risks will be monitored in a more forward-looking, comparable manner. For insurers, internal work began on exploring the applicability of selected Solvency II principles, including market consistent valuation, governance and risk-based capital expectations. Although at an early stage, this signals gradual move toward a more risk sensitive prudential framework.

Climate and sustainability risks are being integrated into supervisory dialogue in response to rising international expectations for governance, risk management and transparency.

1.5.7 IT and cyber risk supervision

Technological dependency continues to increase across the sector. Supervisory attention remains therefore focused on operational resilience, outsourcing governance and the effectiveness of controls in the three lines of defense.

Following sector training in 2024, supervisors monitored implementation of business continuity management systems at medium significance institutions. Targeted examinations during the year focused on the effectiveness of IT risk management across the three lines of defense. These examinations reviewed how the first line owns and manages IT risks, how the second line performs independent monitoring, how internal audit provides assurance as the third line, and whether reporting lines and escalation mechanisms to senior management and supervisory boards are sufficiently clear. The outcomes of these examinations provide a stronger supervisory basis for monitoring IT risks across the financial sector and for identifying structural weaknesses in governance and control frameworks. In parallel, the CBCS is updating the IT and cyber regulatory framework. Guidance on portfolio and project management, the software development lifecycle and baseline controls for smaller institutions is being prepared to ensure supervisory tools remain appropriate for evolving technology risks and to support subsequent conversion into binding instruments where needed.

1.5.8 The Innovation Office and the regulatory perimeter

The CBCS's Innovation Office acts as a structured access point for innovative financial services, ensuring their market entry occurs safely and predictably. It also functions as an early warning mechanism by collecting information on emerging trends and risks before they materialize in aggregate statistics. These insights inform supervisory planning and, where justified, the development of guidance. The legislative program for payments and virtual assets reflects this feedback loop. By clarifying the regulatory perimeter for payment service providers and virtual asset service providers, the CBCS can set clear expectations at market entry, calibrate gatekeeper requirements and promote innovation that enhances efficiency and inclusion without compromising stability or consumer protection.

The CBCS increasingly supports business models driven by digital innovation, including digital payments, open banking interfaces, virtual asset activities and regulatory technology solutions, ensuring technological developments are balanced with safeguards that protect the financial system.

1.5.9 International assessments and cooperation

The CBCS played an active role in preparing for and participating in the Caribbean Financial Action Task Force (CFATF) 4th round Mutual Evaluation Assessment of Curaçao and Sint Maarten. In May 2025, the Mutual Evaluation Reports (MERs) were presented and adopted at the CFATF Plenary. The MERs were published in July 2025 by the CFATF. The CBCS has prepared an action plan to address the recommendations of the MERs, that are related to its supervision, which includes but are not limited to updates to law and regulations including provisions and guidelines, providing more guidance and training to supervised individuals and organizations.

The CBCS also participated in national risk assessments for Curaçao on "Legal Persons and Legal Arrangements" and "Terrorism Financing/Non-Profit Organizations/Targeted Financial Sanctions/Proliferation Financing" and conducted a risk assessment on Virtual Assets and Virtual Asset Service Providers in Curaçao and Sint Maarten.

According to the CFATF fourth round procedures Curaçao and Sint Maarten must evidence progress made in addressing the MER recommended actions and identified shortcomings to avoid being listed as jurisdictions under increased monitoring (FATF Grey List). The progress made by the countries will be monitored periodically during the following three (3) years as recorded in the respective follow-up reports. The first follow up report was submitted by the countries to the CFATF in March 2026 and progress made will be discussed in the CFATF May 2026 Plenary. CBCS will continue addressing the recommendations in the MERs to evidence progress made on the recommendations related to its supervisory activities in Curaçao and Sint Maarten.

1.5.10 Financial education and outreach

Supervision's public interest objectives extend into financial education and outreach. In 2025, the CBCS expanded financial literacy initiatives across both jurisdictions to support informed household decisions on borrowing, saving and budgeting. Sessions for students preparing to study abroad emphasized financial planning and discipline. Tailored programs for employees of local organizations addressed budgeting, saving, debt management and long-term planning. Participation in regional dialogue on innovation, including the role of artificial intelligence in island economies, helped situate consumer protection goals within the broader context of digital transformation and financial inclusion.

1.5.11 Evolving Supervisory Landscape

The supervisory outlook for 2026–2027 is shaped by three primary dynamics. First, the prudential reform of banking supervision will continue to require capacity from both credit institutions and the supervisor, as Pillar 1 and Pillar 2 measures progress through consultation, decision-making and integration, supported by the necessary reporting and IT updates. The insurance sector will see continued implementation of Solvency II aligned components. Second, integrity supervision remains central to the mandate, with the CBCS intensifying its risk-based AML/CFT/CFP program through deeper thematic reviews, strengthened oversight across both jurisdictions, and the modernization of supervisory tools, including new analytics and improved supervisory effectiveness. Third, the digital core of supervision will expand, as data-driven capabilities enable better prioritization, faster escalation, and clearer accountability. Climate and sustainability considerations will increasingly feature in supervisory assessments and risk discussions.

The CBCS remains committed to a financial system that is stable, transparent and trustworthy, supporting sustainable economic growth and meeting the expectations associated with participation in a demanding international community of standard setters.

1.6 RESOLUTION

1.6.1 Resolution General

As part of its supervision tasks, the CBCS has instituted the resolution function that oversees escalating intervention. Escalating intervention aims at resolving serious, persistent and/or multiple complex problems at financial institutions. If compliance can't be restored, restructuring or liquidation of the financial institution may be initiated. Resolution deploys the whole range of enforcement and intervention instruments, including silent trusteeship, involuntary revocation of a license (against the holder's will) and the application of the emergency measure; alternative measures such as disciplinary, civil and/or criminal proceedings, may also be part of Resolution's strategy. The Resolution division works closely with the Supervision and Financial Stability divisions and utilizes external expertise when necessary.

1.6.2 Resolution's actions 2025

The following section outlines some of the actions taken in 2025 in relation to resolution's interventions.

Ennia
In the case of Ennia, a wide range of measures are being used; public and private. Considering the scope and complexities of the case, a phased approach is applied. By virtue of the emergency regulation, the CBCS is authorized to exercise the competences of the Board of Executive Directors and the Supervisory Board of Ennia. Ennia (as managed by the CBCS) initiated legal proceedings against Mr. Ansary and certain co-defendants. On November 29, 2021, the Court in First Instance ruled against Mr. Ansary and the co-defendants and ordered them to pay damages, plus interest and legal costs.

To collect these claims, the CBCS started proceedings in the United States (US) for the recognition of the Curaçao judgment. In response to the verdict of the Court in First Instance, all defendants filed an appeal with the Joint Court of Justice. On September 12, 2023, the Joint Court of Justice reached an interim judgment on specific elements of the judgment; however, the final verdict of this appeal is currently pending and requires an appraisal of Mullet Bay. The appraisal was expected to be completed in 2025, but this process has been delayed and is now expected to finish in 2026. Following the interim judgment of the Joint Court of Justice, the recognition proceedings in the US against the late Mr. Husang Ansary[2] have been put on hold and those against his daughter Mrs. Nina Ansary have been dismissed without prejudice. Continuation of the proceedings is expected to take place after the appraisal of Mullet Bay has been finished.
A key asset of Ennia is the property of Mullet Bay in Sint Maarten. Ownership was vested in three legal entities of which the late Mr. Ansary or persons related to him were directors. Although Mullet Bay has potential, the area has remained unused for decades under the late Mr. Ansary. In August 2022, the CBCS, on behalf of Ennia, dismissed the late Mr. Ansary as director and replaced him with two new directors. The new directors have been tasked with, amongst other things, initiating the process of selling and/or developing Mullet Bay, with the proceeds accruing to the benefit of Ennia's policyholders. On September 26, 2024, SunResorts Ltd N.V., one of the owners of Mullet Bay, adopted the resolution to continue reviewing the strategic options for Mullet Bay. For a possible sale, it is important that most legal complexities are remediated first. Significant steps were taken in this process in the year 2025. For 2026 it is envisaged that an assignment to draft a master plan for Mullet Bay will be commissioned. Such a master plan will likely contribute to the possible sale of Mullet Bay.
Meanwhile, aside from its efforts with respect to damage recovery, the CBCS has been focused on the execution of the Outline Agreement ('Hoofdlijnenakkoord'). The resolution of Ennia consists of, amongst others, the foundation of a new insurance group (Ennia new) as a solvent and independently functioning insurance group. Ennia (new) operates under a sustainable ownership structure and is adequately capitalized. ENNIA Leven N.V., ENNIA Caribe Schade N.V., and ENNIA Caribe Zorg N.V. are licensed by the CBCS to conduct insurance activities in Curaçao and Sint Maarten. Ennia (new) has had a successful first year. The old structure remains under emergency regulation, administered by the CBCS. As a result of the successful execution of the Outline Agreement, all policy holders have received their payouts in a timely manner in 2025.

Girobank

In 2025, as was the case in previous years, the controlled resolution of Girobank focused on contacting and disbursing depositors and closing bank accounts. A total of 83 accounts were closed in 2025, while approximately 496 bank accounts with positive balances were still open at year-end (most of these clients have not taken the necessary steps yet to close their accounts; Girobank is actively approaching these clients). Girobank is still in the process of finalizing the audit of Girobank for the years 2015 and up (for the years 2015 till 2018 the drafts are ready). Efforts have been made to sell the building at Scalaweg and the surrounding plots (what was intended to become the headquarters of Girobank). The asking price is the appraised market value. Girobank is still looking for a buyer for these premises. In 2026, the Resolution team will be looking into the

[2] In January 2026 the CBCS has been informed of the passing of Mr. Ansary. Following the passing, the Joint Court of Justice has stayed the liability proceedings against Mr. Ansary, pending notification regarding the assumption of his position in the proceedings. Once this notification has been received, the proceedings can be resumed. The CBCS remains fully committed to recovering Ennia's losses from former directors and shareholders and will continue to take the necessary steps to protect these interests, including, where necessary, by taking appropriate legal steps involving their legal successors.

possibilities of outsourcing some of the activities of Giro (e.g. record keeping, payment of the depositors) to further reduce the operating costs and be more (cost) efficient. The settlements of the loan portfolio managed by GIRO Settlement Holding N.V. (GSH) are progressing well. As a result, through the years starting in April 2021 up to and including 2025 GSH will be able to fully repay the Cg 170 million loan provided by the Netherlands to the Country of Curaçao. The last remaining tranche of Cg 19.5 million will likely be paid out in July 2026, in accordance with the loan repayment schedule. According to the regular payment schedule in total Cg 56.5 should have been repaid (Cg 11.3 annually). GSH will have paid Cg 113.5 million more than originally planned within this period. The 15-year loan will now be repaid in 5 years. Any excess above the total amount of the loan of Cg 170 million from the Netherlands recovered from the loan portfolio will be made available for distribution to depositors with outstanding balances to Girobank N.V. above Cg 1.2 million. This distribution will follow established rules and criteria as set forth in the Disbursement Policy. In conclusion, the way the controlled resolution of Girobank N.V. was structured through a special purpose vehicle, in consultation with both the Netherlands and the Curaçao government in the period of 2019-2020, and with checks and balances under guidance of the CBCS, has contributed to maintaining financial stability and maximizing proceeds for the benefit of the remaining depositors.

First Curaçao International Bank (FCIB)

The resolution of FCIB has proven to be a lengthy process. The further course of the resolution of FCIB depends on several costly and time-consuming legal procedures initiated by FCIB account holders and trustees of FCIB account holders. The legal procedures are being conducted in Curaçao and the United Kingdom. Although favorable judgements have been received in 2025, it is not excluded that the parties in these proceedings will litigate to the highest judicial instances in the mentioned jurisdictions. Under these circumstances, the completion of the FCIB resolution under the emergency arrangement remains uncertain.

1.7 FINANCIAL STABILITY

Throughout 2025, the CBCS reinforced financial stability through international collaboration, regulatory implementation, stakeholder engagement, and climate risk analysis.

1.7.1 Revamping the Macroprudential Framework

In 2025, the CBCS continued strengthening its macroprudential framework. The macroprudential framework comprises policies, preventive and forward-looking instruments, and measures that enable the CBCS to monitor and, if necessary, address the buildup of excessive risk, contributing to the smooth functioning of the financial system in the monetary union. It draws on guidance from international standard-setting organizations and incorporates best practices from (regional) central banks. The revised macroprudential framework will be introduced in the 2026 Financial Stability Report (FSR) and further explained in a related article, also in 2026. The macroprudential policy cycle includes, among others, systemic risk identification, macroprudential instrument selection and calibration, implementation and communication, evaluation, and, if needed, adaptation of macroprudential policy and/or instruments.

As of January 1, 2026, the CBCS has restructured its financial stability division in four (4) units, namely: (1) the Macroprudential Oversight Unit, focusing on early warning monitoring and systemic risk assessment, (2) the Financial Stability Research Unit, focusing on strengthening the analytical foundation of macroprudential policy through applied research on structural and emerging risks, (3) the Deposit Guarantee Scheme (DGS) Unit, focusing on supporting depositor confidence through timely payout readiness in case a credit institution is unable to meet its obligations, and (4) the Resolution Unit, focusing on enhancing crisis preparedness through the resolution framework and planning.

1.7.2 Financial Stability Report and Other Publications

The CBCS published notes and fact sheets on key financial stability topics in 2025 and advanced a research agenda underpinning its medium-term priorities. The fourth edition of the Financial Stability Report (FSR) was published on May 15, 2025, and presented to the press and public on several occasions. In November 2025, the CBCS published the first fact sheets on insurers and pension funds—covering revised Financial Soundness Indicators (FSIs) to bridge data gaps between FSR publication cycles. Furthermore, the annual benchmark reports for local banks were released, providing anonymized peer comparisons of individual bank performance. Other publications included a note on reinsurance, highlighting climate-related cost pressures and a summary of an independent review of the pension systems of Curaçao and Sint Maarten.

1.7.3 Extended Risk Monitoring Tools

In May 2025, the CBCS launched the Property Price Index (PPI) dashboard for Sint Maarten. The "Real Estate Market Sint Maarten Dashboard" collects and analyzes data in collaboration with Kadaster Sint Maarten, enabling the early detection of real estate-related systemic risks. In Curaçao, the CBCS temporarily relies on open-source housing price data, as the definitive data-sharing agreement with the Curaçao Kadaster is expected to be formalized in 2026.

During 2025, the CBCS also revised the Financial Soundness Indicators (FSIs) for insurers and pension funds to better reflect the overall health of these institutions. The updated FSIs will be introduced in the 2026 FSR, and further development is foreseen for the 2026 fact sheets for the insurance and pension fund sectors.

1.7.4 Robust Stress Testing Instruments

In 2025, the CBCS continued to enhance its stress testing instruments in line with international best practices. Following the 2024 Caribbean Regional Technical Assistance Centre (CARTAC) technical assistance mission recommendations, the CBCS continued working on its macro stress testing tool for banks. Using macroeconomic shock scenarios, this instrument assesses the potential impact of adverse economic scenarios on bank resilience. The scenarios are based on broader macroeconomic conditions, sector-specific credit risk models, and projections for asset quality, earnings, and profitability. Extending this approach to other sectors, the CBCS developed new stress testing tools for non-life insurers and pension funds in 2025, which will be included in the FSR as of 2026.

1.7.5 Effective Deposit Guarantee Schemes for Curaçao and Sint Maarten

In July 2025, the Deposit Guarantee Scheme (DGS) legislation for Curaçao entered into force. Starting September 2025, the public awareness campaign marked the official launch of the DGS in Curaçao. At the same time, the DGS Unit prepared the establishment of the foundation that manages the DGS fund. Importantly, in 2025, the CBCS became a member of the International Association of Deposit Insurers (IADI). In Sint Maarten, the Minister of Finance received the DGS legislation (consisting of the national decree and a ministerial regulation with general application) in February 2025, and the Legal Affairs & Legislation (JZ&W) has been reviewing the legislation. The DGS for Sint Maarten is expected to be approved and enacted in 2026.

1.7.6 Strategic Pathways for the Future Financial Sector

In 2025, a research team from Nyenrode Business University (Netherlands) conducted a Financial Sector Strategic Review (FSSR) research on behalf of the CBCS. The FSSR research aimed to contribute to a future financial sector that supports sustainable economic growth in Curaçao and Sint Maarten and, in turn, fosters the self-reliance of both countries. In October 2025, Nyenrode Business University, together with the CBCS presented the findings of the FSSR to financial institutions, policymakers, and the private sector at symposia in Curaçao (October 24) and Sint Maarten (October 21). The FSSR report outlines four strategic pathways that promote awareness of the main global trends impacting financial services, and aid in finding a shared vision on the future of the financial sector. Through identifying opportunities while facing the many challenges, the financial sector can both continue functioning as well as capitalize on developments in both islands. Through this research, the CBCS contributes to the strategic positioning and futureproofing of the financial sector. The FSSR report is available on the CBCS website.

1.7.7 Building up Climate Resilience

The CBCS is represented in two regional and international working groups of regulating authorities that focus on integrating climate risk into regulatory frameworks, namely the Network for Greening the Financial System (NGFS) and the Caribbean Group of Banking Supervisors' technical working group (CGBS TWG) on climate risk. The CGBS TWG achieved its first milestone by delivering an up-to-date resource list on climate stress testing and supervisory frameworks that are adequate and relevant for use by central banks in the Caribbean region.

The first long-term climate scenarios presented by the national meteorological institute of Curaçao will be an important basis for the CBCS's future macroeconomic and financial stability analysis. With these projects, the CBCS continues to support its multi-channel approach to climate-related financial risks.

1.7.8 Financial Stability Committee

In June 2025, the IMF carried out a technical assistance mission to advise on establishing an effective Financial Stability Committee (FSC) that will enhance coordination between the CBCS and the Ministries of Finance of Curaçao and Sint Maarten. The mission interviewed several departments in the CBCS as well as participants from both countries' Ministry of Finance. The final report of the IMF will, among other things, provide guidance for drafting a Memorandum of Understanding (MoU) between the CBCS and the Ministries of Finance of Curaçao and Sint Maarten. The MoU is expected to be finalized in the fourth quarter of 2026 and will support the establishment of an FSC.

1.8 PAYMENT SYSTEM

1.8.1 Introduction of the Caribbean guilder

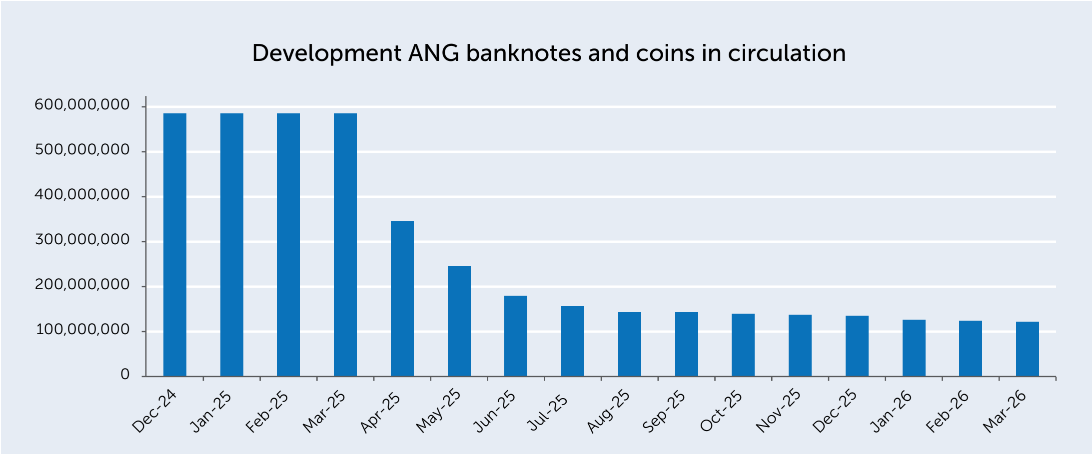
The Caribbean guilder was introduced as the legal tender of the monetary union between the Countries on March 31, 2025. The introduction of this new currency was not limited to the design of the Caribbean guilder banknotes and coins, but also involved legal, infrastructural and technical considerations, as well as communication, information provision, and logistical elements that were crucial to its successful introduction. The preparatory work and collaboration among all parties involved – both of which were essential to achieving the historic introduction of the new currency– emphasized the theme of the Caribbean guilder, namely the Underwater world. This theme, featuring the diversity of unique aquatic life, serves as a reminder that, despite our distinct identities, we are connected through collaboration and shared objectives.

On March 31, 2025, the Ministers of Finance of the respective Countries were invited to effectuate the first cash transaction at the CBCS cash counter in their respective countries. The public was able to begin exchanging their Netherlands-Antillean guilders (ANG) to Caribbean guilder (XCG) starting April 1, 2025.
Taking into consideration the time required for all transactions to be fully conducted in the new currency, the law included a co-circulation period during which payments could be made in both currencies. This period lasted until June 30, 2025. As of July 1, 2025, it was no longer possible to make cash payments using the ANG, as it ceased to be legal tender on that date.

Electronic / digital payment was as of April 1, 2025, only possible in XCG. The successful and seamless transition to the XCG within the NACS4, Instant Payment and other payment systems (including those of the commercial banks) ensured uninterrupted clearing and settlement operations across the financial sector. This achievement not only safeguarded systemic stability during a period of significant change but also strengthened the reliability and integrity of the underlying payment infrastructure.

To facilitate the exchange process, the CBCS created additional cash counters and set a limit of 20,000 guilders for exchanges per walk-in customer without an appointment. The CBCS also published its exchange procedures (https://www.caribbean-guilder.com/exchange-procedure), which also show that the CBCS – like commercial banks and other institutions – adheres to the AML/CFT/CFP regulations to safeguard the integrity of our payment system. In this context, the CBCS also implemented an exchange system to record all exchange transactions and provide better oversight of potentially suspicious transactions.

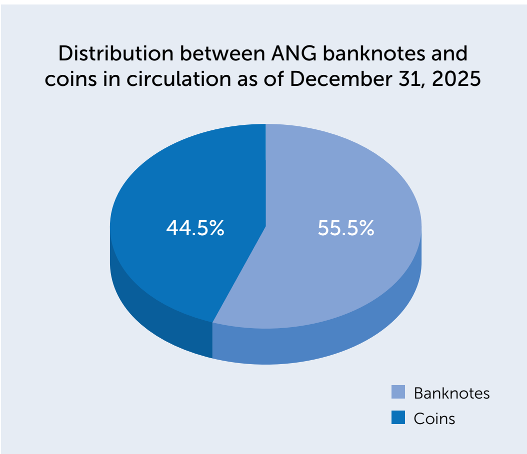
The table below shows the development of ANG banknotes and coins[3] in circulation over the period from December 2024 through March 2026.

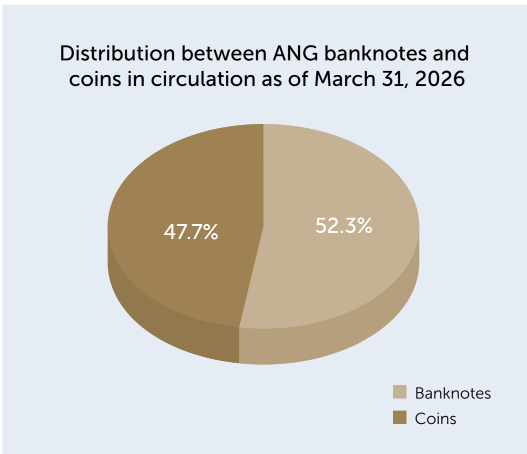


This table shows a drastic decline in ANG banknotes and coins in circulation, particularly in the first three (3) months following the introduction of the Caribbean guilder. This trend is consistent with the expected exchange patterns during the co-circulation, driven by cash transaction needs.

As per December 31, 2025, and March 31, 2026, the amount of ANG banknotes and coins in circulation had decreased by approximately 78% and 80%, respectively, compared to the level as per December 31, 2024.

The distribution of the total value of ANG in circulation between ANG banknotes and ANG coins as per December 31, 2025, and March 31, 2026, is illustrated in the pie charts below.





These figures indicate that ANG banknotes were exchanged somewhat faster than ANG coins. This can be explained by the fact that collecting and preparing ANG coins for exchange takes more time. In addition, many lower-denomination coins have been lost over the years and can therefore no longer be exchanged.

[3] As indicated in note 3.4.9, Netherlands-Antillean guilder coins and coin notes in circulation (both referred to as 'ANG coins') are not accounted for in the financial statements of the CBCS, but in the financial statements of the 'Muntfonds' and the 'Muntbiljettenfonds'.

Until March 31, 2026, customers could exchange their ANG banknotes and coins at commercial banks. From April 1, 2026, until March 31, 2055, exchanges can only be made at the CBCS.

The balance of the outstanding ANG banknotes that were withdrawn on August 1, 2018, and the ANG banknotes withdrawn on July 1, 2025, will after ten (10) years (July 31, 2028, and April 1, 2035, respectively) be added to the result of the Bank. These banknotes will then no longer be considered in circulation. Banknotes exchanged after this ten-year period, but before the end of the thirty-year exchange period following withdrawal, (July 31, 2028, and March 31, 2055, respectively), will be charged to the Bank's profit and loss statement as "Emerging Banknotes".

The net result of the 'Muntfondsen' and 'Muntbiljettenfonds', into which the coins and coin notes are accounted for, will be added to the result of the Bank after the period of 30 years (April 1, 2035). At that point the remaining outstanding balance of coins and coin notes in circulation will no longer be in circulation.

The successful introduction of the Caribbean guilder has been recognized not only locally – through the smooth transition to this new currency - but also internationally. The CBCS has been named the winner of the prestigious Currency Manager Award 2026 by Central Banking for the successful introduction of the Caribbean guilder. This award is part of the annual Central Banking Awards, which recognizes excellence in the central banking community worldwide. The CBCS has recently also won the 2025 "Banknote of the Year" award for its 200-guilder banknote, which is awarded by the International Bank Note Society (IBNS). In 2025, the CBCS also received the High Security Printing (HSP) Latin America 'Best new series' Award for the Caribbean guilder banknotes and was a finalist in the 'Best new coin or Coins Series' category at the Currency Awards 2025 of the International Association of Currency Affairs (IACA). International collectors have also shown strong interest in the Caribbean guilder banknotes and coins, collecting them on a relatively large scale.

The CBCS greatly appreciates the awards it has received for the Caribbean guilder and the international interest. However, what matters most is that the Caribbean guilder, with its innovative and modern security features, contributes to a safe and reliable payment system.

1.8.2 Modernization of the Payment System

In 2025, the modernization of the domestic electronic payment system advanced further, reinforcing its strategic role in safeguarding monetary stability, strengthening financial resilience, and promoting regional integration. The CBCS continued to prioritize infrastructure resilience, operational continuity, and alignment with international standards to ensure that the payment ecosystem remains robust, secure, and future-ready. A key milestone was the November 2025 migration to the ISO 20022 messaging standard for both domestic and cross-border payments, marking a transformative step toward a more data-rich, efficient, and internationally interoperable payment ecosystem. This strategic modernization enhances transparency, supports improved compliance and risk management, and positions the financial sector to meet evolving global standards while enabling greater straight-through processing and innovation.

Guided by its Payments Strategy 2026–2028, the CBCS initiated the next phase of structural enhancements to further strengthen the payment landscape. Key initiatives scheduled for launch soon include the implementation of Verification of Payee (VoP) and alignment with the EPC Rulebook 2026. These forward-looking measures demonstrate a proactive commitment to fraud mitigation, consumer protection, and regulatory convergence with international best practices.
Collectively, these developments reinforce the foundation for a secure, innovative, and globally integrated payment system capable of supporting sustainable economic growth, financial stability, and continued digital transformation across the monetary union.

1.9 INFORMATION AND COMMUNICATION TECHNOLOGY

In 2025, the CBCS further strengthened its information and communication technology (ICT) environment and overall digital resilience. These efforts built on the Cyber Security Roadmap (2023–2025) and supported the Bank's strategic objective to operate as a predominantly digital organization, enabling secure, reliable, and time- and location-independent delivery of services across the monetary union.

Key developments during the year included the continued implementation of improvement actions arising from the Cyber Security Assessment, the execution of the Bank-wide digitalization strategy, and extensive preparations for the introduction of the new national currency (XCG). ICT expenditures increased in line with inflation, expanded licensing requirements, and targeted investments in automation, monitoring, and system resilience.

In 2025, the CBCS revised the IT Roadmap 2025–2028, which provides a strategic framework for further digitalization, system modernization, and strengthened ICT support for core banking and supervisory processes. In parallel, the Bank initiated a refresh of its IT Strategy, resulting in the development of an ICT Strategic Plan for the period 2026–2028.

As part of this strategy refresh, the CBCS conducted a comprehensive assessment of the current organizational and architectural landscape, covering application, data, technology, and security domains, and developed a draft Target State Architecture to guide future ICT investments and transformation initiatives. While cloud adoption was a key technology priority in earlier years, including 2019, the refreshed IT Strategy for 2026–2028 places increased emphasis on the adoption of artificial intelligence, advanced analytics, and enhanced cybersecurity capabilities. These priorities are aimed at improving process efficiency, strengthening data-driven decision-making, and ensuring a secure, resilient, and compliant ICT environment.

Modernization in 2025

During 2025, the CBCS continued to invest in the modernization and renewal of its core ICT infrastructure to support operational continuity and system reliability. End-of-life hardware, including end-user devices, servers, and network equipment, were replaced to ensure continued vendor support and timely security updates. The Disaster Recovery environment was further enhanced by extending coverage to additional business-critical applications and strengthening recovery capabilities in the event of major disruptions.

The CBCS also advanced the digitalization of supervisory and reporting processes. Requests for Proposals (RFPs) were initiated for supervisory technology (SupTech) solutions supporting Anti-Money Laundering (AML), financial risk, and conduct supervision. In addition, enhancements were made to key systems such as the Balance of Payments system, the Chart of Accounts, and ARAS. Data warehousing solutions were further expanded to strengthen reporting, analytics, and data-driven decision-making.

Within this framework, a new system was implemented to improve supervisory response times, particularly regarding statutory deadlines and the assessment of policymakers. As a key deliverable, the application '*Toetsing Beleidsbepalers*' was successfully implemented in the first quarter of 2025, supporting more efficient, consistent, and transparent supervisory decision-making.

Progress was made in implementing the CBCS IT strategy, including the transition toward a centrally managed, cloud-based infrastructure and Microsoft subscription environment. The Bank also explored the responsible use of artificial intelligence, including generative AI solutions, with the aim of enhancing productivity and knowledge management, while carefully managing associated risks.

Cybersecurity

In 2025, the CBCS strengthened its monitoring and control capabilities by implementing improvements arising from the Cyber Security Assessment and upgrading key security and monitoring tools. A next-generation Security Information and Event Management (SIEM) solution was introduced to enhance real-time visibility and incident response capabilities. Physical and logical security systems at the offices in Curaçao and Sint Maarten were also upgraded to ensure a consistent security posture across locations. In parallel, the CBCS continued to prepare for future-oriented technologies.

1.10 HUMAN RESOURCE MANAGEMENT

In 2025, the CBCS focused on several key initiatives aimed at strengthening its organizational effectiveness and ensuring that its structure continues to support its strategic objectives. A central project this year was the comprehensive evaluation of all job descriptions and the corresponding job-weighting framework. This review followed the major organizational redesign implemented in 2020 and was intended to assess whether the current role architecture still reflects the Bank's operational needs. By examining changes that have occurred over the past five years, including role evolutions, departmental shifts, and new functional requirements, the CBCS identified areas where further optimization may be beneficial to enhance clarity, consistency, and alignment across the organization.

1.11 CORPORATE COMMUNICATION AND CORPORATE SOCIAL RESPONSIBILITY

1.11.1 Corporate Communication

Caribbean guilder

The year 2025 was largely dedicated to public information and outreach activities surrounding the introduction of the Caribbean guilder. A comprehensive communication strategy was implemented to ensure that all stakeholders—including businesses, financial institutions, and the public—were well informed about the transition to the new currency.

The introduction of the Caribbean guilder proceeded smoothly and according to plan. Based on the results of the stakeholder survey conducted following the launch, we can conclude that the communities in Curaçao and Sint Maarten were highly satisfied with the amount and quality of information made available about the new currency. The extensive communication efforts contributed significantly to public confidence and a seamless transition.

Internal communication

As part of strengthening internal communication, four information sessions were organized during the year. During these sessions, employees received updates from the Board of Executive Directors, Human Resources, and Finance on the latest developments regarding CBCS's financial position and organizational matters. In addition, several staff members delivered presentations on a range of initiatives and projects, including the "Samen Beter" working group, the Strategic Plan 2026–2028, the Emergency Response (BHV) organization, and the upcoming renovation.

Furthermore, the Lunch & Learn sessions were continued, with dedicated sessions focusing on Resolution and Instant Payments. These sessions provided employees with deeper insight into key activities related to these themes.

External communication

In 2025, the awareness campaign on the Deposit Guarantee Scheme was rolled out in Curaçao. The campaign aimed to enhance public understanding of depositor protection and to strengthen confidence in the financial system. Through targeted outreach and clear messaging, awareness of the scheme and its importance increased significantly. Furthermore, preparations for the awareness campaign have begun in anticipation of the DGS implementation in Sint Maarten.

During the year, our quarterly highlights were published, in which the President of the CBCS provides an overview of the most notable achievements and developments of the preceding three months.

New in 2025 was the introduction of a townhall meeting, during which members of the public were invited to visit the CBCS and engage directly with the President on a wide range of topics. The town hall proved to be highly successful. Feedback collected through a post-event survey showed that participants greatly appreciated the opportunity to exchange views and raise concerns or questions. Many respondents encouraged the CBCS to organize such sessions more frequently.

1.11.2 Corporate Social Responsibility

Donations and sponsorships

In 2025, the CBCS honoured 205 donation requests (a donation is considered a financial contribution without further conditions attached) and 49 sponsorship requests (a sponsorship involves an agreement with an association, foundation or non-profit organization about a financial contribution that is linked to a consideration in return) for a total amount of Cg 248,775.

Our donations and sponsorships are awarded to projects or activities of non-profit organizations, excluding religious and political organizations which include:

- Children (youth formation and yearly activity programs)
- Education (educational projects, sustainable investments for schools, innovative projects)
- Welfare (investments that contribute to development in the field of art and culture, animal welfare, and support for innovation)
- Community Work
- Sports
- Innovation and Sustainability
- Year-end celebrations

The outset for granting financial support is as follows:

- The donation/sponsorship must be in the interest of residents of Curaçao and/or Sint Maarten.
- The donation/sponsorship must be in line with the social involvement of the CBCS.
- The ideals and/or objectives of the applicant are not in conflict with the social interests of the CBCS.
- The donation/sponsorship request must contain clear substantiation and must be accompanied by a budget.

Financial Education

Financial literacy remains a key focus within the CBCS's corporate social responsibility efforts. In 2025, the CBCS continued its outreach by hosting several school visits, during which employees provided interactive presentations on the role of the central bank and the importance of sound budgeting and financial administration.

The CBCS also supported Islandpreneur in delivering a three-day Financial Education training in Sint Maarten, further contributing to the promotion of financial awareness within the community.

The CBCS furthermore successfully hosted the fifth edition of the Best Economic Research Award, which aims to encourage economic research on subjects that are relevant to the economies of Curaçao and Sint Maarten. There were 4 winners in 2025, one for each category of VWO, HAVO (both secondary schools), bachelor's and master's degree.

Sustainability

As part of its corporate social responsibility framework, the CBCS remains committed to mitigating the potential adverse effects of climate change and contributing to a more sustainable economy. In 2025, the CBCS conducted a greenhouse gas (GHG) inventory

covering Scope 1 (direct) and Scope 2 (indirect emissions from purchased electricity) for the 2024 reporting year.
The assessment identified total emissions of 1,759.3 metric tons of CO_2 for 2024. Building on this foundation, the CBCS is committed, from 2026 onward, to undertake the necessary steps to assess and report Scope 3 emissions for 2024 and subsequent years, thereby further strengthening the comprehensiveness of its emissions reporting and climate strategy. The CBCS will use the information regarding its emissions to develop its policy for reducing its emissions in the various sectors and to bring it in line with the respective (inter)national regulations (and guidelines).

In September 2025, the CBCS once again co-hosted the Curaçao Climate Change Platform together with Meteo Curaçao. The event brought together a diverse group of participants, including established key stakeholders and emerging organizations, who contributed valuable insights and practical experiences. This collective effort to highlight the importance of sustainable initiatives closely aligns with the mission of the CBCS to enhance the resilience and sustainability of the financial sector.

The CBCS has also deepened its commitment to corporate social responsibility by empowering employees to take part in meaningful community initiatives. For the fourth consecutive year, the CBCS on September 20, 2025, participated in the World Clean Up Day, with a significant number of employees contributing to promoting environmental awareness and keeping the island clean.
The CBCS also encouraged participation in charity-driven sporting events such as Padel for Play and Ride for the Roses, both of which bring communities together in support of important causes.

Through its policy on waste separation and the replacement of its lighting and company vehicles with more energy-efficient alternatives, the CBCS also wants to be an example and contribute to environment conservation in general.

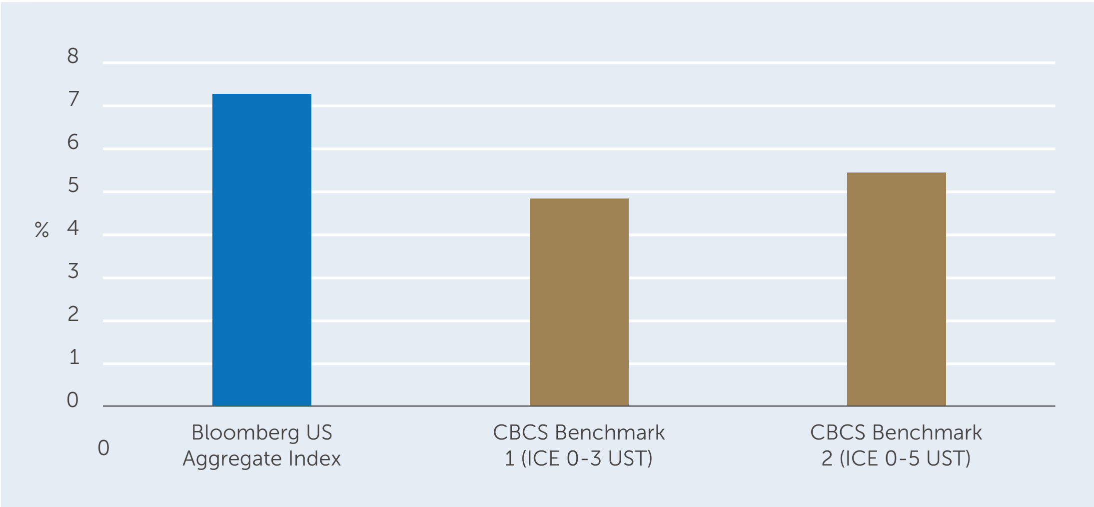
The CBCS remains committed to supporting corporate social responsibility initiatives on an annual basis.

1.12 FINANCIAL RESULTS AND OUTLOOK

1.12.1 Reserve management

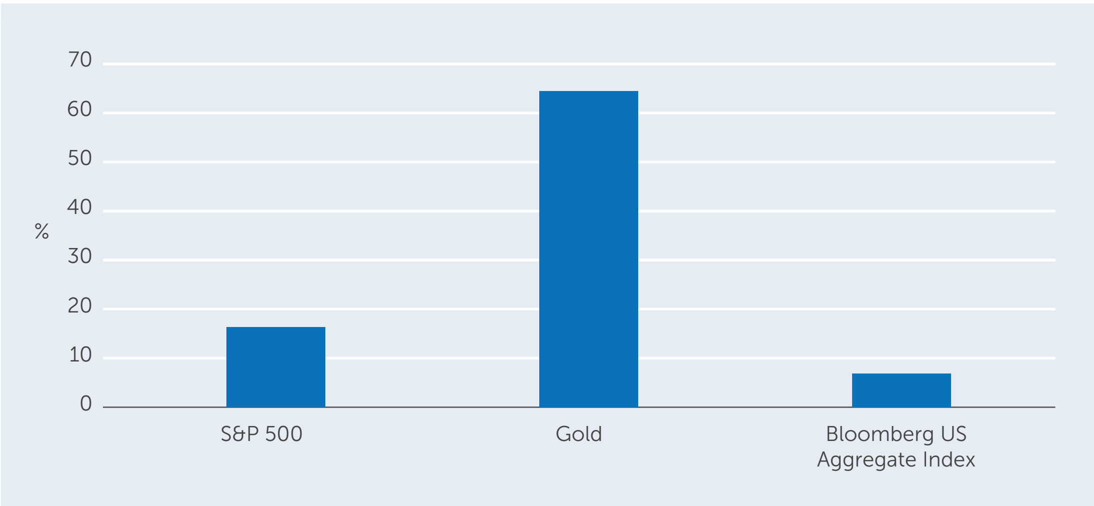
The USD fixed-income market delivered its strongest post-Covid annual performance in 2025, posting a gain of more than 7% (Figure 1).

Figure 1 CBCS Benchmarks Return Comparison - 2025



Gold also broke records, achieving its best year since 1979 with an appreciation of more than 60%. Meanwhile, the equity market—represented by the S&P 500—returned more than 15%, making 2025 a broadly positive year across major asset classes (Figure 2).

Figure 2 Asset Classes Returns - 2025

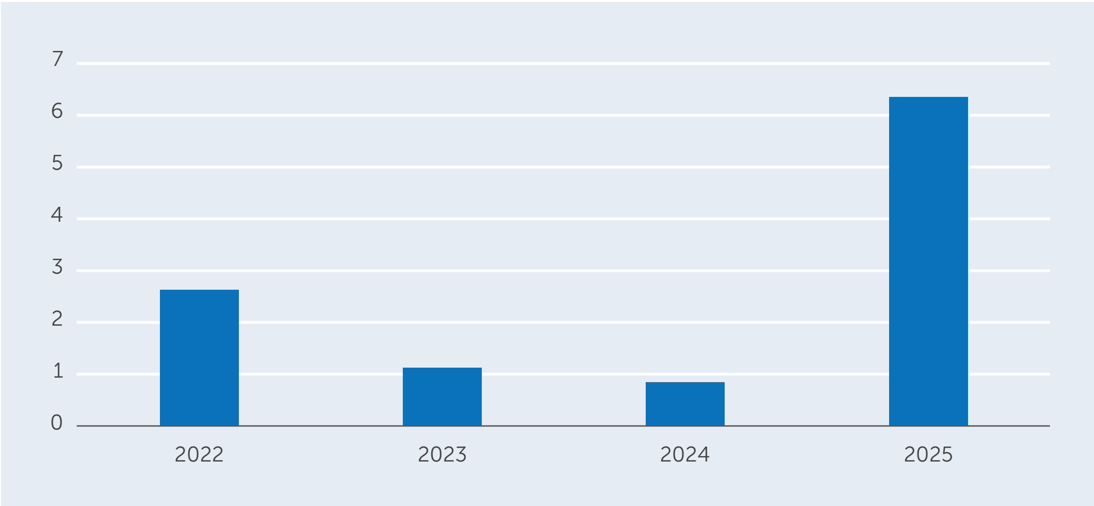


Although the market price of gold has appreciated significantly, this does not translate into higher realized income for the CBCS, as gold is a non-interest-bearing asset. Its impact is reflected solely on the Bank's balance sheet as unrealized gains.
As part of the reassessment of its Strategic Asset Allocation, the CBCS decided not to

extend duration exposure. The largest reserve tranche remained invested in the 0–3-year U.S. Treasury benchmark, while the Investment Tranche stayed aligned with the 0–5-year benchmark. This tactical decision was driven by an unfavorable risk-reward profile for extending duration within the Bank's more conservative tranche, given the Bank's primary objective of capital preservation.
Notwithstanding the above, longer duration did outperform in 2025: the 0–5-year U.S. Treasury benchmark generated approximately 50 basis points more in returns compared to the 0–3-year benchmark (Figure 1).

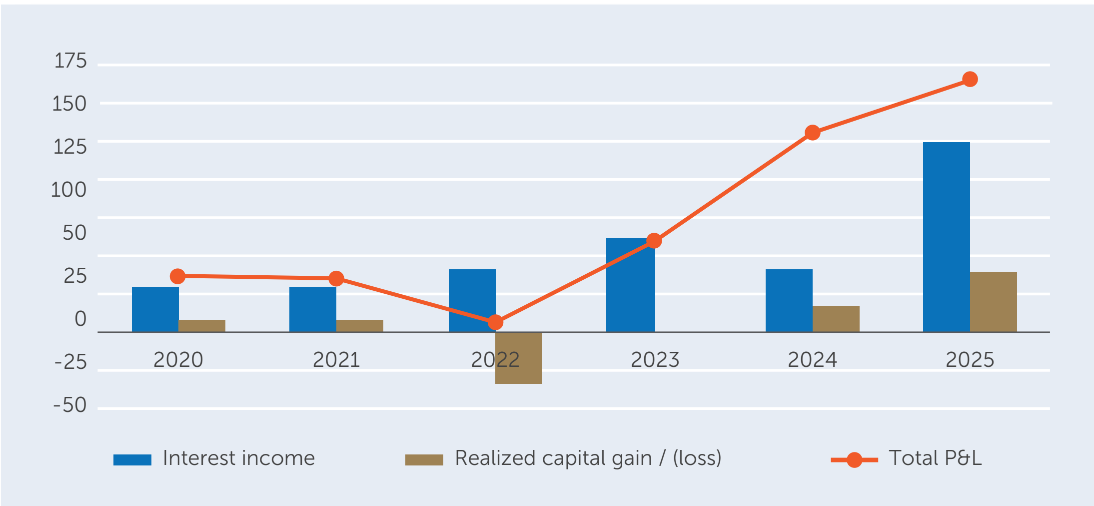
CBCS actively managed portfolios added a record 23 basis points of net excess return over these portfolios' benchmarks. This translates to more than Cg 6 million in additional income for 2025 (Figure 3).

Figure 3 CBCS Net Extra return of Active Strategies (millions Cg)



The 2022 shift from hold-to-maturity to mark-to-market portfolios continues to pay off, delivering a material and steady increase in revenue for the CBCS while enabling a more agile investment stance to capture future return opportunities (Figure 4).

Figure 4 Growth of CBCS Investments Income Since 2020 (millions Cg)



1.12.2 Results 2025

In 2025, the global rate-cutting cycle continued, although at a slower pace. While policy rates moved gradually lower, they remained relatively high by historical standards, reflecting persistent inflation pressures and slower progress toward central banks' targets. The normalization toward neutral policy settings also remained gradual, as policymakers balanced the risk of slowing economic momentum with inflation that remained above target—particularly in the U.S. A lower average portfolio in the short-term investments field, combined with lower short-term market rates, explains the decrease in income observed in this category. However, this decline was more than offset by an increase in the average capital managed in the long-term investments field, which supported stronger income generation. Overall, relatively high interest rates, together with a larger share of investments managed on a mark-to-market basis, contributed to a 5% increase in interest income in 2025.

In 2025, the CBCS realized a net profit of approximately Cg 66.9 million, an increase of approximately Cg 20.3 million compared to the profit of 2024. The improvement in the net results is mainly due to the following factors:

- Increase of the realized capital gain on investments with approximately Cg 23.3 million because of the active investment strategy applied to realize the market value increase of the respective investments.
- Increase in the interest income of Cg 5.9 million as a result of the shift from short-term investments to long-term investments managed on a mark-to-market basis, combined with an increase in the average capital managed in this field and the relatively high interest rates by historical standards.
- Increase in the interest expenses with approximately Cg 18.9 million due to an increase in the interest expense of CDs of Cg 5.1 million based on increase in the average outstanding amount and an increase in the interest expenses of current accounts of Cg 13.8 million as a result of the interest expenses incurred on current accounts.
- Increase in the realized foreign exchange result with approximately Cg 0.7 million based on an increase in the number and (average) amount of the foreign exchange transactions.
- Increase in the supervision income of approximately Cg 1.1 million due to a correction made in 2024 for the accrued income for the institutional investors for the years 2022 – 2024 based on the invoices sent for the years 2022 and 2023.
- Decrease in the total expenses of approximately Cg 8.4 million due to a decrease in the provision for doubtful accounts and debts with Cg 13.7 million, which decrease is partly offset to:
  - increase in the personnel expenses with approximately Cg 2.7 million due to annual salary adjustments for inflation and performance-based increases, as well as the hiring of new personnel.
  - increase in the depreciation of intangible assets with approximately Cg 1.5 million which is related to the issuance costs of the Caribbean guilder.
  - increase in the general administrative expenses with approximately Cg 0.7 million, due among other things to an increase in automation and telecommunication expenses.
  - increase in the depreciation of tangible assets with approximately Cg 0.4 million which is related to the investments in office equipment and computer equipment in 2025.

1.12.3 2026 outlook

In 2026, the outbreak of the U.S.–Iran war has been reshaping global financial markets. Energy-supply disruptions stemming from instability around the Strait of Hormuz have meaningfully changed the distribution of growth and inflation risks, forcing investors to rapidly reassess monetary-policy trajectories worldwide. This shock has triggered one of the steepest repricing in years, with markets swinging from broadly anticipated rate cuts to suddenly pricing renewed tightening across major central banks, even though the implications for potential growth moderation remain uncertain.

Volatility has surged, particularly in shorter-maturity bonds, creating an environment driven more by fast-moving headlines than by steady macroeconomic trends. Against this backdrop of exceptional uncertainty, the CBCS will continue to assess whether current conditions signal the early stages of a shift in the macroeconomic cycle or simply reflect short-term market adjustments. Later in the year, markets will also need to absorb a change in Federal Reserve leadership, followed by the U.S. midterm elections—both of which are likely to draw increasing focus as they approach.

Given the highly uncertain and volatile environment, the CBCS will continue with its agile portfolio-management approach, which enables the CBCS to adapt swiftly as conditions evolve across geopolitical, macroeconomic, and policy fronts.

The geopolitical situation and its impact on inflation, developments in international legislation and their effect on the supervisory tasks of the CBCS and ongoing technological developments – as well as the need to keep pace with these developments to ensure cybersecurity resilience and to optimize the effectiveness and efficiency of CBCS's task execution – are some of the factors that will drive an increase in the CBCS' expenses in 2026 (and the coming years). Therefore, the CBCS will also continue its efforts to control and, where possible, reduce costs. The CBCS expects that these approaches will help maintain a positive result in the short term.

However, the enactment by the Countries of the draft national decrees on supervision charges and the proposed revision of the paragraph of the Bank-Charter intended to provide the CBCS with greater flexibility in selecting financial instruments for investment purposes is essential to fortify the income basis of the CBCS. This is necessary to ensure positive results of the CBCS in medium to long term and to guarantee the quality of the task execution by the CBCS, as well as confidence in the financial sector of the Countries.

TRANSITION

31 March 2025.
A historic step forward.
Moving together.

2 REPORT OF THE BOARD OF SUPERVISORY DIRECTORS

2.1 REPORT OF THE BOARD OF SUPERVISORY DIRECTORS

Introduction

The Board of Supervisory Directors plays a vital role in overseeing the actions of the Board of Executive Directors, managing the assets of the CBCS, and protecting the entrusted funds. Additionally, the Supervisory Board provides strategic guidance to the Executive Board. The Executive Board seeks the Supervisory Board's approval on significant matters, including the budget, annual accounts, and other key decisions as stipulated in the Bank Charter.

In accordance with Article 27, paragraph 1 of the Bank Charter, the Board of Supervisory Directors convenes at least once every two months. In 2025, the Board held a total of 9 meetings from January to December, primarily in person, with sessions conducted in both Curaçao and Sint Maarten.

In addition to routine topics discussed in the regular meetings, a one-day brainstorm workshop focused on the strategic plan 2026 -2028 was held, which yielded the following insights:

- The CBCS operates in an era defined by rapid technological change, geopolitical uncertainty, and rising societal expectations. Digital Transformation and Artificial Intelligence (AI) are fundamental within the context of central banking and are evolving rapidly. To keep pace with these developments, central banks must invest in digital infrastructure, cybersecurity, and knowledge development, while taking a proactive role in regulating innovative technologies. Central banks must position themselves as both regulators and innovators, balancing risk mitigation and the facilitation of innovation. For the period 2026–2028, the CBCS has therefore defined six strategic objectives that define its direction and set its priorities:
  1. transparent monetary policy-making and proactive policy advice;
  2. climate risks are integrated into supervision, policy, and operations;
  3. the payment landscape in the Countries is inclusive and provides access to modern and secure services;
  4. strengthening the enforcement of supervisory standards;
  5. the CBCS is a digital and data-driven organization;
  6. the CBCS is an organization characterized by ownership, internal unity and transparency.

The following topics continued into 2025 for further follow-up:

- Different milestones concerning the transition to the Caribbean guilder.
- Further attention on the recommendations with regard to the cybersecurity assessments which have been done in 2023 – 2025.
- Attention for online banking performance.

- Revision of the Bank Charter with input from IMF.
- The approval and discharge of the Executive Board on the annual statement of 2024.
- Recommendations for the appointment of a new Supervisory Board member to fill a vacancy existing since October 10, 2022.
- The finalizing of the Lotus project.
- The stricter position of the Supervisory Board on the standardization of top incomes and its implications for the CBCS.
- The timely submission of the 2026 budget.
- Approval of the Bank's external auditor.
- The orderly departure of the Financieel-Economisch Directeur (FED) of the CBCS and the initiation of the recruitment and selection process for a new FED.
- Convening the Entitled Asset Holders more frequently for roundtable discussions.
- Ongoing training for the Supervisory Board.
- Further development of comprehensive Risk Management within the CBCS.
- Strategic discussions regarding the overall direction and specific strategic topics concerning the CBCS.
- The impact of the *Landsverordening Normering Topinkomens* (LNT) of Curaçao and Sint Maarten on the functioning of the CBCS.

Moreover, two Entitled Asset Holders Meetings were planned in 2025 (June and December), of which the June meeting was cancelled. This led to an approval outside of the formal Asset Holder Meeting of the 2024 annual report of the CBCS and discharge of the Supervisory Board by the Entitled Asset Holders with respect to the 2023 and 2024 annual report of the CBCS.

Composition and Appointments of the Board of Supervisory Directors

In line with the Bank Charter, the Board of Supervisory Directors of the CBCS must comprise seven members, including the Chairman. Throughout the year, the Board has included five temporary members and an acting Chairman.

Mr. Lopez Ramirez has been temporarily reappointed by the President of the Court until a replacement is found, and he currently serves as the acting Chairman of the Supervisory Board.

Mrs. Wedervoort holds a temporary position on the Supervisory Board as determined by the President of the Court. Her temporary appointment will become permanent once she takes the oath before the Governors of both Curaçao and Sint Maarten, a procedure that has yet to take place.

Mr. Patrick Newton also serves as a temporary member of the Supervisory Board, based on a decision by the President of the Court. His temporary appointment will become definitive upon taking the oath before the Governors of both countries, a procedure that has yet to take place.

Mr. Ahmed Bell also serves as a temporary member of the Supervisory Board, based on a decision by the President of the Court. His temporary appointment will become definitive upon taking the oath before the Governors of both countries, a procedure that has yet to take place.

Mr. Jason Rogers also serves as a temporary member of the Supervisory Board, based on a decision by the President of the Court. His temporary appointment will become definitive upon taking the oath before the Governors of both countries, a procedure that has yet to take place.

In addition to the temporary members recommended by the respective governments, a candidate has been proposed to replace Mr. Lopez Ramirez on the Supervisory Board, along with another candidate to succeed Mr. Baly, who stepped down in October 2022 as temporary member of the Supervisory Board to assume the position of Governor of the Country of Sint Maarten. The screening procedure for all candidates has been completed, with declarations of no objection issued, permitting formal appointments to occur. Despite the Supervisory Board's efforts, these formal appointments have not yet been finalized. Nevertheless, the Board remains optimistic that all formal appointments may be achieved in 2026.

The Supervisory Board has provided the Entitled Asset Holders with an elaborate insight into the current governance situation and offering an elaborate understanding of their position and motivations. The Supervisory Board's position is succinct at this point. Legally, temporary appointments under Article 25(9) are lawful and may continue until the Countries complete their joint National Decree appointments. Such temporary appointees do not serve a standard four-year term by virtue of the temporary appointment. Operationally, the Supervisory Board supports the continuity provided by lawful temporary appointments while emphasizing that such arrangements should be temporary only. Prolonged reliance on temporary appointees raises questions of democratic legitimacy and should prompt the Countries to complete nominations, perform required screenings and make formal appointments without undue delay. The Supervisory Board reiterates that ministerial responsibility for screening must be executed promptly once screening or integrity checks are positive, the Countries should proceed to formal appointments by National Decree, at which point the statutory four-year term and ordinary (re)appointment rules apply. The Supervisory Board urges the Ministers and the Countries to finalize the outstanding nomination and appointment steps so that the temporary phase can end and full, democratically legitimate appointments by National Decree can be finalized.

Committees

The Supervisory Board has four committees: the Appointment and Remuneration Committee, the Risk, Compliance and Supervisory Committee, the Audit Committee, and the Investment Oversight Committee.

Appointment and Remuneration Committee

Chaired by Mr. Jason Rogers, this subcommittee assists the Supervisory Board in fulfilling its responsibilities as outlined in Article 10 of the Supervisory Board' regulations, particularly concerning personnel policy. Its primary role includes overseeing and making recommendations regarding the appointment, evaluation, and remuneration of executive and supervisory board members.

Risk, Compliance and Supervisory Committee

Chaired by Mrs. Miroslava Wedervoort, this committee supports the Supervisory Board in executing its supervisory duties, ensuring the application of appropriate instruments and regulations at the Bank for effective risk and compliance management. The committee also provides counsel to the Supervisory Board regarding its supervisory obligations towards the Board of Executive Directors, particularly in the efficient supervision of financial institutions.

Audit Committee

Chaired by Mr. Ahmed Bell, this committee assists the Supervisory Board in discharging its supervisory responsibilities, which include:

- Monitoring the actions of the Board of Executive Directors regarding asset management and the handling of entrusted funds, as well as offering advice to the Board of Executive Directors.
- Reviewing the financial reporting process, evaluating the effectiveness of internal controls, and overseeing compliance with financial laws and regulations.

Investment Oversight Committee

Chaired by Mr. Julian Lopez Ramirez, this committee executes responsibilities delegated by the Supervisory Board concerning the management of official foreign exchange reserves of Curaçao and Sint Maarten, in accordance with Article 10.1 of the investment policy.

Declaration

Members of the Supervisory Board have not worked for or been employed by the CBCS prior to their appointments. They do not maintain any relationship with the CBCS that could result in personal benefit. The members receive a fixed monthly remuneration, independent of the CBCS's performance in any given year.

The Supervisory Board would like to extend its heartfelt appreciation for the tremendous efforts of the employees and management, as well as express its gratitude to all stakeholders for their unwavering dedication and contributions to the success of the Bank. As we look ahead to the fiscal year 2026, which promises to be a landmark year to start a new strategic plan, the Supervisory Board is optimistic about the opportunities that lie ahead. We anticipate continued collaboration with management to effectively address emerging challenges and seize the opportunities presented by this significant transition. The Board does have serious concerns with respect to the uncertainties with respect to the application of the different LNT's of the two countries and the status quo with respect to the appointment of the Supervisory Board members.

The temporary Board remains steadfast in its commitment to upholding the highest standards of governance and oversight, ensuring the ongoing stability of our monetary union and the financial sector. Together, we are ready to embark on a journey where the CBCS will be contributing to the well-being of the Countries, where we will foster the strengthening of a resilient and future-proof financial sector, and further develop the CBCS as a credible, and knowledge-driven institution.

2.2 APPROVAL OF THE MANAGEMENT REPORT AND FINANCIAL STATEMENTS AS OF DECEMBER 31, 2025

The Board of Supervisory Directors has taken notice of the management report and the financial statements as of December 31, 2025, of the Centrale Bank van Curaçao en Sint Maarten, which the Board of Executive Directors has, in accordance with article 38, paragraph 1 of the Bank Charter, submitted to the Board of Supervisory Directors for approval.

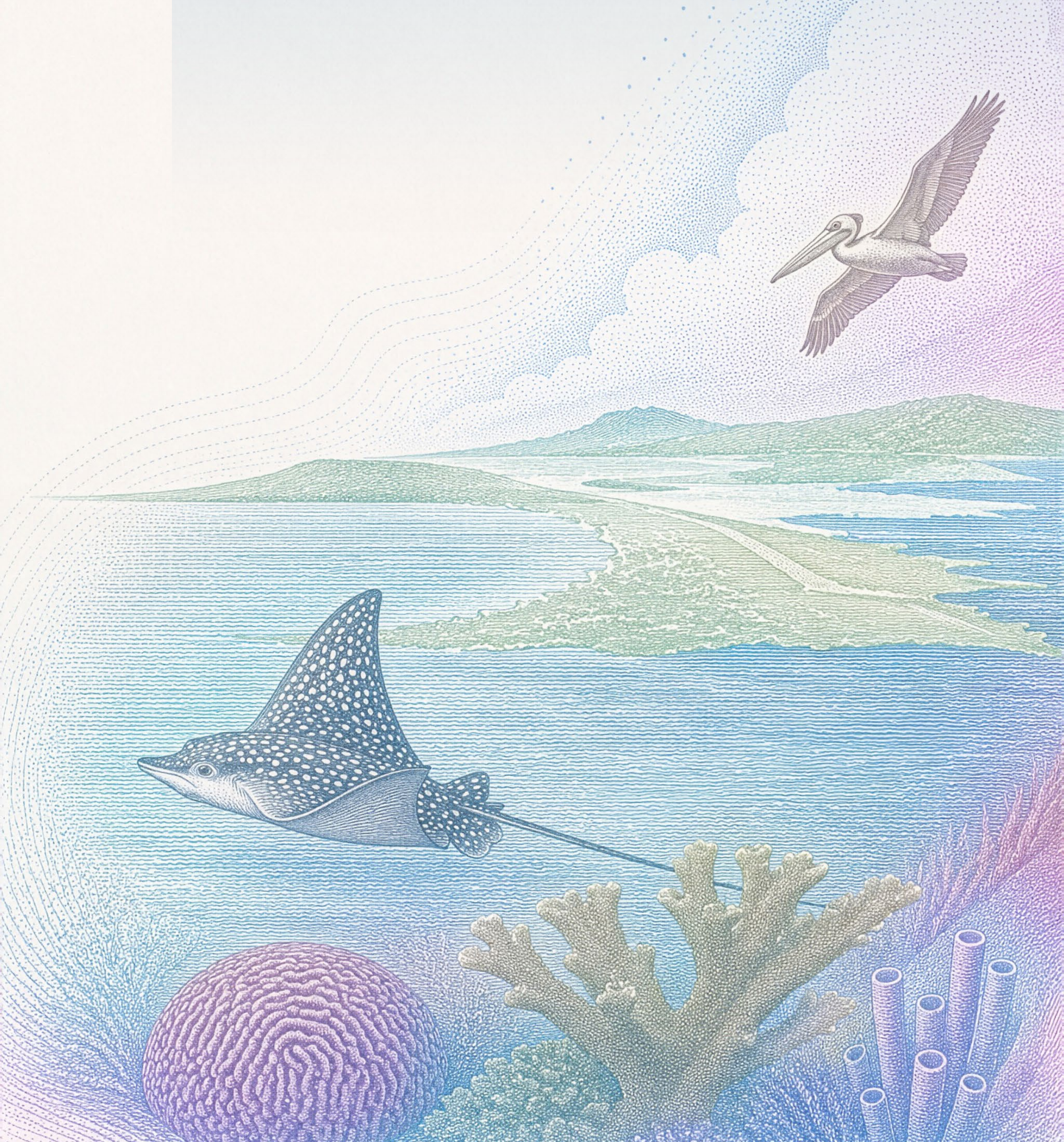
The Board of Supervisory Directors has approved the management report and financial statements as of December 31, 2025, in accordance with article 38, paragraph 1 of the Bank Charter.

Curaçao, June 15, 2026

Julian Lopez Ramirez
Acting Chairperson of the Board of Supervisory Directors of the Centrale Bank van Curaçao en Sint Maarten

CONFIDENCE

Strong systems.
Sound institutions.
Trusted by our people.



3 FINANCIAL STATEMENTS AS OF DECEMBER 31, 2025

3.1 BALANCE SHEET AS OF DECEMBER 31, 2025

Assets	Note	Dec. 31, 2025	Dec. 31, 2024
Gold	**(3.4.5)**	2,277,858,879	1,380,505,311
Foreign receivables and investments:	**(3.4.6)**		
- Receivables and securities in foreign currencies		3,975,754,798	3,574,626,488
Domestic receivables and investments:	**(3.4.7)**		
- Receivable from the Country of Curaçao		287,855,544	284,269,791
- Bonds governments and semi-government institutions		143,304,389	150,893,816
- Bonds and loans other local financial institutions		106,100,000	81,100,000
		537,259,933	516,263,607
Other assets:	**(3.4.8)**		
- Intangible fixed assets		16,589,890	3,546,722
- Tangible fixed assets		69,694,408	72,418,439
- Interest receivable		28,053,448	25,297,025
- Other receivables and prepaid expenses		38,256,075	46,929,185
		152,593,821	148,191,371
Total Assets		**6,943,467,431**	**5,619,586,777**

- The accompanying notes form an integral part of the financial statements -

Liabilities, Capital and Reserves	Note	Dec. 31, 2025	Dec. 31, 2024
Banknotes and coins in circulation	**(3.4.9)**	539,167,697	502,786,278
Liabilities to non-residents:	**(3.4.10)**		
- Current accounts in Caribbean Guilders		438,395,527	304,868,490
- Current accounts in foreign currencies		88,373,021	86,260,808
		526,768,548	391,129,298
Liabilities to residents:	**(3.4.11)**		
- Current accounts in Caribbean guilders		2,392,717,552	2,340,867,912
- Current accounts in foreign currencies		217,023,131	307,609,742
- Time deposits in Caribbean Guilders		521,000,000	277,500,000
- Time deposits in foreign currencies		17,900,000	–
		3,148,640,683	2,925,977,654
Other liabilities:	**(3.4.12)**		
- Funds in consignment		20,807,945	20,776,938
- Other liabilities and accrued expenses		21,548,222	22,802,523
		42,356,167	43,579,461
Provisions	**(3.4.13)**	23,186,143	23,579,629
Capital and Reserves:	**(3.4.14)**		
- Capital		30,000,000	30,000,000
- Reserve fund		30,000,000	30,000,000
- Appropriated reserves		2,536,495,455	1,624,384,313
- Retained earnings		66,852,738	48,150,144
		2,663,348,193	1,732,534,457
Total Liabilities, Capital and Reserves		**6,943,467,431**	**5,619,586,777**

\- The accompanying notes form an integral part of the financial statements -

3.2 PROFIT AND LOSS STATEMENT 2025

	Note	2025	2024
Income:	**(3.4.16)**		
Interest income	**(3.4.16.1)**	124,642,113	118,784,728
Interest expenses	**(3.4.16.2)**	-34,396,664	-15,487,243
Net interest income		90,245,449	103,297,485
Realized capital gain on gold	**(3.4.5)**	–	366,461,676
Realized capital gain on investments		40,124,161	16,783,919
Net unrealized gain from market value changes of gold	**(3.4.16.3)**	897,353,568	284,298,153
Net unrealized gain from market value changes of investments	**(3.4.16.3)**	14,009,206	5,890,332
Realized foreign exchange result	**(3.4.16.4)**	2,459,887	1,718,937
Net unrealized foreign exchange result	**(3.4.16.3)**	-786,872	723,780
Management and custody fee		-1,962,733	-1,931,199
Net investment and foreign exchange result		1,041,442,666	777,243,083
Supervision income	**(3.4.16.5)**	7,972,752	6,905,379
Miscellaneous income	**(3.4.16.6)**	3,754,860	3,615,240
Total other income		11,727,612	10,520,619
Total income		**1,053,170,278**	**787,763,702**
Expenses:	**(3.4.17)**		
Personnel expenses	**(3.4.17.1)**	53,407,904	50,670,502
General and administrative expenses	**(3.4.17.2)**	17,953,220	17,394,119
Depreciation of intangible fixed assets	**(3.4.8.1)**	3,253,853	1,795,538
Depreciation of tangible fixed assets	**(3.4.8.2)**	6,092,319	5,740,537
(Release)/ provision for/write off doubtful accounts	**(3.4.17.3)**	-6,500,898	7,205,144
Total expenses		**74,206,398**	**82,805,840**
Net result including gain/ (loss) from market value changes and unrealized foreign exchange result		**978,963,880**	**704,957,862**
Addition realized capital gain of gold to the appropriated reserve	**(3.4.5)**	–	-366,461,676
Unrealized gain/ (loss) related to market value changes and unrealized foreign exchange result to the appropriated reserves	**(3.4.16.3)**	-912,111,142	-291,895,775
Net result		**66,852,738**	**46,600,411**

- The accompanying notes form an integral part of the financial statements -

3.3 STATEMENT OF CHANGES IN CAPITAL AND RESERVES 2025

	Capital	Reserve fund	Appropriated reserves	Retained earnings	Total Equity
Balance as of January 1, 2025	30,000,000	30,000,000	1,624,384,313	48,150,144	1,732,534,457
Result 2025 including gain/ (loss) from market value changes and unrealized foreign exchange result	–	–	–	978,963,880	978,963,880
Profit distribution	–	–	–	-9,950,144	-9,950,144
Contribution of the Bank to the Ennia Resolution Fund based on its profit distribution initially designated for the Countries	–	–	–	-15,000,000	-15,000,000
Voluntary contribution of the government of Curaçao to Ennia Resolution Fund through profit distribution of the Bank	–	–	–	-23,200,000	-23,200,000
Unrealized gain/loss from market value changes and unrealized exchange result	–	–	912,111,142	-912,111,142	–
Balance as of December 31, 2025	**30,000,000**	**30,000,000**	**2,536,495,455**	**66,852,738**	**2,663,348,193**
Balance as of January 1, 2024	30,000,000	30,000,000	1,332,488,538	1,549,733	1,394,038,271
Result 2024 including gain/ (loss) from market value changes and unrealized foreign exchange result	–	–	–	704,957,862	704,957,862
Realized capital gain on gold	–	–	-366,461,676	–	-366,461,676
Addition realized capital gain on gold to appropriated reserve	–	–	366,461,676	-366,461,676	–
Unrealized gain/loss from market value changes and unrealized exchange result	–	–	291,895,775	-291,895,775	–
Balance as of December 31, 2024	**30,000,000**	**30,000,000**	**1,624,384,313**	**48,150,144**	**1,732,534,457**

3.4 NOTES TO THE BALANCE SHEET AS OF DECEMBER 31, 2025, AND THE PROFIT AND LOSS STATEMENT FOR THE YEAR 2025

3.4.1 General

The *Centrale Bank van Curaçao en Sint Maarten* (hereinafter also referred to as the "Bank" or "CBCS") is a public legal entity having its registered office in Curaçao as well as an office in Sint Maarten. The provisions of the CBCS are governed by the Mutual Regulations referred to in article 38, first paragraph of the Charter for the Kingdom of the Netherlands ("Statuut voor het Koninkrijk der Nederlanden") wherein a Common Central Bank of Curaçao and Sint Maarten is regulated (further "the Bank Charter").

The legal status of the Bank Charter is regulated by a framework enactment national ordinance ("kadervaststellingslandsverordening") adopted and published by both the Country of Curaçao and the Country of Sint Maarten (Curaçao: first through an island ordinance enacting a draft national ordinance, AB 2010, No. 87, which island ordinance was later repealed by the Country of Curaçao and replaced by AB 2010, No. 102. Sint Maarten: AB 2010, GT No. 24).

The address of the CBCS in Curaçao is Simon Bolivar Plein 1 and in Sint Maarten, Walter J.A. Nisbeth Road 25.

The CBCS's financial year is equal to the calendar year.

3.4.2 General Accounting

The accounting principles applied by the Bank are derived from the Financial Reporting Principles of the Centrale Bank van Curaçao en Sint Maarten ("Grondslagen voor de financiële verslaggeving van de Centrale Bank van Curaçao en Sint Maarten", (reference CBCS/2012/1) dated October 29, 2012, as approved by the Board of Supervisory Directors, and adopted by the Meeting of the Entitled Asset Holders on, respectively, June 28, 2013 (Curaçao) and July 31, 2013 (Sint Maarten).

Assets and liabilities are valued at nominal value unless otherwise stated.

Unless otherwise stated, all amounts are in Caribbean guilders (Cg). Please note that as of March 31, 2025, the Caribbean guilder (Cg) was introduced as a replacement of the NAf, whereby the exchange is NAf 1 = Cg 1.

Monetary assets and liabilities denominated in foreign currencies have been converted to Caribbean guilders at the mid-rate prevailing on the balance sheet date.

As of balance sheet date the conversion rates used were as follows:

	Dec. 31, 2025	Dec. 31, 2024
US dollar (USD)	1.7900	1.7900
Euro (EUR)	2.1016	1.8643
British pound (GBP)	2.4100	2.2500
Aruban guilder (AWG)	1.0000	1.0000

The unrealized gains or losses from foreign exchange results resulting from the indicated conversion are credited/charged to the profit and loss statement when they originate. Pursuant to article 35, paragraph 2, and article 40 of the Bank Charter, the unrealized results are subsequently credited/charged to the result before profit distribution and allocated to the respective appropriated reserve of foreign exchange result on the balance sheet. If the balance of the respective appropriated reserve becomes negative, the negative balance will be charged to the profit and loss statement.

Foreign currency transactions are converted at the exchange rate prevailing on the date of the transaction.

Use of Estimates
The preparation of financial statements requires that the Board of Executive Directors of the CBCS makes estimates and assumptions that affect the reported balance of the assets and liabilities, the profit and loss accounts, and the contingent assets and liabilities. Although the Bank's administrative organization ensures that estimates are made as accurately as possible, actual figures may differ from the estimates. The assumption is that these eventual deviations are not material.

Going concern
In accordance with the Bank Charter the objectives of the CBCS are:
1. To promote the stability of the value of the currency of the Countries.
2. To promote the health of the financial system of the Countries.
3. To promote safe and efficient payment traffic in the Countries.

Given the importance of these objectives for the effective and efficient functioning of the financial sector of the Countries, guaranteeing the continuity of the CBCS is of vital importance. In this respect, article 34, paragraph 3, of the Bank Charter includes a provision that obliges the Countries to replenish the reserve fund as soon as it drops below the required amount of Cg 30 million. This is intended to prevent the CBCS from ending up with a negative reserve, which could jeopardize the continuity of the CBCS and, consequently, the stability of the Countries' currency, the health of their financial systems, and the safety and efficiency of payment transactions. The CBCS does its utmost to manage its operation such to minimize the capital contribution of the Countries to replenish an eventual reserve deficit.
Based on the abovementioned the financial statements of the CBCS are based on going concern.

3.4.3 Accounting Policies for the Valuation and Determination of Results

Gold

Gold is valued at the prevailing market price on the balance sheet date.
Unrealized gains/losses related to market value changes and realized gains/losses are credited/charged to the profit and loss statement. Pursuant to article 35, paragraph 2, and article 40 of the Bank Charter, the unrealized result is subsequently credited/charged to the result before profit distribution and allocated to the appropriated reserve gold revaluation on the balance sheet. If the balance of this appropriated reserve becomes negative, the negative balance will be charged to the profit and loss statement.

Foreign receivables and investments

- The foreign receivables and investments represent:
- Current account balances, time deposits, and other money market instruments with foreign financial institutions;
- Financial instruments, consisting of fixed-income securities and (interest rate) futures, in foreign currency managed internally and by external asset managers;
- Receivables from governments and institutions of other countries.

The CBCS invests in fixed-income securities with the objectives of capital preservation, maintaining liquidity and return generation, in that same order of priority.
The investment portfolios managed internally and that are classified as Mark-to-Market and the investment portfolios managed externally are valued at the market price prevailing on the balance sheet date. Unrealized gains/losses from market value changes regarding the investment portfolios managed internally and classified as Mark-to-Market and the investment portfolios managed externally are credited/charged to the profit and loss statement. Pursuant to article 35, paragraph 2, and article 40 of the Bank Charter, the unrealized result is subsequently credited/charged to the result before profit distribution and allocated to the appropriated reserve (as part of capital and reserves), which reserve is accounted for per each investment portfolio on the balance sheet. If the balance of the appropriated reserve of an investment portfolio becomes negative, the negative balance of the appropriated reserve of the respective investment portfolio will be charged to the profit and loss statement.

The investment portfolios managed internally and that are classified as Held-to-Maturity are in principle not sold and - except for monetary reasons that can make market operations necessary - held to maturity and valued at amortized cost. Premiums and discounts are amortized using the effective interest method.

The CBCS began using interest rate futures as part of its investment toolkit at the end of 2025. These instruments should be viewed within the context of each portfolio as an additional tool to achieve the desired market exposure and to maintain interest rate risk within target levels. Futures are highly liquid and cost-efficient instruments; moreover, they enhance the process of managing CBCS's portfolios by improving the ability to reach the intended risk/return profile.
Importantly, the risk limits applied by the CBCS do not distinguish between cash bonds and derivatives, which means that futures are fully subject to the same risk constraints and oversight as all other investments within the CBCS portfolios.
Futures are accounted for based on market-to-market and are settled on a day-to-day basis, whereby gains and losses are daily recognized.

Realized gains and losses are immediately accounted for in the profit and loss statement.

The interest receivable with respect to the foreign receivables and investments is accounted for under the balance sheet item ”Other assets”.

Domestic receivables and investments

The domestic receivables and investments relate to (i) receivable from the Country of Curaçao, (ii) investments in bonds issued by semi-government institutions in Curaçao and Sint Maarten, (iii) investments in bonds of local financial institutions and (iv) loans to supervised financial institutions and loans granted pursuant to article 10, paragraph 3, sub f, of the Bank Charter, which are collateralized by a mortgage on real estate located in Curaçao and Sint Maarten or other collateral.

The bonds and the receivable from the Country of Curaçao are valued at their amortized cost. Premiums and discounts are amortized using the effective interest method. The loans are valued at their nominal value less a provision for possible losses. Any impairment on the redemption value is charged directly to the profit and loss statement.

The interest receivable with respect to the bonds and loans is accounted for under the balance sheet item ”Other assets”.

Intangible fixed assets

These assets consist of the capitalized costs or production costs of purchased and proprietary software applications and the production, transportation and communication costs of banknotes and coins (collectively referred to as the “issuance costs”).

The book value is determined based on the production and issuance costs less accumulated depreciation, calculated based on the expected useful life of the assets following the straight-line method. Impairment losses, if there are any, are charged directly to the profit and loss statement.

Tangible fixed assets

These assets represent immovable and movable property owned by the CBCS in Curaçao and Sint Maarten.

Tangible fixed assets are valued at cost, less accumulated depreciation. Depreciation on tangible fixed assets starts when these are put in use and is calculated based on the expected useful life of the assets following the straight-line method. Land and artworks are not depreciated; however, depreciation is applied to land improvements such as landscaping. Impairment losses, if there are any, are charged directly to the profit and loss statement.

Tangible fixed assets held for sale

These are real estate owned by the Bank, which the Bank has concrete plans to sell. Tangible fixed assets held for sale are carried at book value or their lower net realizable value. Tangible fixed assets classified as held for sale are not depreciated. Impairment losses, if there are any, are charged directly to the profit and loss statement.

Banknotes and coins in circulation

This item represents the nominal value of the Caribbean guilder banknotes and coins in circulation and the nominal value of Netherlands-Antillean guilder banknotes still in circulation that were withdrawn less than ten (10) years ago.

In time, banknote series issued are withdrawn from circulation on a date that is determined by the Board of Executive Directors. Ten years after this date, the value of the banknotes not yet presented for exchange is added to the result and are then considered no longer to be in circulation. Pursuant to article 7, paragraph 3, of the Bank Charter, the right to exchange the banknotes in question expires thirty years after the date of publication of their withdrawal. Banknotes exchanged after the period of ten years but before the end of the thirty-year period are charged to the Bank's profit and loss statement as "Emerging Banknotes".

Early retirement provision

The early retirement provision is calculated as the actuarial value of the expected future payment obligations, based on the individually accrued (contingent) entitlements as of the balance sheet date. The following assumptions, based on management estimates, and calculation method were used by the actuary:

- Early retirement participation rate: 100%;
- Discount rate: 4%;
- Mortality table: the GBM 1015/GBV 1015 mortality tables;
- Probability of remaining until early retirement age (55): 100%;
- Age calculation: accurate in months;
- Payment frequency: continuous;
- Cost surcharges: none.

Cost-of-living allowance provision

The cost-of-living allowance provision is calculated as the actuarial value of expected future pension obligations arising from the past or from statutory provisions.

The following assumptions, based on management estimates, and calculation method were used by the actuary for the personnel whose pension is insured via the Algemeen Pensioenfonds van Curaçao (APC):

- Discount rate: 4%;
- Mortality table: the GBM 1015/GBV 1015 mortality tables;
- Age difference: male participants are three years older than their wives;
- Indexation: 2%;
- Marital frequency: 40%;
- If married: 70% of the cost-of-living allowance of the principal insured is accrued;
- Last age for child allowance: 25 years.

Provision for 'AOV/BVZ' compensation

The provision for 'AOV/BVZ' compensation is calculated as the actuarial value of the expected compensation to be made in connection with 'AOV' and 'BVZ' contributions to former employees who are entitled to such compensation under articles IV and V of the '*Landsverordening tot wijziging van de Pensioenlandsverordening overheidsdienaren, tot wijziging van de Landsverordening leeftijdsgrens ambtenaren alsmede tot intrekking van de duurtetoeslagregeling*' ("National Ordinance Amending the National Ordinance on Pensions for Public Servants, Amending the National Ordinance on Age Limits for Public Servants and Repealing the Cost-of-Living Allowance Regulations," O.G. 2015, no 78).

The following assumptions, based on management estimates, and calculation method were used by the actuary for the personnel whose pension is insured via the Algemeen Pensioenfonds van Curaçao (APC) and by Guardian Group Fatum:

- Discount rate: 4% (APC and Guardian Group Fatum);
- Mortality tables: the GBM 1015/GBV 1015 mortality tables (APC and Guardian Group Fatum);
- Indexation: 2%;
- Compensation: derived from the total retirement income at age 60;
- Calculation: APC pension x 1.30 x 0.70;
- Incorporation of the new pension accrual effective January 1, 2016, based on the average salary plan with a retirement age of 65 for APC participants. The retirement age for Guardian Group Fatum participants remains at 60.

Provision for medical expense premiums SZGBNA

The provision for medical expense premiums SZGBNA is calculated as the actuarial value of the expected future healthcare liabilities, based on the individually accrued (contingent) entitlements as of the balance sheet date. The following assumptions, based on management estimates, and calculation method were used by the actuary:

- Discount rate: 4%;
- Mortality tables: the GBM 1015/GBV 1015 mortality tables;
- Age surcharge: additional increase in basic premium upon reaching age 50 and age 70;
- BVZ contribution for pensioners: 6.5%;
- Healthcare cost inflation rate per year: 8%;
- Indexation: 2%.

Service anniversary provision

The service anniversary provision is calculated as the actuarial value of the expected future service anniversary bonuses to be paid upon attainment of a service anniversary, based on the individually accrued (contingent) entitlements as of the balance sheet date, in accordance with the service anniversary scheme. The following assumptions, based on management estimates, and calculation method were used by the actuary:

- Discount rate: 4%;
- Mortality table: the GBM 1015/GBV 1015 mortality tables;
- General salary increase: 0%;
- Indexation of tax bracket limits per year: 1.5%;
- Disability probability: 0%;
- Number of workdays per month: 20;
- Distribution type: continuous;
- Age calculation: accurate in months;
- Probability of leaving service and of salary increases: historical data
- Cost surcharges: none.
- Inflation percentage of salary scales:0%

Any additions to/releases from the early retirement provision, the cost-of-living allowance provision, the provision for ‘AOV/BVZ’ compensation, the provision for medical expense premiums SZGBNA and the service anniversary provision are accounted for under ‘Personnel Expenses’ in the profit and loss statement.

Determination of results
The result is calculated as the difference between the definite income and the known expenses, as far as they relate to the financial year.

Income and expenses are recognized in the period to which they relate. Losses are recognized as soon as they are identified.

3.4.4 Financial Risk Management

The CBCS invests its foreign exchange reserves in the following asset classes: interest-bearing current accounts, gold, time deposits, and other money market instruments, bonds, and interest rate futures. To optimize the management of its foreign exchange reserves, the CBCS divides its total foreign exchange into so-called "tranches", with each tranche being assigned its own benchmark, risk parameters, and time horizon. As of December 31, 2025, the CBCS had the following "tranches": working capital, a buffer tranche and an investment tranche consisting of current accounts and financial instruments.
For monetary purposes, the CBCS also holds local bonds and issues time deposits and certificates of deposit (CDs). This section explains the nature and extent of the risks arising from these financial instru-ments and how CBCS manages these risks.

Policy framework
The investment policy of CBCS is strongly risk averse. Return on investment is always secondary to the need to protect the value of the currency of the Countries. As a not-for-profit institution, the CBCS invests its foreign reserves to preserve capital, maintain high liquidity, and generate returns, in that order of priority. The return generated is used to cover CBCS's operating costs. Operating at zero risk is not possible, as all financial instruments involve some degree of financial risk.

The Board of Supervisory Directors approves the investment policy. It is medium-term in nature and defines CBCS's desired risk profile as well as the general framework within which the Board of Executive Directors is authorized to further specify the investment policy in guidelines.

The CBCS has established an Investment Committee, comprising of representatives of the Board of Executive Directors and the divisions Finance, Financial Stability, Market Operations and Monetary Policy Economics & Statistics. The Investment Committee is responsible for developing investment policies and guidelines and for monitoring risk and return on a regular basis. These responsibilities are set out in an *Investment Committee Charter*. The Investment Committee approves the strategic investment decisions, in consultation with the Board of Executive Directors, and its implementation is monitored by this Committee. The Board of Supervisory Directors has an *Investment Oversight Committee*, which meets quarterly with the Board of Executive Directors to discuss the implementation of the strategic investment decisions.

Credit Risk
Pursuant to article 10, paragraph 5, of the Bank Charter, the CBCS is authorized to provide advances to credit institutions by way of loans or on current account, as far as these institutions have provided ade-quate collateral in the form of securities, claims,

goods, coins, and coinage material. In addition, based on article 10 paragraph 3 (f) of the Bank Charter, the CBCS may buy or sell mortgage claims on real estate located in either Country (Curaçao and/or Sint Maarten), or the rights to which they are subject, and may also issue guarantees in the performance of its duties.

The credit options and/or facilities for the benefit of the domestic commercial banks are set out in CBCS's *Normal Banking Policy Guidelines* and *Lender of Last Resort Policy Guidelines*. These guidelines reflect the CBCS's objectives to promote (i) a sound financial system and (ii) a safe and efficient payment system in the Countries. The CBCS applies the *Lender of Last Resort Policy* prudently.

As a result of the abovementioned policy guidelines, the CBCS may incur a loss if the relevant commercial banks are unable to repay the credit extended. Such a loss will be passed on to the Entitled Asset Holders (Curaçao and Sint Maarten) through the CBCS's profit and loss statement in the form of lower or no profit distributions or transfer from the CBCS's reserves (specifically the reserve fund), which the Entitled Asset Holders - pursuant to article 34, paragraph 3, of the Bank Charter and taking into account the applicable apportionment ratio - are obliged to replenish to the minimum required amount of Cg 30 million.

The CBCS invests in financial instruments with a credit rating of at least AA- (S&P) with no associated negative outlook. For a small portion of the reserves invested in foreign commercial bank securities the minimum of BBB- (S&P) is maintained. The maximum maturity of the BBB-rated investments is 10 years. Exposures per foreign commercial bank may not exceed 7.5% of the total foreign exchange (excluding gold). In principle, only exposures at the *Bank for International Settlements*, the *Federal Reserve Bank of New York, De Nederlandsche Bank*, and the *Bank of England* are unlimited. For exposures at so-called Supranationals, Sovereigns & Agencies (SSAs), there is a limit per individual issue size exposure (maxi-mum 10% of the total issue by the relevant SSA) and on the total number of bonds that the CBCS may hold from one single SSA ("single name exposure"). In addition, there are maturity limits in place for each type of exposure. Finally, there is a global limit on time deposits, equal to 35% of the total foreign exchange reserves (excluding gold).

The local portfolio held for monetary purposes contains only debt instruments issued by semi-government companies. These do not have an official credit rating. The collectability of the outstanding claims under these debt instruments is periodically evaluated based on, among other things, the development of the financial ratios to be met by the semi-government companies (as defined in the prospectuses of the debt instruments issued by them) and their medium-term result projections. Total exposure to local bonds is maximized to 15% of total assets.

Finally, the CBCS has bought a limited number of bonds issued by a local financial institution and has granted a limited number of private loans secured by (domestic) mortgages or other collateral. The Bank closely monitors the collectability of these local bonds and private loans.

Liquidity risk
For non-cash transactions, domestic commercial banks purchase their US dollars from the CBCS. Although the CBCS is not formally obliged to always deliver, in principle, there

is no limit to the amount of these purchases. The CBCS aims to support the liquidity of commercial banks as much as possible. To be able to supply dollars at short notice, the CBCS holds an amount of its foreign exchange reserves on current account.
The CBCS actively monitors and manages the liquidity position. Temporary excess liquidity is invested through time deposits or other money-market instruments with maturities ranging from 1 to a maximum of 6 months. Finally, longer-term investments are tied up in (liquid) marketable bonds which can be sold in exceptional situations to meet any incidental high demand for liquidity.

Market risk
Market risk is the risk incurred by the CBCS because of changes in market prices. The market value risks to which the CBCS is exposed are:
- Interest rate risk;
- Currency risk;
- Price risk.

Interest rate risk
The interest rate risk is the risk that interest margins will fluctuate because of changes in the interest rates on the international market. In accordance with the Bank Charter, the CBCS invests only in interest-bearing financial instruments, the majority of which are currently Mark-to-Market.

The CBCS manages its exposure to interest rate risk under current market conditions by maintaining a very conservative level of duration exposure.
Interest paid on issued time deposits, CDs and the interest-bearing current accounts is matched as closely as possible to interest earned on investments with similar maturities, thereby minimizing interest rate risk.

Currency risk
Currency risk arises from balance-sheet assets and liabilities, commitments, and future transactions in currencies other than the Caribbean guilder.

The CBCS conducts payment transactions in foreign currencies for the benefit of account holders. To avoid unacceptable currency risks, the CBCS does not take significant foreign currency positions, except for the US dollar and the Aruban florin, which do not expose the CBCS to any currency risk.

Price risk
Price risk arises from changes in the value of financial assets and liabilities. A significant part of the investment portfolio (those managed by external asset managers and the in-house Mark-to-Market portfolio) is exposed to price risk.

The remaining foreign interest-bearing financial instruments in the investment portfolio are currently held to maturity. Price risk is minimized through the CBCS's conservative approach, which emphasizes short-duration benchmarks. By focusing on shorter maturities, the portfolio limits exposure to interest rate fluctuations, reducing mark-to-market volatility while maintaining liquidity and capital preservation.

3.4.5 Gold

The Bank owns 295,394.993 troy ounces of gold as per December 31, 2025 (2024: 295,394.993).

The average purchase price of the stock of gold is Cg 590.36 (2024: Cg 590.36) per troy ounce and the development in the market value can be specified as follows:

2025	*Quantity in fto*	*Market price in USD*	*Market price in Cg*	*Market value in Cg*
Balance as of January 1	295,394.993	2,610.85	4,673.42	1,380,505,311
Net unrealized gain from market value changes				897,353,568
Balance as of December 31	**295,394.993**	**4,307.95**	**7,711.23**	**2,277,858,879**

2024	*Quantity in fto*	*Market price in USD*	*Market price in Cg*	*Market value in Cg*
Balance as of January 1	415,394.993	2,062.40	3,691.70	1,533,512,034
Mutation:				
- Sale transaction	-120,000.000	2,035.87	3,644.21	-437,304,876
Net unrealized gain from market value changes				284,298,153
Balance as of December 31	**295,394.993**	**2,610.85**	**4,673.42**	**1,380,505,311**

The sale transaction in 2024 relates to a strategy of the CBCS to sell part of its gold and convert it into funds that have been invested at higher yields to increase its interest income and result. This gold transaction implies therefore a change in the composition of the official reserves and not in the size hereof. Through this transaction the CBCS realized a capital gain – as part of the market value changes included in the appropriated reserve of gold revaluation - of Cg 366,461,676 in 2024, which represents the difference between the market value of gold at the time of the transaction (Cg 437,304,876) and the cost price of the gold sold (Cg 70,843,200). The Entitled Asset Holders have approved for the CBCS to account for this result as part of an appropriated reserve to improve the capital structure of the CBCS and therefore its resilience for eventual financial setbacks.

The significant increase in the gold price, resulting in a net unrealized gain on gold from market value changes of Cg 897,353,568 during 2025, is mainly attributable to rising geopolitical tensions and the further interest rate cut by the Federal Reserve in December 2025.

3.4.6 Foreign receivables and investments

The foreign receivables and investments can be specified as follows:

	Dec. 31, 2025	Dec. 31, 2024
Current accounts	225,807,288	245,853,962
Time deposits and other money market instruments	319,441,573	185,170,135
Investment portfolios managed externally	415,395,346	764,024,183
Investment portfolios managed internally - at amortized cost	585,408,100	1,063,206,061
Investment portfolios managed internally - at market value	2,429,702,491	1,316,372,147
Total foreign receivables and investments	**3,975,754,798**	**3,574,626,488**

3.4.6.1 CURRENT ACCOUNTS

	Dec. 31, 2025		Dec. 31, 2024	
	(in fcy)	*(in Cg)*	*(in fcy)*	*(in Cg)*
Current accounts in:				
US dollars	92,061,528	164,790,135	118,679,391	212,436,110
British pound	15,756,011	37,971,987	9,957,995	22,405,488
Euro	6,676,742	14,031,841	5,186,965	9,670,058
Aruban guilder	9,013,325	9,013,325	1,342,306	1,342,306
Total current accounts		**225,807,288**		**245,853,962**

3.4.6.2 TIME DEPOSITS & OTHER MONEY MARKET INSTRUMENTS

	Dec. 31, 2025				Dec. 31, 2024			
	(in USD)	*(in GBP)*	*(in Cg)*	*(av. interest %)*	*(in USD)*	*(in GBP)*	*(in Cg)*	*(av. interest %)*
Remaining term time deposits:								
Less than 1 month	37,150,000	23,669,257	123,541,409	3.91%	41,700,000	–	74,643,000	4.75%
Between 1 and 3 months	35,150,000	–	62,918,500	3.91%	–	22,842,810	51,396,323	4.56%
Total time deposits	**72,300,000**	**23,669,257**	**186,459,909**	**3.91%**	**41,700,000**	**22,842,810**	**126,039,323**	**4.67%**
Remaining term other money market instruments								
Less than 1 month	19,653,922	–	35,180,521		–	–	–	
	54,637,510	–	97,801,143		–	–	–	
Between 3 and 6 months	–	–	–		33,033,973	–	59,130,812	
Total money market instruments	**74,291,432**	**–**	**132,981,664**		**33,033,973**	**–**	**59,130,812**	
Total time deposits & other money market instruments	**146,591,432**	**23,669,257**	**319,441,573**		**74,733,973**	**22,842,810**	**185,170,135**	

Included in the other money market instruments is an unrealized gain of Cg 60,111 as per December 31, 2025 (2024: Cg 140,813).

The increase in time deposits and other money market instruments is driven by funds that have been received, which were reinvested throughout the year. The increase in time deposits is due to additional funds allocated to these instruments because of growth in working capital.

3.4.6.3 INVESTMENT PORTFOLIOS MANAGED EXTERNALLY

	2025		2024		
	(in USD)	*(in Cg)*	*(in USD)*	*(in CNH)*	*(in Cg)*
Market value as of January 1	426,829,153	764,024,183	384,307,253	170,763,057	730,805,663
Net write up/down costprice to market value	-2,591,721	-4,639,180	984,776	8,174,735	3,816,240
Costprice as of January 1	424,237,432	759,385,003	385,292,029	178,937,792	734,621,903
Plus: - Purchases	403,111,021	721,568,728	408,314,149	191,225,154	777,638,133
Less: - Sales, maturities and redemptions	-390,262,705	-698,570,242	-368,975,531	-370,162,946	-752,171,179
- Net changes of movements in cash account	–	–	-393,215	–	-703,854
- Transfer to investment portfolio managed internally valued at market value	-209,062,423	-374,221,737	–	–	–
Costprice as of December 31	**228,023,325**	**408,161,752**	**424,237,432**	**–**	**759,385,003**
Net write up/down costprice to market value	4,041,114	7,233,594	2,591,721	–	4,639,180
Market value as of December 31	**232,064,439**	**415,395,346**	**426,829,153**	**–**	**764,024,183**

The average return on the investment portfolios managed by the external asset managers is 3.26% (2024: 3.09%) and the remaining terms of these investment portfolios can be specified as follows:

	Dec. 31, 2025		Dec. 31, 2024	
	(in USD)	*(in Cg)*	*(in USD)*	*(in Cg)*
Remaining term:				
Less than 1 year	81,456,265	145,806,715	81,288,403	145,506,240
Between 1 and 2 years	88,718,357	158,805,859	168,866,207	302,270,511
Longer than 2 years	61,889,817	110,782,772	176,674,543	316,247,432
Total	**232,064,439**	**415,395,346**	**426,829,153**	**764,024,183**

3.4.6.4 INVESTMENT PORTFOLIOS MANAGED INTERNALLY - AT AMORTIZED COST

	2025			2024		
	(in USD)	*(in AWG)*	*(in Cg)*	*(in USD)*	*(in AWG)*	*(in Cg)*
Balance as of January 1	563,480,847	54,575,345	1,063,206,061	429,597,503	54,741,839	823,721,370
Plus: - Purchases	3,350,987	–	5,998,267	271,255,789	–	485,547,862
Less: - Maturities and redemption	-270,063,001	–	-483,412,772	-136,931,751	–	-245,107,835
- Amortization	-116,013	-175,793	-383,456	-440,694	-166,494	-955,336
Amortized costprice as of December 31	**296,652,820**	**54,399,552**	**585,408,100**	**563,480,847**	**54,575,345**	**1,063,206,061**

The investment portfolios managed internally valued at amortized cost are classified as Held-to-Maturity.

The purchases of Cg 485.5 million in 2024 relates to the purchase of U.S. Treasury bonds with the proceeds from the sale of a portion of gold. Since 2022, the CBCS has changed its investment strategy from held-to-maturity to mark-to-market portfolios, except for these U.S. Treasury bonds purchased with a maturity date of 2053, which will remain held-to-maturity.

The average return on the investment portfolios managed internally valued at amortized cost is 2.94% (2024: 2.19%). The market value of these investment portfolios as of December 31, 2025, is Cg 540.8 million (2024: Cg 1,006.9 million).

The remaining terms of these investment portfolios can be specified as follows:

	Dec. 31, 2025			Dec. 31, 2024		
	(in USD)	*(in AWG)*	*(in Cg)*	*(in USD)*	*(in AWG)*	*(in Cg)*
Remaining term:						
Less than 1 year	34,995,207	–	62,641,421	266,682,493	–	477,361,662
Between 1 and 2 years	6,015,318	6,040,443	16,807,862	34,916,778	–	62,501,033
Longer than 2 years	255,642,295	48,359,109	505,958,817	261,881,576	54,575,345	523,343,366
Total	**296,652,820**	**54,399,552**	**585,408,100**	**563,480,847**	**54,575,345**	**1,063,206,061**

3.4.6.5 INVESTMENT PORTFOLIOS MANAGED INTERNALLY - AT MARKET VALUE

	2025		2024	
	(in USD)	*(in Cg)*	*(in USD)*	*(in Cg)*
Market value as of January 1	735,403,434	1,316,372,147	412,051,844	737,572,800
Net write up/down costprice to market value	-362,416	-648,725	-1,874,093	-3,354,626
Costprice as of January 1	735,041,018	1,315,723,422	410,177,751	734,218,174
Plus: - Purchases	12,552,023,877	22,468,122,740	6,678,578,888	11,954,656,209
- Transfer from investment portfolio managed externally	209,062,423	374,221,737	–	–
Less: - Sales, maturities and redemptions	-12,145,703,837	-21,740,809,867	-6,353,715,621	-11,373,150,961
Costprice as of December 31	**1,350,423,481**	**2,417,258,032**	**735,041,018**	**1,315,723,422**
Net write up/down costprice to market value	6,952,212	12,444,459	362,416	648,725
Market value as of December 31	**1,357,375,693**	**2,429,702,491**	**735,403,434**	**1,316,372,147**

The average return on the investment portfolios managed internally valued at market value is 3.22% (2024: 3.88%). The decrease in the average return is caused by a decline in yields of the U.S. Treasury curve in 2025, following expectations of interest rate cuts by the Federal Reserve, as most securities in the internally managed investment portfolios – measured at market value - are composed of U.S. Treasury securities.

The remaining terms of these investment portfolios can be specified as follows:

	Dec. 31, 2025		Dec. 31, 2024	
	(in USD)	*(in Cg)*	*(in USD)*	*(in Cg)*
Remaining term:				
Less than 1 year	430,914,176	771,336,376	102,953,174	184,286,181
Between 1 and 2 years	489,843,046	876,819,052	385,027,400	689,199,046
Longer than 2 years	436,618,471	781,547,063	247,422,860	442,886,920
Total	**1,357,375,693**	**2,429,702,491**	**735,403,434**	**1,316,372,147**

3.4.7 Domestic receivables and investments

The domestic receivables and investments can be specified as follows:

	Dec. 31, 2025	Dec. 31, 2024
Receivable from the Country of Curaçao	287,855,544	284,269,791
Bonds governments and semi-government institutions	143,304,389	150,893,816
Bonds of other local financial institutions	80,000,000	55,000,000
Loans to other local financial institutions	26,100,000	26,100,000
Bonds and loans other local financial institutions	106,100,000	81,100,000
Total domestic receivables and investments	**537,259,933**	**516,263,607**

3.4.7.1 RECEIVABLE FROM THE COUNTRY OF CURAÇAO

This receivable arises from a bridge loan granted to a financial institution under emergency measures (Girobank), for which the Country of Curaçao assumed the repayment obligation to ensure that most of the deposit holders had access to their assets at the financial institution in question.
This receivable is to be repaid in 60 equal quarterly instalments, which should have started on January 1, 2024. However, the Country of Curaçao filed a petition to extend the grace period from three (3) to five (5) years, which possibility is included in the respective agreement. The CBCS has honored this petition in 2024 which implies that the repayment of the instalments started on January 1, 2026.
The interest rate is 2%, whereby the amount on which interest is calculated is reduced by Cg 60 million. Up to the start of repayment, interest will be added monthly to the amount on which interest is calculated. From the start date of the repayments, interest is payable on the first day of each quarter, which – based on the extension of the grace period granted in 2024 –started on April 1, 2026. The remaining term of this receivable is approximately 15 years.
The CBCS is per contract agreement authorized to settle the quarterly payments (including interest) owed by the Country of Curaçao against the result to be distributed to the Country of Curaçao, supplemented if necessary by the license fees that the CBCS collects or has collected on behalf of the Country of Curaçao and that would otherwise have to be remitted to the Country of Curaçao. Based hereupon is the Bank of the opinion that no impairment or provision for bad debts is required (2024: idem).

This receivable is valued at amortized cost. The table below sets out the movement during the year:

	2025	2024
Balance as of January 1	284,269,791	280,162,937
Plus: Amortization	3,585,753	4,106,854
Amortized costprice as of December 31	**287,855,544**	**284,269,791**

3.4.7.2 BONDS GOVERNMENTS AND SEMI-GOVERNMENT INSTITUTIONS

This receivable relates to the bonds of Sint Maarten Harbour Finance (SMHF) N.V. The nominal value of these bonds is Cg 143 million (2024: Cg 151 million) and they are valued at amortized cost.

The movement in this receivable can be specified as follows:

	2025	2024
Balance as of January 1	150,893,816	156,323,319
Less: - Repayments	-7,589,427	-5,429,503
Amortized costprice as of December 31	**143,304,389**	**150,893,816**

The average return on these bonds is 5.00% (2024: idem). These bonds have a remaining term until March 2035 (2024: idem) and can be specified as follows:

	Dec. 31, 2025		Dec. 31, 2024	
	(in USD)	*(in Cg)*	*(in USD)*	*(in Cg)*
Remaining term:				
Less than 1 year	4,239,906	7,589,432	4,239,906	7,589,432
Betweeen 1 and 2 years	5,406,573	9,677,765	4,239,906	7,589,432
Longer than 2 years	70,411,839	126,037,192	75,818,409	135,714,952
Total	**80,058,318**	**143,304,389**	**84,298,221**	**150,893,816**

SMHF provided the following as security for the repayment of the obligations under the USD 150 million total bond:

- Depositing substantially all revenue from the Cruise and Cargo affiliated companies into a specially opened 'revenue account' managed by the Security Agent;
- Maintaining a debt service reserve account totaling USD 5 million, managed by the Security Agent;
- Pledging of all current and future income, except Cruise passenger fees;
- Pledging of the interest on "revenue account" and the debt service reserve account;
- Right of mortgage on the real estate properties owned by the affiliated company Cargo or, land under leasehold by the affiliated company Cargo;
- Negative mortgage declarations on the real estate owned by the affiliated company Cruise, or land under leasehold by the affiliated company Cruise.

The prospectus for this bond issue includes a provision on the debt service coverage ratio which SMHF must comply with. In 2025, SMHF complied with all its financial obligations, and the respective financial ratio is higher than the required minimum. Based on, among others, SMHF's projected results and the importance to the community of Sint Maarten of SMHF and its affiliated companies Cargo and Cruise, whose principal revenues and assets are pledged as collateral for this bond, the Bank expects that SMHF will be able or enabled to continue to comply with the financial ratio and meet its financial obligations under this bond for the foreseeable future. Taking this into consideration the Bank is of the opinion that no impairment or provision for bad debts is required (2024: idem).

3.4.7.3 BONDS OF OTHER LOCAL FINANCIAL INSTITUTIONS

On April 11, 2024, the governments of Curaçao and Sint Maarten and the CBCS have signed an Outline Agreement (in Dutch 'Hoofdlijnenakkoord, HLA) with respect to the resolution of ENNIA, which has enabled the ENNIA company to continue its operations in a restructured form (partial restart). Via this restructuring ENNIA is capable to comply with its financial obligations towards, among others, the policyholders.

The agreement is based on two (2) pillars, namely yearly contributions by the Countries and the CBCS to the 'Ennia Resolution Fund' (Stichting Ennia Resolutiefonds) and financing of the eventual interim liquidity shortage of the Ennia Resolution Fund to ensure that (the respective) ENNIA (company) can comply with its financial obligations. The yearly contributions of the Countries are due for 30 years starting 2027, whereby the contribution amount for Curaçao is Cg 30 million per year and for Sint Maarten approximately Cg 2.1 million per year. The yearly contribution by the CBCS via profit distribution to the Ennia Resolution Fund is due for 50 years starting 2025 and amounts to Cg 15 million per year. For the years that the net result is less than the amount needed to contribute Cg 15 million to the Ennia Resolution Fund, the difference (the unpaid balance) will roll over to the next year. Unpaid balances of the yearly contribution of the CBCS via profit distribution will accumulate during the period of the contractual contribution (2025 - 2075); any unpaid balance of this contribution will be cancelled out if additional profits are distributed in any subsequent year or at the end of the contractual contribution.

Financing of liquidity shortages during the resolution is effectuated via the issuance of bonds by the Ennia Resolution Fund, "Peak facility", which will be purchased by the CBCS. The agreed upon total face value of the Peak Facility is Cg 500 million. These bonds will mature on December 31, 2074. Repayment by the Ennia Resolution Fund will take place via a bullet payment (whereby the entire principal is repaid at maturity), and the coupon interest is 1%, accruing from the issuing date. These bonds are guaranteed by the Countries.
The Ennia Resolution Fund issued Peak Facility bonds for an amount of Cg 25 million on March 25, 2025, which bonds were purchased by the CBCS. There were no Peak Facility bonds outstanding as of December 31, 2024.

To finance the restructuring of the ENNIA group the Ennia Resolution Fund has issued a bond, "Capital injection", with a face value of Cg 55 million on December 30, 2024. This bond is guaranteed by the Countries. This bond has been purchased by the CBCS and has a duration of 30 years. Repayment of this bond is based on an annuity schedule whereby a grace period of 5 years is applicable (repayments will start on December 30, 2030), and partial interim repayments are possible. The coupon interest is 1%, which commenced to accrue starting December 30, 2024, and will be due every year starting on December 30, 2025. A breakdown of the remaining term of these bonds is shown below:

	Dec. 31, 2025	Dec. 31, 2024
Remaining term:		
Longer than 2 years	80,000,000	55,000,000
Total	**80,000,000**	**55,000,000**

No impairment or provision for bad debts is considered necessary (2024: idem).

3.4.7.4 LOANS TO OTHER LOCAL FINANCIAL INSTITUTIONS

This item relates to a loan granted to an entity which provides loans to the Bank's personnel. As security for the fulfilment of the repayment and interest obligations with respect to this loan, the entity concerned has pledged or ceded to the Bank its existing and future claims in respect of the loans granted by it.

The average interest rate of this loan is 3.00% (2024: idem), and the maturity date is September 2027. A breakdown of the remaining term of this loan is shown below:

	Dec. 31, 2025	Dec. 31, 2024
Remaining term:		
Between 1 and 2 years	26,100,000	–
Longer than 2 years	–	26,100,000
Total	**26,100,000**	**26,100,000**

No impairment or provision for bad debts is considered necessary (2024: idem).

3.4.8 Other assets

3.4.8.1 INTANGIBLE FIXED ASSETS

The movements in the intangible fixed assets can be specified as follows:

	2025				2024		
	Issuance costs of banknotes	Issuance costs of coins	Software	Total	Issuance costs of banknotes	Software	Total
Cost as of January 1	19,998,682	–	17,338,588	37,337,270	19,998,682	16,586,401	36,585,083
Plus: - Additions	9,119,870	5,896,504	1,280,647	16,297,021	–	752,187	752,187
Less: - Disposal	-19,888,565	–	–	-19,888,565	–	–	–
Total cost	9,229,987	5,896,504	18,619,235	33,745,726	19,998,682	17,338,588	37,337,270
Less: - Accumulated depreciation as of January 1	-19,888,565	–	-13,901,983	-33,790,548	-19,888,565	-12,106,445	-31,995,010
- Depreciation expenses	-1,128,971	-521,309	-1,603,573	-3,253,853	–	-1,795,538	-1,795,538
Plus: - Disposal	19,888,565	–	–	19,888,565	–	–	–
Total accumulated depreciation	-1,128,971	-521,309	-15,505,556	-17,155,836	-19,888,565	-13,901,983	-33,790,548
Book value as of December 31	**8,101,016**	**5,375,195**	**3,113,679**	**16,589,890**	**110,117**	**3,436,605**	**3,546,722**

The issuance costs of the withdrawn Netherlands-Antillean banknotes were disposed in 2025. The issuance cost and, likewise, the disposal value of these fully depreciated assets amount to Cg 19,888,565. The book value of Cg 110,117 as of December 31, 2024, relates to investments associated with the Caribbean guilder banknotes, for which depreciation began on April 1, 2025.

The depreciation period for the Caribbean guilder is six years (compared to four years for the ANG banknotes). The six-year period is based on higher-quality substrate of the Caribbean guilder, which is expected to result in a longer lifespan than that of the ANG banknotes. The lifespan of the coins is also set to six years.

The depreciation rates used are as follows:

Issuance costs of XCG banknotes and coins	:	16.67%
Software	:	20%

No impairment has been considered necessary with respect to the intangible fixed assets (2024: idem).

3.4.8.2 TANGIBLE FIXED ASSETS

The movements in the tangible fixed assets can be specified as follows:

	Cost as of Jan. 1, 2025	Additions 2025	Cost as of Dec. 31, 2025	Accumulated depreciation as of Jan. 1, 2025	Depreciation 2025	Accumulated depreciation as of Dec. 31, 2025	Book value Dec. 31, 2025
Land and landscaping	5,992,100	–	5,992,100	1,923,894	–	1,923,894	4,068,206
Buildings and renovations	99,887,607	854,016	100,741,623	44,142,406	2,800,874	46,943,280	53,798,343
Building held for sale	2,000,000	–	2,000,000	–	–	–	2,000,000
Furniture	11,932,991	155,469	12,088,460	11,766,133	55,837	11,821,970	266,490
Office equipment	53,112,985	1,047,676	54,160,661	46,372,468	1,960,114	48,332,582	5,828,079
Computer equipment	18,077,775	1,301,127	19,378,902	15,526,861	1,262,251	16,789,112	2,589,790
Art	1,080,565	10,000	1,090,565	–	–	–	1,090,565
Car	122,597	–	122,597	56,419	13,243	69,662	52,935
	192,206,620	**3,368,288**	**195,574,908**	**119,788,181**	**6,092,319**	**125,880,500**	**69,694,408**

Included in the tangible fixed assets is also the former premise of the Bank in Bonaire, which has been out of use since January 1, 2011. This former premise is classified as 'Building held for sale' since there is an active plan to sell this premise. This premise is valued at the book value or the lower market value. The value of this building, considering the market value of Cg 2,416,500 as appraised in December 2024, has been maintained at the lower book value of Cg 2,000,000 (2024: idem).

The depreciation rates used are as follows:

Land	0%
Landscaping	5%
Buildings	2 à 4%
Building renovations	10%
Furniture	7 à 33%
Office equipment	5 à 50%
Computer equipment	5 à 50%
Art	0%
Car	20%

The tangible fixed assets are insured for a total amount of Cg 115.9 million as of December 31, 2025 (2024: Cg 115.8 million).
The items land and buildings include, among others:

- The office building in Scharloo, Curaçao, which is constructed mainly on proprietary land and partly on land acquired under a 40-year long-lease contract that lasts until 2038. The annual lease amount is Cg 6,840;
- The office building in Philipsburg, Sint Maarten, which is constructed on land acquired under a 60-year long-lease contract that lasts until 2043. The annual lease is Cg 1,177;
- The former office building in Kralendijk, Bonaire, with the land acquired under a 60-year long-lease contract that lasts until 2054. The annual lease amount is Cg 3,818.

3.4.8.3 INTEREST RECEIVABLE

	Remaining term in '26	Dec. 31, 2025	Remaining term in '25	Dec. 31, 2024
Interest receivable on non-residents financial assets	0-12 months	27,814,850	0-12 months	25,059,111
Interest receivable on residents financial assets	0-12 months	238,598	0-12 months	237,914
Total interest receivable		**28,053,448**		**25,297,025**

3.4.8.4 OTHER RECEIVABLES AND PREPAID EXPENSES

	Dec. 31, 2025	Dec. 31, 2024
License fee receivable	9,506,579	10,313,777
Accounts receivable and unbilled revenues	13,655,628	11,024,213
Stock	1,211,407	1,048,529
Cash at hand and at banks	9,875,973	12,061,611
Prepaid expenses and other receivables	4,006,488	12,481,055
Total other receivables and prepaid expenses	**38,256,075**	**46,929,185**

The other receivables and prepaid expenses are valued at their nominal value less a provision for doubtful accounts /obsolescence. As of December 31, 2025, the provision for doubtful accounts /obsolescence amounts to Cg 33.7 million (2024: Cg 40.3 million) and mainly relates to receivables from institutions under emergency measures included in 'Accounts receivable and unbilled revenues'.

License fee receivable
Pursuant to article 9 of the Bank Charter, the CBCS charges a fee to all foreign exchange banks. Foreign exchange banks are commercial banks that hold a foreign exchange license authorizing them to conduct foreign exchange transactions with foreign countries. The license fee generally amounts to 1% of the foreign exchange transactions conducted by the foreign exchange bank from residents to non-residents and is charged monthly in arrears by the CBCS. The method of calculation has been established by national decree since September 1, 2000 (O.G. 2000, no. 88), in which the percentage of 1% is maintained.

License fees collected are not part of the CBCS's income and are remitted to the respective Country (Curaçao or Sint Maarten) where the foreign exchange bank from which the license fee is collected is located.
This item's balance mainly relates to the license fee payable by the foreign exchange banks for the month of December 2025 (2024: December 2024), which was received in the month of January 2026 (2024: January 2025).

Accounts receivable and unbilled revenues
The balance of this account includes supervision income charged to the supervised institutions, receivables from institutions under emergency measures and other miscellaneous debtors.

3.4.9 Banknotes and coins in circulation

Pursuant to article 6, paragraph 1, of the Bank Charter, the CBCS is appointed as the bank of issue ("*circulatiebank*") and as such is entitled to issue banknotes and coins in the Countries to the exclusion of all others, while managing the circulation of money.
The currency of the monetary union of the Countries is the Caribbean guilder, which has been introduced as of March 31, 2025. In connection herewith has the Netherlands-Antillean guilder, the former currency of the Countries, been withdrawn on June 30, 2025. Therefore, as of July 1, 2025, the Netherlands-Antillean guilder is no longer a legal tender but could have been exchanged at commercial banks until March 31, 2026. As of April 1, 2026, can the Netherlands-Antillean guilder until March 31, 2055, only be exchanged at the CBCS. This latter is not applicable for banknotes, coins and coin notes which have been already withdrawn before March 31, 2025 (these could be / could have been exchanged in conformity with stipulated exchange period).
The currency code of the Caribbean guilder is "XCG", while the symbol is "Cg".

To guarantee the smooth transition to the Caribbean guilder the Common Monetary System Regulations for Curaçao and Sint Maarten (*Regeling Gemeenschappelijk Geldstelsel Curaçao en Sint Maarten*) includes the following provisions:

Article 17, paragraph 1:
- *From the time of issuance of the Caribbean guilder, all balances held with companies or institutions operating as credit institutions in the Countries, whether in the form of electronic money or otherwise, shall be denominated in Caribbean guilders at a one-to-one ratio with the Netherlands-Antillean guilder.*

Article 18, paragraph 1:
- *From the time of issuance of the Caribbean guilder, references to Netherlands-Antillean guilders included in existing legal instruments shall be deemed to be references to the Caribbean guilder, at a one-to-one ratio.*

Via a '*Regulation regarding the symbol of the Caribbean guilder*' the Countries have stipulated that the symbol "CMg' for the Caribbean guilder in existing regulations should be replaced by the symbol "Cg".

Pursuant to articles 19 and 20 of the *Common Monetary System Regulations for Curaçao and Sint Maarten* are coins and coin notes denominated in Netherlands-Antillean guilders not accounted for in the financial statements of the CBCS, but in the financial statements of the "Muntfonds" and the "Muntbiljettenfonds". *At the end of the period to submit coins and coin notes as referred to in article 16, paragraph 6, the share of the Countries in the balance of the "Muntfonds" and the "Muntbiljettenfonds", referred to in article 6, paragraphs 1 and 2, of the Monetary System Regulation of the Netherlands Antilles 1989 (Regeling Muntstelsel van de Nederlandse Antillen 1989) shall be added to the operating result of the Bank, after which the "Muntfonds" and the "Muntbiljettenfonds" shall be dissolved.*

The movement in the Caribbean guilder banknotes and coins in circulation and the withdrawn Netherlands-Antillean banknotes in circulation can be specified as follows:

	2025				2024
	XCG Notes	*XCG Coins*	*NAf notes*	*Total notes and coins*	*Total NAf notes*
Balance as of January 1	–	–	502,786,278	502,786,278	518,479,943
Plus: - New banknotes/coins put into circulation	590,079,960	13,844,825	6,100,000	610,024,785	105,265,000
- Recirculated fit banknotes/coins	89,932,020	1,035,930	184,192,215	275,160,165	301,874,033
	680,011,980	14,880,755	190,292,215	885,184,950	407,139,033
Less: - Withdrawn unfit banknotes / coins from circulation	-53,080	–	–	-53,080	–
- Used banknotes/coins temporarily withdrawn from circulation	-224,103,650	-1,627,451	-72,964,755	-298,695,856	-346,808,583
- ANG banknotes withdrawn from circulation	–	–	-550,054,595	-550,054,595	-76,024,115
	-224,156,730	-1,627,451	-623,019,350	-848,803,531	-422,832,698
Total banknotes and coins in circulation as of December 31	**455,855,250**	**13,253,304**	**70,059,143**	**539,167,697**	**502,786,278**

The composition of the Caribbean guilder banknotes and coins in circulation and the withdrawn Netherlands-Antillean guilder banknotes in circulation by denomination can be specified as follows:

	Dec. 31, 2025 Caribbean guilder banknotes and coins		Withdrawn Netherlands-Antillean guilder in circulation		Total in circulation	Dec. 31, 2024 Total in circulation	
	(in numbers)	*(in Cg)*	*(in numbers)*	*(in Cg)*	*(in Cg)*	*(in numbers)*	*(in NAf)*
Denomination:							
Cg 10	1,089,333.0	10,893,330	–	–	10,893,330	–	–
Cg 20	1,911,896.0	38,237,920	–	–	38,237,920	–	–
Cg 50	1,424,703.0	71,235,150	–	–	71,235,150	–	–
Cg 100	3,290,196.5	329,019,650	–	–	329,019,650	–	–
Cg 200	32,346.0	6,469,200	–	–	6,469,200	–	–
Total banknotes in circulation		**455,855,250**		**–**	**455,855,250**		**–**
Cg 0.01	4,906,455.0	49,064	–	–	49,064	–	–
Cg 0.05	3,041,455.0	152,073	–	–	152,073	–	–
Cg 0.10	5,375,955.0	537,595	–	–	537,595	–	–
Cg 0.25	5,785,455.0	1,446,364	–	–	1,446,364	–	–
Cg 0.50	371,955.0	185,978	–	–	185,978	–	–
Cg 1.00	4,564,955.0	4,564,955	–	–	4,564,955	–	–
Cg 5.00	1,263,455.0	6,317,275	–	–	6,317,275	–	–
Total coins XCG in circulation		**13,253,304**		**–**	**13,253,304**		**–**
NAf 5	–	–	344,223.0	1,721,115	1,721,115	345,810.0	1,729,050
NAf 10	–	–	1,230,069.0	12,300,690	12,300,690	2,231,869.0	22,318,690
NAf 25	–	–	476,623.5	11,915,588	11,915,588	1,939,642.5	48,491,063
NAf 50	–	–	202,301.0	10,115,050	10,115,050	1,462,668.5	73,133,425
NAf 100	–	–	332,032.0	33,203,200	33,203,200	3,563,410.5	356,341,050
NAf 250	–	–	3,214.0	803,500	803,500	3,092.0	773,000
Total banknotes ANG in circulation		**–**		**70,059,143**	**70,059,143**		**502,786,278**
Total banknotes and coins in circulation		**469,108,554**		**70,059,143**	**539,167,697**		**502,786,278**

The “Withdrawn Netherlands-Antillean Guilder Banknotes in Circulation” refers to the issued “Bird Series”.

The withdrawal of the Netherlands-Antillean banknotes in connection with the introduction of the Caribbean guilder relates to the banknotes with the years of issue 1998 – 2016.
Banknotes with year of issue 1986 – 1994 were withdrawn on July 31, 2018; these banknotes can be submitted to the Bank for exchange until July 31, 2048.
Banknotes with years of issue before 1986 were withdrawn in the past and the exchange period of these banknotes has already expired.

3.4.10 Liabilities to non-residents

The liabilities to non-residents represent the balances in current accounts of foreign banks and/or foreign (government) institutions. A few current accounts are interest-bearing accounts. These liabilities can be specified as follows:

3.4.10.1 CURRENT ACCOUNTS NON-RESIDENTS IN CARIBBEAN GUILDERS

	Dec. 31, 2025	Dec. 31, 2024
Current accounts government institutions Netherlands	436,811,526	298,290,885
Current accounts central banks	1,023,727	6,008,226
Current accounts banks	553,943	563,048
Current accounts other institutions	6,331	6,331
Total current accounts non-residents in Caribbean Guilders	**438,395,527**	**304,868,490**

3.4.10.2 CURRENT ACCOUNTS NON-RESIDENTS IN FOREIGN CURRENCIES

	Dec. 31, 2025		Dec. 31, 2024	
	(in fcy)	*(in Cg)*	*(in fcy)*	*(in Cg)*
Current accounts banks in US dollars	14,410,339	25,794,506	19,062,346	34,121,599
Current accounts banks in British pounds	25,966,189	62,578,515	23,172,982	52,139,209
Total current accounts non-residents in foreign currencies		**88,373,021**		**86,260,808**

3.4.11 Liabilities to residents

These current accounts include the balances of domestic banks, the governments of Curaçao and Sint Maarten, other (government) institutions in Curaçao and Sint Maarten, and the reserve requirement of domestic banks. A few current accounts are interest-bearing accounts. These liabilities can be specified as follows:

3.4.11.1 CURRENT ACCOUNTS RESIDENTS IN CARIBBEAN GUILDERS

	Dec. 31, 2025	Dec. 31, 2024
Required reserves and current accounts banks	2,097,700,776	2,009,954,356
Current accounts governments	199,737,819	195,135,593
Current accounts Muntfondsen	33,939,895	47,647,100
Current accounts government institutions and other institutions	61,339,062	88,130,863
Total current accounts residents in Caribbean Guilders	**2,392,717,552**	**2,340,867,912**

3.4.11.2 CURRENT ACCOUNTS RESIDENTS IN FOREIGN CURRENCIES

	Dec. 31, 2025		Dec. 31, 2024	
	(in fcy)	*(in Cg)*	*(in fcy)*	*(in Cg)*
Current accounts banks in US dollars	100,482,647	179,863,939	99,041,278	177,283,887
Current accounts governments in US dollars	826,584	1,479,586	2,511,978	4,496,440
Current accounts government institutions and other institutions in US dollars	11,927,135	21,349,572	53,570,592	95,891,359
Current accounts governments in Euros	6,818,631	14,330,034	16,058,604	29,938,056
Total current accounts residents in foreign currencies		**217,023,131**		**307,609,742**

3.4.11.3 TIME DEPOSITS IN CARIBBEAN GUILDERS

These interest-bearing deposits include the balances in short-term time deposits and certificates of deposit (CDs) issued by the Bank to local commercial banks.

There are no time deposits outstanding as of December 31, 2025 (2024: idem) and the CDs outstanding as of December 31, 2025, can be specified as follows:

	Dec. 31, 2025	Dec. 31, 2024
Certificates of deposit in Caribbean Guilders	521,000,000	277,500,000
Total deposits residents in Caribbean Guilders	**521,000,000**	**277,500,000**

The average interest rate of the CDs in 2025 was 4.24% (2024: 5.18%). The remaining term of the CDs is less than 7 months (2024: less than 1 month).

3.4.11.4 TIME DEPOSITS IN FOREIGN CURRENCIES

These interest-bearing deposits include the balances in short-term time deposits and certificates of deposit (CDs) in foreign currencies issued by the Bank to local commercial banks.

There are no time deposits in foreign currencies outstanding as of December 31, 2025 (2024 idem). As per December 31, 2025, there were only CDs in foreign currencies outstanding. The CDs in foreign currencies outstanding can be specified as follows:

	Dec. 31, 2025		Dec. 31, 2024	
	(in USD)	*(in Cg)*	*(in USD)*	*(in Cg)*
Certificates of deposit in US dollars	10,000,000	17,900,000	–	–
Total deposits residents in foreign currencies		**17,900,000**		**–**

The average interest rate of the CDs in foreign currencies in 2025 was 4.17% (2024: 5.37%). The remaining term of the CDs in foreign currencies is less than 2 months (2024: not applicable).

3.4.12 Other liabilities

3.4.12.1 FUNDS IN CONSIGNMENT

This item refers to the non-interest-bearing liabilities for money received in custody by the Bank at balance sheet date under the *Ordinance on Money held in Consignation* (*Consignatieverordening*, O.G. 1886, no. 22).

3.4.12.2 OTHER LIABILITIES AND ACCRUED EXPENSES

	Dec. 31, 2025	Dec. 31, 2024
License fee payable	7,961,169	9,774,704
Wage tax and social premiums payable	1,502,847	1,288,372
Interest payable	2,021,956	210,225
Creditors, other liabilities and accrued expenses	10,062,250	11,529,222
Total other liabilities and accrued expenses	**21,548,222**	**22,802,523**

License fee payable
Refers to the license fee collected to be paid (see notes to the balance sheet item 'License fee receivable' included in paragraph 3.4.8.4).

Interest payable

See notes to the balance sheet items 'Time deposits in Caribbean Guilders' and 'Time deposits in foreign currencies' included in paragraphs 3.4.11.3 and 3.4.11.4 for the average interest rates regarding the CDs. The average interest rate on the current account balances as of December 31, 2025, was 2.97% (2024: 3.77%).

3.4.13 Provisions

	Dec. 31, 2025	Dec. 31, 2024
Early retirement provision	743,000	1,110,000
Cost-of-living allowance provision	18,181,000	18,164,297
Provision for 'AOV/BVZ' compensation	4,000	44,000
Provision for medical expense premiums SZGBNA	1,012,210	1,160,000
Service anniversary provision	3,245,933	3,101,332
Total provisions	**23,186,143**	**23,579,629**

3.4.13.1 EARLY RETIREMENT PROVISION

Until December 31, 2014, the early retirement provision was based on the scaled-down early retirement scheme that came into effect on January 1, 2000 (O.G. 1999, no. 148), under which employees born after December 31, 1948, could no longer claim early retirement. However, based on an interpretation of a court ruling, the stated date of birth was not considered - up to and including 2014 when determining which employees were eligible for the early retirement scheme. At the end of 2015, the government decided to apply article X, paragraph 1, section b, of the *Landsverordening Verhoging Leeftijdsgrens 1996* (as amended by the National Ordinance O.G. 1999 no. 148) as of January 1, 2016, which article relates to the reference date of birth. This implies that, as of January 1, 2016, the early retirement benefit could no longer be granted, whereby employees who were already receiving early retirement benefits as of January 1, 2016, remain entitled to those benefits until they reach the age of 60 years. The Bank has decided to implement an alternative early retirement scheme for employees who had reached the age of 55 years or older as of December 31, 2015, or who, while younger than 55 years, had accumulated 30 or more years of pensionable service as of December 31, 2015.

The movements in the early retirement provision can be specified as follows:

	2025		2024	
Balance as of January 1		1,110,000		1,390,000
Less: - Withdrawals	-40,045		-275,929	
- Release	-326,955		-4,071	
		-367,000		-280,000
Balance as of December 31		**743,000**		**1,110,000**

The movements in the provision are based on actuarial calculations and developments relating to employees who are eligible for early retirement (including the extent to which these employees make use of the program).

3.4.13.2 COST-OF-LIVING ALLOWANCE PROVISION

Up to and including 2014, pensions were increased by a cost-of-living allowance in accordance with the pension scheme, so that a participant's total pension income (pension plus the cost-of-living allowance) at 30 years of service would equal 70% of the average remuneration based on the salary earned by the participant during his/her two penultimate years of employment prior to retirement, or the salary that would have applied to the participant during this period. The cost-of-living allowance provided a welfare adjustment of the pension, implying that the pension was being adjusted in line with the general change in the salary from which the pension was derived.

As far as APC pensions are concerned, the cost-of-living allowance scheme was repealed as of January 1, 2016, by O.G. 2015 no. 78, while guaranteeing the cost-of-living allowance already accrued as of December 31, 2015. There will be no further increases in the accrued cost-of-living allowance of APC pensions unless there is an APC pension increase. In the event of an APC-pension increase, the accrued cost-of-living allowance will be increased by the same percentage by which the pensions are increased.
APC and Guardian Group Fatum manage the payment of the cost-of-living allowance to pensioners. These costs are charged to CBCS by APC. The Guardian Group Fatum cost-of-living allowance is fully insured with Guardian Group. No provision by the Bank is required for this group.

The provision relating to the Bank's cost-of-living allowance liabilities in respect of the relevant APC pensions has been actuarially calculated. A breakdown of the corresponding movements is shown below:

	2025		2024	
Balance as of January 1		18,164,297		18,536,000
Plus: - Addition	1,029,775		583,302	
		1,029,775		583,302
Less: Withdrawals	-1,013,072		-955,005	
		-1,013,072		-955,005
Balance as of December 31		**18,181,000**		**18,164,297**

The movements in the provision are based on developments related to employees, remuneration and the charges of APC.

3.4.13.3 PROVISION FOR 'AOV/BVZ' COMPENSATION

As of January 1, 2016, APC's pension scheme was amended in accordance with Articles IV and V of the National Ordinance of December 28, 2015, amending the Civil Servants' Pension Ordinance, the National Ordinance on the Age Limit for Civil Servants, and repealing the 1943 Pensioners' Duration Allowance Scheme (PB 2015 No. 78).
A transitional arrangement has been established for certain groups of participants. This compensation scheme is characterized in broad terms as follows:

- Group 1: A former or active participant who was 55 years of age or older on December 31, 2015, has the option to retire early starting at age 60. The AOV/AWW premium amounting to a total of 16% of total pension income up to a maximum of Cg 100,000 and 1% of income above this maximum—will be compensated for the period up to a maximum age of 65. The same compensation applies to a former or active participant who was younger than 55 on December 31, 2015, but had accrued more than 30 years of pension service.
- Group 2: For a former or active participant who turned 60 in 2016, the retirement age remains 60. The compensation consists of the AOV/AWW premium as well as the BVZ premium difference (7.1% of total income up to a maximum of Cg 150,000). Those who do not have a duration allowance as part of their pension income also received an AOV-replacement benefit until age 65.
- Group 3: For those receiving a VUT benefit, the retirement age remains 60. The compensation consists of the BVZ premium difference (7.1%) from retirement age until reaching age 65.

A specification of the movements in the provision for 'AOV/BVZ' compensation is shown below:

	2025		2024	
Balance as of January 1		44,000		100,000
Less: - Withdrawals	-37,260		-33,554	
- Release	-2,740		-22,446	
		-40,000		-56,000
Balance as of December 31		**4,000**		**44,000**

3.4.13.4 PROVISION FOR MEDICAL EXPENSE PREMIUMS SZGBNA

The provision for healthcare costs for BNA pensioners is based on commitments made by the CBCS regarding the payment of health insurance premiums for a specific group of employees (and their partners) after retirement, or for their relatives in the event of the employee's death. Until July 2011, the relevant pensioners were grouped in a foundation under the name of SZGBNA, which was mainly financed by participant contributions, CBCS contributions and investment income, for the purpose of the premium payments for the pensioners (and their partners). Based on the development of the participant contributions and the options for obtaining or maintaining health insurance coverage in other ways upon retirement, the active participants decided to withdraw from the plan. Partly because of this but also in view of the evaluation of the costs associated with the fund (operational costs and target financing) and other efforts that would be required to continue operating the foundation, SZGBNA was dissolved and the Investment Agreement and Financing Agreement between SZGBNA and the Bank, governing the Bank's contributions and the investment of SZGBNA's funds, also ended.

Active participants have been refunded their participant contributions by SZGBNA. For those already retired, it was agreed that the Bank would continue to cover the difference between the premium due for the relevant pensioners (5) and the participant contributions, and that the participant contributions would be gradually increased until reaching the level of the premium rate applicable to BVZ pensioners. The pensioners concerned have been removed from the SZGBNA group health insurance policy that expired on January 1, 2012, and included under a CBCS group health insurance policy.

The movements in the provision for medical expense premiums SZGBNA can be specified as follows:

	2025		2024	
Balance as of January 1		1,160,000		1,293,000
Less: - Withdrawals	-40,171		-87,671	
- Release	-12,829		-45,329	
- 2026 premium paid in 2025	-94,790		–	
		-147,790		-133,000
Balance as of December 31		**1,012,210**		**1,160,000**

3.4.13.5 SERVICE ANNIVERSARY PROVISION

The service anniversary provision is based on the current service anniversary scheme, under which the employee receives a service anniversary bonus for the first time after 10 years of service, for the second time after 20 years of service and every 5 years of service thereafter. The employee is also granted an additional leave day on his 10th, 15th, 20th and 25th service anniversaries, and two additional leave days on his 30th, 35th and 40th service anniversaries.

The movements in the service anniversary provision can be specified as follows:

	2025		2024	
Balance as of January 1		3,101,332		3,159,395
Plus: Additions	395,303		279,725	
		395,303		279,725
Less: Withdrawals	-250,702		-337,788	
		-250,702		-337,788
Balance as of December 31		**3,245,933**		**3,101,332**

3.4.14 Capital and Reserves

With respect to the capital and reserves of the CBCS and the share of the Countries of Curaçao and Sint Maarten therein, article 33 of the Bank Charter states, among others, that:

- *The share of each Country in the capital and reserves is determined based on an apportionment ratio ("verdeelsleutel").*
- *The apportionment ratio for each Country is determined by half of the Country's share in the total Gross Domestic Product of both Countries and by half of the Country's share in the total population of both Countries, according to the situation at the end of the year preceding that in which the apportionment ratio is determined, as published by the Central Bureau of Statistics of each Country. If this information is not available, the situation of the most recent year for which the figures are available will be used. Percentages are rounded to two decimal places.*
- *At the time of the inception of the Bank, each Country's relative share in the capital and reserves shall be determined by applying the apportionment ratio referred to in paragraph 2, as in effect in the inception year, to the startup capital and reserves referred to in article 46.*
- *Subsequently, the relative share of each Country in the Bank's capital and reserves shall be determined once every five years on January 1.*
- *The share of each Country shall be calculated as the sum of two components divided by the total amount of capital and reserves at that time. The first component shall be equal to the absolute share, expressed in Caribbean guilders, of that Country in the amount of the capital and reserves as determined at the time of the last share determination. The second component shall also be expressed in Caribbean guilders and shall be calculated by applying the new apportionment ratio to the increase in capital and reserves relative to the amount of capital and reserves as determined at the time of the last share determination.*
- *Proposals for any adjustments of the apportionment ratio referred to in paragraph 4 shall be arranged by the Board of Supervisory Directors. For this purpose, the Board shall have the external expert referred to in article 38, paragraph 1, calculate the adjusted apportionment ratio, any change in capital and reserves, and any share transfers, doing so at the same time as the review of the financial statements and of the annual financial report.*
- *The adjusted apportionment ratio, any change in capital and reserves, and any share transfers shall be adopted by the Meeting of the Entitled Asset Holders within two months of receipt of the Board of Supervisory Directors' proposal. If the Meeting of the Entitled Asset Holders does not adopt the proposal within the said period, the Board of Supervisory Directors' proposal shall be deemed to have been adopted by the Meeting of the Entitled Asset Holders.*

Regarding the Bank's start-up capital and reserves, article 46 of the Bank Charter provides as follows:

- *The Countries shall transfer their share in the capital and reserves of the Bank van de Nederlandse Antillen to the Bank as of October 10, 2010, in accordance with the apportionment ratio referred to in article 33, paragraph 3, in the form of all assets and liabilities of the Bank van de Nederlandse Antillen existing on said date, expressed at their current value. The balance of assets and liabilities so transferred shall constitute the Bank's start-up capital and reserves.*

Based on the foregoing and on the most recent Gross Domestic Product figures and population figures of the Countries as of the end of 2020, published by the Central Bureau of Statistics of Curaçao and that of Sint Maarten, the apportionment ratio from January 1, 2021, through December 31, 2025, is as follows:

- Curaçao: 77.78% (January 1, 2016 - December 31, 2020: 79.04%);
- Sint Maarten: 22.22% (January 1, 2016 - December 31, 2020: 20.96%).

Based on the above and on the provisions in the adopted Accounting Principles for Financial Reporting of the *Centrale Bank van Curaçao en Sint Maarten* (Besluit 'Grondslagen voor de financiële verslaggeving van de Centrale Bank van Curaçao en Sint Maarten'), the Bank's capital and reserves at balance sheet date can be specified as follows:

3.4.14.1 CAPITAL

In accordance with article 34 of the Bank Charter, the capital amounts to Cg 30,000,000.

3.4.14.2 RESERVE FUND

This fund is a statutory reserve with a required balance of Cg 30,000,000. Pursuant to article 34 of the Bank Charter, this reserve is intended to cover losses on the capital of the CBCS. In accordance with article 34, paragraph 3 of the Bank Charter, whenever the reserve fund drops below the required Cg 30,000,000 and cannot be replenished from the other reserves, the Countries shall make deposits into the fund to replenish it, in accordance with the apportionment ratio applicable at that time.

3.4.14.3 APPROPRIATED RESERVES

The appropriated reserves relate to:

A. Unrealized gains/losses from market value changes and foreign exchange results on the balance sheet items that comprise the foreign exchange reserves (gold, foreign receivables, and investments).
   The unrealized gains/losses from market value changes and foreign exchange results are credited/charged to the profit and loss statement when they originate. Pursuant to article 35, paragraph 2, and article 40 of the Bank Charter, the unrealized results are subsequently credited/charged to the result before profit distribution and allocated to the respective appropriated reserves. If the balance of the respective appropriated reserves becomes negative, i.e., if the unrealized losses exceed the unrealized gains reserved in the past, the negative balance will be charged to the profit and loss statement.
   The appropriated reserves resulting from the abovementioned are accounted for separately for gold, investment portfolios, and foreign exchange results.

B. The realized capital gain with respect to the sale of part of gold in 2023 and 2024, which capital gain the Entitled Asset Holders have approved for the CBCS to allocate it to an appropriated reserve, 'Capital preservation reserve', to improve and preserve the capital structure of the CBCS and therefore its resilience for eventual financial setbacks. Pursuant to article 35, paragraph 1, and article 40 of the Bank Charter, this capital gain is charged to the result before profit distribution and allocated to the respective appropriated reserve. Charges to this appropriated reserve will be related to eventual negative results of the CBCS and are based on proposition from the Board of Executive Directors after hearing the advice of the Board of Supervisory Directors.

The movement in the appropriated reserves can be specified as follows:

Appropriated reserves 2025	Gold	Investments	Foreign currency	Capital preservation reserve	Total
Balance as of January 1, 2025	1,206,117,737	34,715,933	1,460,567	382,090,076	1,624,384,313
Mutation unrealized results 2025	897,353,568	14,309,444	448,130	–	912,111,142
Appropriated reserves as of December 31, 2025	**2,103,471,305**	**49,025,377**	**1,908,697**	**382,090,076**	**2,536,495,455**

Appropriated reserves 2024	Gold	Investments	Foreign currency	Capital preservation reserve	Total
Balance as of January 1, 2024	1,288,281,260	27,842,091	736,787	15,628,400	1,332,488,538
Realized capital gain on gold	-366,461,676	–	–	–	-366,461,676
Addition realized capital gain on gold to capital preservation reserve	–	–	–	366,461,676	366,461,676
Mutation unrealized results 2024	284,298,153	6,873,842	723,780	–	291,895,775
Appropriated reserves as of December 31, 2024	**1,206,117,737**	**34,715,933**	**1,460,567**	**382,090,076**	**1,624,384,313**

3.4.14.4 RETAINED EARNINGS

The retained earnings represent the accumulated earnings of the Bank less profit distributions paid to the governments of Curaçao and Sint Maarten and yearly contributions by the governments of Curaçao and Sint Maarten through profit distribution of the Bank to the Stichting Ennia Resolutiefonds as approved by the Entitled Asset Holders and in accordance with the Outline Agreement with respect to the resolution of ENNIA (see paragraph 3.4.7.3). The retained earnings as of December 31, 2025, relate to the balance of the retained net result for the financial year 2025. The retained earnings as of December 31, 2024, relate to the balance of the retained net result for the financial year 2019, less the losses for the financial years 2020 and 2021 increased by the profits for the financial years 2022, 2023 and 2024. See also the statement of changes in capital and reserves for the movement of this balance sheet item and the explanatory note "Adoption of the annual report for the financial year 2024 and appropriation of results" included in paragraph 4.1).

3.4.15 Off-balance sheet rights, liabilities, and regulations

Liabilities from withdrawn banknotes

Banknotes with the years of issue 1986 - 1994 and 1998 - 2016 were withdrawn by the CBCS on July 31, 2018, and the Netherlands Antilles guilders on June 30, 2025, respectively. As stated in paragraph 3.4.3, the right to exchange withdrawn banknotes series expires thirty years after the date of publication of their withdrawal notice. The right to exchange these banknotes therefore expires on July 31, 2048 and March 31, 2055 respectively (the expire date of the banknotes with issue years 1998 - 2016 relate to the introduction of the Caribbean guilder as of March 31, 2025, which date in accordance with article 16, paragraph 6, of the *Common Monetary System Regulations for Curaçao and Sint Maarten* is determined for the starting of thirty years expiry period of the at that date withdrawn banknotes).

The number of withdrawn banknotes that will be exchanged after the 10-year period cannot be determined (with certainty). Banknotes exchanged after this 10-year period yet within the said 30-year period, are therefore charged to the Bank's profit and loss statement under the profit and loss statement item "Emerging Banknotes".

3.4.16 Income

3.4.16.1 INTEREST INCOME

	2025	2024
Foreign receivables and investments; short-term investments:		
Time deposits & other money market instruments	5,354,626	10,691,895
Current accounts	4,423,716	7,729,601
	9,778,342	18,421,496
Foreign receivables and investments; long-term investments:		
Investment portfolios managed externally	24,164,124	23,167,401
Investment portfolios managed internally - at amortized cost	24,819,813	26,037,257
Investment portfolios managed internally - at market value	53,364,859	38,550,495
	102,348,796	87,755,153
Bonds/loans governments and semi-government institutions:	10,988,143	11,821,217
Other interest income:		
Other bonds and loans	1,526,151	786,728
Current accounts	681	134
	1,526,832	786,862
Total interest income	**124,642,113**	**118,784,728**

In 2025, the global rate-cutting cycle continued, although at a slower pace. While policy rates moved gradually lower, they remained high by historical standards, reflecting persistent inflation pressures and slower progress toward central banks' targets. The normalization toward neutral policy settings also remained gradual, as policymakers balanced the risk of slowing economic momentum with inflation that remained above target - particularly in the U.S. A lower average portfolio in the short-term investments field, combined with lower short-term market rates, explains the decrease in income observed in this category. However, this decline was more than offset by an increase in the average capital managed in the long-term investments field, which supported stronger income generation. Overall, high interest rates by historical standards, together with a larger share of investments managed on a mark-to-market basis, contributed to a 5% increase in interest income in 2025.

As policy rates move closer to neutral levels and the rate-cutting cycle matures, the tailwind from historically high rates is diminishing, suggesting that interest income growth may be approaching a cyclical peak.

3.4.16.2 INTEREST EXPENSES

	2025	2024
Certificates of deposits	19,345,673	14,203,008
Current accounts	15,050,991	1,284,235
Total interest expenses	**34,396,664**	**15,487,243**

In 2022, the Bank implemented monetary policy measures to help mitigate net foreign exchange reserve outflows. This involved deploying monetary policy instruments, such as Certificates of Deposit (CDs), along with corresponding interest payments aligned with international market rates. Throughout 2025, this policy remained in place. Interest expense on CDs increased due to higher demand for CDs in 2025, notwithstanding lower interest rates.

Under interest expenses on current accounts, an amount of Cg 14.1 million has been recognized that relates to an interest payable on a current account. The CBCS is in the process of renegotiating the contract of this current account as per 2026.

3.4.16.3 NET UNREALIZED GAIN/ LOSS FROM MARKET VALUE CHANGES OF GOLD, INVESTMENTS, AND FOREIGN EXCHANGE RESULT

	2025	2024
Net unrealized gain from market value changes of gold	897,353,568	284,298,153
Net unrealized gain from market value changes of investments	14,009,206	5,890,332
Total net unrealized gain from market value changes of gold/ investments	**911,362,774**	**290,188,485**
Net unrealized foreign exchange result	-786,872	723,780
Total net unrealized gain from market value changes of gold/ investments and exchange result	**910,575,902**	**290,912,265**
Accounted for through the appropriated reserves		
Net unrealized gain from market value changes of gold	897,353,568	284,298,153
Net unrealized gain from market value changes of investments	14,309,444	6,873,842
Net unrealized foreign exchange result	448,130	723,780
Total mutation net unrealized gain from market value changes and unrealized foreign exchange result accounted for through the appropriated reserves	**912,111,142**	**291,895,775**
Charged to the profit and loss account		
Net unrealized loss from market value changes of investments	-300,238	-983,510
Net unrealized foreign exchange result	-1,235,002	–
Total mutation net unrealized loss from market value changes and unrealized foreign exchange result charged to the profit and loss account	**-1,535,240**	**-983,510**

Unrealized gains/losses from market value changes regarding gold, the investment portfolios managed internally and that are classified as Mark-to-Market, and the investment portfolios managed externally and the unrealized gains or losses from foreign exchange results are credited/charged to the profit and loss statement. Pursuant to article 35, paragraph 2, and article 40 of the Bank Charter, the unrealized results are subsequently credited/charged to the result before profit distribution and allocated to the respective appropriated reserve (as part of capital and reserves), which is accounted for separately for gold, per each investment portfolio and per each foreign currency. If the balance of the respective appropriated reserve becomes negative, the negative balance of the respective appropriated reserve will be charged to the profit and loss statement.

Based on the aforementioned and the specification of the unrealized gains/losses included above is from the total positive unrealized result in 2025 of Cg 910,575,902 (2024: Cg 290,912,265), an amount of Cg 912,111,142 (2024: Cg 291,895,775) accounted for through the appropriated reserves, while an amount of Cg 1,535,240 (2024: Cg 983,510) is charged to the profit and loss statement.

3.4.16.4 REALIZED FOREIGN EXCHANGE RESULT

These earnings result from the margin between the buying and selling rates applied by the Bank when trading in foreign currencies and from the differences in exchange rates arising from conversions.

3.4.16.5 SUPERVISION INCOME

	2025	2024
Supervision Credit Institutions	5,086,277	5,034,587
Supervision Institutional Investors	2,341,825	1,327,556
Supervision Trust, Investment Institutions, Administrators, Securities intermediaries, Asset management & Securities exchange companies	544,650	543,236
Total supervision income	**7,972,752**	**6,905,379**

With respect to the supervision charges, the CBCS will continue to seek solutions with the respective representative organizations of the financial sector, based on which the relevant draft national decrees can be finalized and enacted by the respective Countries. An agreement on the supervision charges, enabling the CBCS to charge the respective financial institutions (almost) all the supervision costs incurred by the CBCS, is important to maintain the quality of the supervision and the standard of the financial sector of the Countries. Since this is also in the interest of the financial institutions, the CBCS trusts that together with the representative organizations of the financial sector an agreement will be reached in 2026.

The increase in supervision income from institutional investors is primarily due to corrections made in 2024 regarding the over-accrual of supervision income from life and non-life insurance companies for the years 2022 – 2024, resulting from the 2024 calculations of the supervision fees chargeable to these sectors.

3.4.16.6 MISCELLANEOUS INCOME

	2025	2024
Revenue Payment systems	2,928,021	2,762,436
Foreign exchange license fee	67,750	101,750
Banknotes processing fee	174,338	137,152
Administrative fee Stichting Spaar- en Kredietfonds OPAL	225,000	225,000
Rental income bank premises Sint Maarten	224,280	224,280
Other revenues	135,471	164,622
Total miscellaneous income	**3,754,860**	**3,615,240**

3.4.17 Expenses

3.4.17.1 PERSONNEL EXPENSES

	2025	2024
Salary	38,977,131	36,734,187
Social premiums	6,313,595	5,860,417
Pension	4,141,728	4,989,796
Release early retirement provision	-326,955	-4,071
Addition cost-of-living allowance provision	1,029,775	583,302
Release provision 'AOV/BVZ' compensation	-2,740	-22,446
Release provision medical expense premiums SZGBNA	-12,829	-45,329
Addition service anniversary provision	395,303	279,725
Recruitment	287,099	208,166
Training	2,009,146	1,587,618
Other personnel expenses	596,651	499,137
Total personnel expenses	**53,407,904**	**50,670,502**

As of December 31, 2025, the Bank had 220 employees (December 31, 2024: 211).

The increase in the personnel expenses is due to annual salary adjustments for inflation and performance-based increases, as well as the hiring of new personnel.

The employees' pension entitlements are determined in accordance with the National Ordinance on Pensions for Public Servants (O.G. 1997, no. 312) and are administered partly by the APC and partly by Guardian Group Fatum.

All employees who meet the requirements set forth in the said National Ordinance on Pensions are required to participate in the pension scheme. Until December 31, 2015, the pension scheme for employees insured with APC or Guardian Group Fatum was based on the final salary arrangement. As of January 1, 2016, the pension scheme has been based on the average salary arrangement for employees insured with APC, and on the final salary arrangement for employees insured with Guardian Group Fatum. The Bank's contribution for employees insured at APC is 12% of the contribution base (2024: idem), while the contribution for employees insured at Guardian Group Fatum is determined on an actuarial basis. At APC, the employee contribution is 6% of the contribution base, while at Guardian Group Fatum it is 8% of the contribution base for married employees, and 5% for unmarried employees (2024: idem).

Pursuant to the Royal Decree of April 27, 1936, establishing APC (O.G. 1936, no. 66), as amended, any deficit at APC is apportioned among the various participants, including the CBCS, in proportion to the total pension basis.

The back-service obligation of employees insured with Guardian Group Fatum is not fully insured. However, given the number of employees insured with Guardian Group Fatum and the expected employee turnover and changes in the data regarding these employees, the risk of this back-service obligation not being insured is not considered material and has been treated as a defined contribution in the financial statements.

The Countries of Curaçao and Sint Maarten introduced a National Ordinance on the Standardization of Top Incomes at Government-Affiliated Entities ('Landsverordening normering topinkomens Curaçao'), in 2022 (Curaçao: O.G. 2022 no. 133 / Sint Maarten AB 2022 no. 64), that requires the Government-Affiliated Entities to disclose the remuneration of the top officials. CBCS has informed the Ministers of Finance of both Countries that, while it is not opposed to such standardization, a special procedure would need to be followed for such standardization as far as the CBCS is concerned. This special procedure must be followed for regulations that deviate from the Central Bank Charter for Curaçao and Sint Maarten. The standardization of top incomes ignores the authority structure of the CBCS as laid down in the Bank Charter. A special procedure is necessary because the CBCS is a common central bank for the countries of Curaçao and Sint Maarten.

The necessary renumeration information to be disclosed and the possibility of exemption hereof will be determined by Ministerial Decrees, which have not been published yet.
Nonetheless, the CBCS has included in the following table the total remuneration for its Board of Executive Directors and management team; (2025: 20 persons, including replacement of one employee, 2024: 21 persons, including replacement of three employees), as well as the total remuneration for its Supervisory Board (2025: 5 persons, 2024: idem). The total amount mentioned for the Board of Executive Directors, management team and Supervisory Board includes vacation bonus, performance bonus and other secondary employment conditions and is broken down into (i) Current total remuneration and taxable allowances and (ii) future payable remuneration (pension costs). The total remuneration for the Supervisory Board is a flat monthly fee.

	Current remuneration and taxable allowances	Future payable remuneration	Total amount
		2025	
Board of Executive Directors and management team	5,581,341	535,866	6,117,207
Supervisory board	186,000	Not applicable	186,000
		2024	
Board of Executive Directors and management team	5,926,736	572,770	6,499,506
Supervisory board	186,000	Not applicable	186,000

3.4.17.2 GENERAL AND ADMINISTRATIVE EXPENSES

	2025	2024
Housing expenses	3,928,889	3,905,053
Telecommunication and automation costs	6,807,711	5,692,289
Professional expenses	2,120,924	4,516,221
Travel, accommodation and representation expenses	1,227,149	1,094,451
Donations and sponsorships	248,775	161,189
Subscriptions, communication and memberships	789,397	679,016
Car lease expenses	99,731	89,355
Other expenses	2,730,644	1,256,545
Total general and administrative expenses	**17,953,220**	**17,394,119**

The increase in general and administrative expenses is mainly related to the following:

- An increase in 'Telecommunication and automation costs', driven by higher internet expenses due to a bandwidth upgrade in Curaçao and Sint Maarten because of increased usage, as well as higher license fees for software applications and increased IT security expenses.
- An increase in 'Other expenses', due to, among other factors, an increase in conferences organized by the Bank and higher consultancy expenses.
- Partial offsetting of the increase based on the abovementioned factors due to a decrease in 'Professional expenses' because of lower incurred costs for hiring external parties for the supervision of so-called problem institutions.

3.4.17.3 (RELEASE)/ PROVISION FOR/WRITE OFF DOUBTFUL ACCOUNTS

The provision for doubtful accounts relates to outstanding receivables. In 2025, there was a release of Cg 2.9 million in the provision for doubtful accounts and debts due to payments received in 2025 for receivables - related to supervision fees charged to an institution under emergency measures and (silent trustee) costs charged to a financial institution - previously provided for.

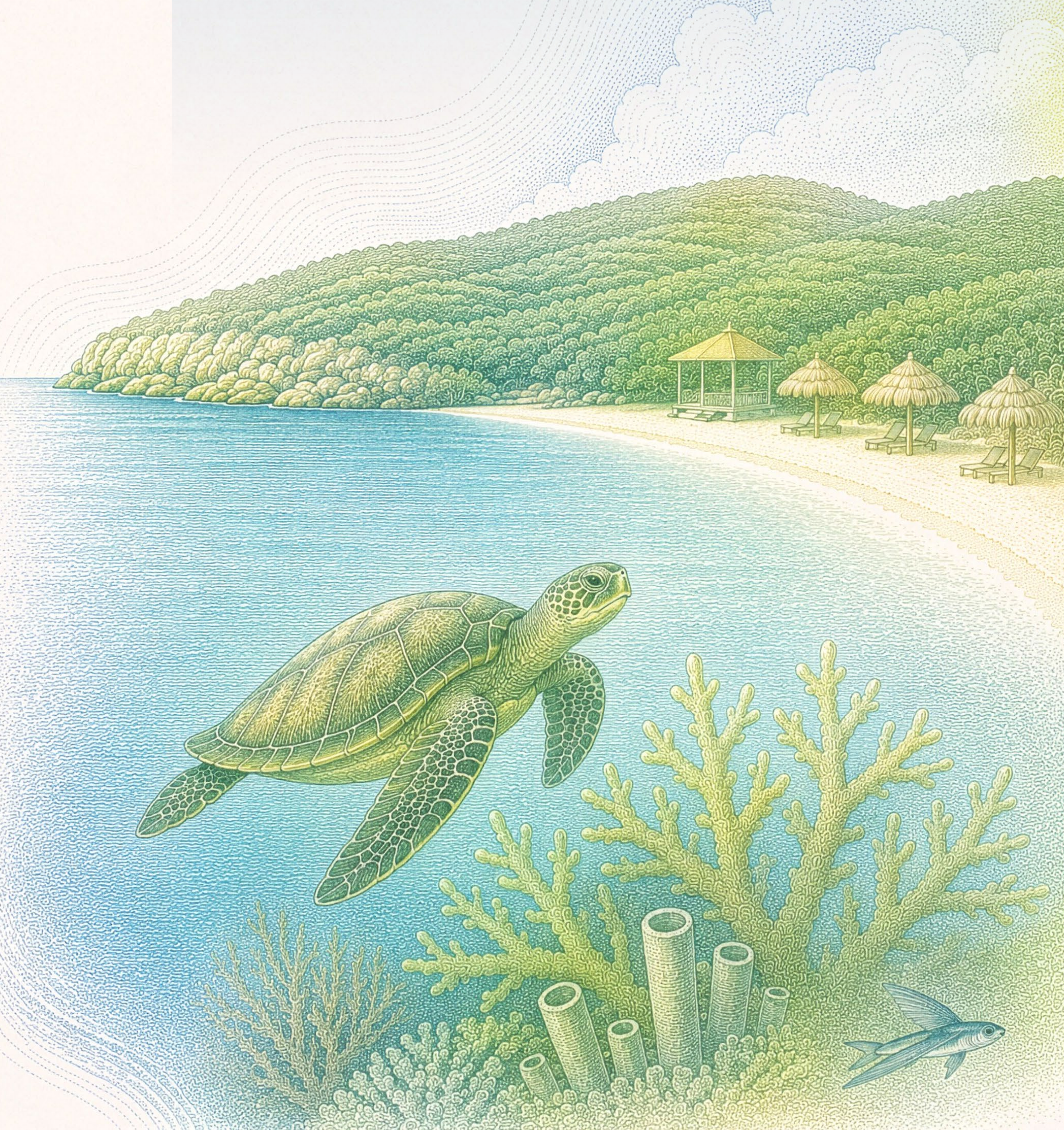
3.4.18 Other disclosures

Subsequent events

There are no subsequent events that have a material impact on the financial position of the Bank as of December 31, 2025.

FUTURE

Focused on resilience.
Ready for what comes next.
Together.



4 OTHER INFORMATION

4.1 PROFIT APPROPRIATION AND OTHER INFORMATION

Statutory rules on profit appropriation
The following are the relevant provisions of the Bank Charter on profit appropriation:

Article 34:
2. *The Bank shall create a reserve fund up to an amount of Cg 30,000,000.00 (thirty million Caribbean guilders), intended for the coverage of any losses on the capital of the Bank.*
3. *The moment the reserve fund drops below the required Cg 30,000,000.00 (thirty million Caribbean guilders) and cannot be supplemented from the other reserves, the fund must be replenished by a deposit from the Countries, in conformity with the formula of apportionment applicable at that moment.*

Article 35:
1. *The Bank shall have the authority, upon approval by the meeting of the Entitled Asset holders and after hearing the advice of the Board of Supervisory Directors, to create appropriated reserves.*
2. *The Bank shall in any case create appropriated reserves for the foreign exchange falling under the scope of its immediate management.*

Article 40:
- *The annual profits made by the Bank shall be paid into the cash fund(s) of the Countries in conformity with the formula of apportionment mentioned in article 33 paragraph 3 of these Regulations, after allocation to or replenishment of the reserve fund mentioned in article 34, paragraph 2, and after any reservations as referred to in article 35.*

Adoption of the annual report for the financial year 2024 and appropriation of results
The Annual Report for the financial year 2024 was adopted by means of resolutions by the Entitled Asset Holders on July 3, 2025, by the government of Curaçao and on July 9, 2025, by the government of Sint Maarten.
Based on the Annual Report for the financial year 2024 as adopted by the Entitled Asset Holders, the Outline Agreement with respect to the resolution of ENNIA (see paragraph 3.4.7.3) and article 40 of the Bank Charter, the apportionment ratio applicable up to and including 2025 (see paragraph 3.4.14) and agreement with the Countries regarding additional voluntary contributions to the Ennia Resolution Fund Ennia, the Bank made a profit distribution in 2025 related to the years 2019–2024, totaling Cg 48,150,144, which amount can be specified as follows:

	Cg
- Contribution of the Bank to the Ennia Resolution Fund based on its profit distribution initially designated for Curaçao	14,026,500
- Contribution of the Bank to the Ennia Resolution Fund based on its profit distribution initially designated for Sint Maarten	973,500
- Contribution of the Bank to the Ennia Resolution Fund based on its profit distribution initially designated for the Countries	15,000,000
- Voluntary contribution of the government of Curaçao to Ennia Resolution Fund through profit distribution of the Bank	23,200,000
Total contribution to Ennia Resolution Fund through profit distribution of the Bank	38,200,000
- Curaçao	262,159
- Sint Maarten	9,687,985
	48,150,144

Result 2025

The profit for the 2025 financial year amounts to Cg 66,852,738. In accordance with article 40 of the Bank Charter, Curaçao’s share in the profit amounts to Cg 51,998,060 and Sint Maarten’s share amounts to Cg 14,854,678, whereby in total Cg 15,000,000 of these profit shares (divided in Cg 14,026,500 and Cg 973,500 respectively between the profit shares of the Countries) is designated as the contribution of the CBCS to Ennia Resolution Fund based on its profit distribution. The profit distribution has not yet been incorporated in these financial statements.

4.2 AUDIT REPORT

Independent auditor's report

To: the Entitled Asset Holders, Board of Supervisory Directors and Board of Directors of Centrale Bank van Curaçao en Sint Maarten

A. Report on the audit of the financial statements 2025 included in the annual report of Centrale Bank van Curaçao en Sint. Maarten

Our opinion

We have audited the financial statements 2025 of Centrale Bank van Curaçao en Sint Maarten ('the bank') based in Curaçao and Sint Maarten.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Centrale Bank van Curaçao en Sint Maarten as at 31 December 2025 and of its result for 2025 in accordance with the Financial Reporting Principles applied by the Bank ("Grondslagen voor de financiële verslaggeving van de Centrale Bank van Curaçao en Sint Maarten"), reference CBCS/2012/1 dated October 29th, 2012 as approved by the Board of Supervisory Directors and adopted by the Meeting of the Entitled Asset Holders on respectively June 28, 2013 (Curaçao) and July 31, 2013 (Sint Maarten), of which a summary is included in paragraphs 3.4.2 and 3.4.3 of the notes to the financial statements.

The financial statements comprise:
1. the balance sheet as at 31 December 2025;
2. the profit and loss statement for 2025;
3. the statement of changes in capital and reserves 2025; and
4. the notes comprising of a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Centrale Bank van Curaçao en Sint Maarten in accordance with the "Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten" (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations. Furthermore we have complied with the "Verordening gedrags- en beroepsregels accountants" (VGBA, Dutch Code of Ethics).

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

Emphasis on the basis of financial reporting
We draw attention to paragraphs 3.4.2 and 3.4.3 in the notes to the financial statements, which set out the basis for the financial reporting. The financial statements have been drawn up as accountability to the Entitled Asset Holders. As a result, the financial statements may not be suitable for other purposes. Our opinion is not modified as a result of this matter.

B. Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Audit approach going concern

As explained in the section 'Going concern' on page 44 of the financial statements, management has carried out a going concern assessment and identified no going concern risks. Our procedures to evaluate the going concern assessment of management include:

- considering whether management has identified events or circumstances that may cast significant doubt on the bank's ability to maintain its continuity, including all relevant information of which we are aware of as a result of our audit;
- considering the fact that pursuant article 34 paragraph 3 of the bank charter, the countries Curaçao and Sint Maarten have the obligation for a capital contribution up to the required minimum reserve of Cg. 30 million based on the allocation key, in effect at that time;
- assessing the Bank’s financial position as at year-end and compared it to previous financial year in terms of indicators that could identify going concern risks;
- evaluating the most recent available financial information, being the figures up to April 2026, in order to assess whether this information provides any further indications of events or conditions that may cast significant doubt on the bank’s ability to continue as a going concern;
- evaluating the bank’s 2026 budget and strategic plan 2026 – 2028; and
- inquiring management about the assumptions and its knowledge of going concern risks after the period of the going concern assessment performed by management.

Based on these procedures, we did not identify any reportable findings related to the bank’s ability to continue as a going concern. We conclude that the extent to which management has taken into account the currently available information and the related disclosures in the financial statements in its assessment of the going concern assumption is appropriate in the circumstances and in accordance with the reporting framework referred to. No material uncertainty regarding going concern was identified. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or circumstances may affect the continuity of the authorized institution.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the bank and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control and how the Board of Supervisory Directors exercises oversight, as well as the outcomes. We refer to section 1.3.2 of the management report for management's fraud risk assessment.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as among others the compliance manual. We evaluated the design and the implementation of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud and misappropriation of assets. We evaluated whether these factors indicate that a risk of material misstatement due fraud is present.

We performed the following specific procedures:

- evaluating the design and implementation of the internal controls, including testing the minimum required segregation of duties in the processes, aimed at mitigating fraud risks;
- testing whether specific journal entries and other adjustments made during the preparation of the financial statements are appropriate;
- evaluating whether the judgments, assumptions and decisions made by the Board of Directors in making the accounting estimates included in the financial statements indicate a possible bias that may represent a risk of material misstatement due to fraud. Significant management estimates and judgements that might have a major impact on the financial statements are disclosed in note 3.4.3 of the financial statements;
- assessing the design and the possibilities of unauthorized actions in the bank's IT systems;
- reviewing significant transactions outside the normal course of the bank's business;
- incorporating elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance; and
- considering available information and performing additional inquiries with relevant executives, directors (including internal audit, legal department and human resources) and the supervisory board regarding fraud cases, indication of possible fraud and/or whether there have been any instances of override of controls through recording of journal entries or other adjustments.

Our audit procedures did not lead to indications or suspicions for fraud potentially resulting in material misstatements.

C. Report on other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- Financial report;
- Report of the Board of Supervisory Directors;
- Other information.

Based on the following procedures performed, we conclude that the other information is consistent with the financial statements and does not contain material misstatements.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The Board of Directors is responsible for the preparation of the other information, including the financial report and other information.

D. Description of responsibilities regarding the financial statements

Responsibilities of the Board of Directors and the Board of Supervisory Directors for the financial statements

The Board of Directors (or "Management") is responsible for the preparation and fair presentation of the financial statements in accordance with the Financial Reporting Principles applied by the Bank (Grondslagen voor de financiële verslaggeving van de Centrale Bank van Curaçao en Sint Maarten), reference CBCS/2012/1 dated October 29th, 2012 as approved by the Board of Supervisory Directors and adopted by the Meeting of the Entitled Asset Holders on respectively June 28, 2013 (Curaçao) and July 31, 2013 (Sint Maarten), of which a summary is included in paragraphs 3.4.2 and 3.4.3 of the notes to the financial statements. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatements, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the bank's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting, unless management either intends to liquidate the bank or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the bank's ability to continue as a going concern in the financial statements.

The Board of Supervisory Directors is responsible for overseeing the bank's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material misstatements, whether due to fraud or error, during our audit.

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. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate 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;
- obtaining 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 bank's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding 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 bank'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 auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Supervisory Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Curaçao, June 15, 2026

For and on behalf of BDO B.V.,

Was signed

M.W. Falke RA

R26.157/nk/MF

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