



Governance
Report
2024

Capricorn Group

About this governance report

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We are proud to present our governance report for 2024. This report is part of our annual reporting suite, demonstrating our continued dedication to transparent reporting and disclosure. We are always open to engaging with our stakeholders to understand and meet their information needs.

This is the governance report (“the report”) for Capricorn Group Ltd (“the Group” or “Capricorn Group”). The report reflects our governance approach and application of the principles contained in the King IV Report on Corporate Governance™ for South Africa, 2016 (“King IV™”)¹.

It also adheres to reporting requirements related to:

- > The Namibian Companies Act, 28 of 2004 (“Companies Act of Namibia”)
- > The Namibian Stock Exchange (“NSX”) Listing Requirements
- > The Namibian Banking Institutions Act, 13 of 2023
- > The Botswana Banking Act, 13 of 1995

We focus on the way the board of directors (“board”) contributed to the Group delivering on its purpose and ensured that the Group continued to create value for the financial year from 1 July 2023 to 30 June 2024 (“the year”). The report is aimed primarily at providers of financial capital.

The entities that constitute the Group are set out in the integrated annual report.

The governance report forms part of a suite of reports that are referenced throughout this report:

- > Integrated annual report
- > Annual financial statements
- > Risk report
- > King IV™ index


This report was compiled with input from the executive leadership team and finally approved by the board on 10 September 2024. The board acknowledges its responsibility to ensure the integrity of the report, and the members applied their collective minds during the preparation and final approval of the report.


















Additional governance information is available online at www.capricorn.com.na. For more information or feedback on this report or any of the elements listed above, contact Hellmut von Ludwiger at Hellmut.vonLudwiger@capricorn.com.na or +264 61 299 1301.

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Application of King IV™ principles

 We use King IV™ icons throughout the report to indicate evidence of the application of specific principles. Further disclosures are covered in the other elements of the reporting suite.

-  The governing body should lead ethically and effectively.
-  The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.
-  The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen.
-  The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.
-  The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance, and its short, medium and long-term prospects.
-  The governing body should serve as the focal point and custodian of corporate governance in the organisation.
-  The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.
-  The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement and assist with balance of power and the effective discharge of its duties.
-  The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members, support continued improvement in its performance and effectiveness.
-  The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities.
-  The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives.
-  The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.
-  The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen.
-  The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.
-  The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation's external reports.
-  In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time.
-  The governing body of an institutional investor organisation should ensure that responsible investment is practised by the organisation to promote good governance and the creation of value by the companies in which it invests.



Adoption of King IV™

In 2018, the NSX allowed listed entities to select compliance either with the Corporate Governance Code for Namibia ("NamCode") or King IV™. In 2019, the Group adopted King IV™, and its executive leadership and board reviewed the governance code to ensure alignment in understanding the King IV™ philosophy, corporate governance outcomes, the 17 principles, and how to apply the principles through supporting practices. Since then, the Group has fully embedded King IV™ principles.

In 2024, as per recommended practice 73 under principle 9 of King IV™, Nomco formally evaluated the boards, committees, directors, chairpersons and the Group's company secretary. Read more on page 14.

In line with King IV™, the board focuses on outcomes and considers progress according to the four main outcomes:

Ethical culture

Our ethical culture is based on zero tolerance towards non-compliance with core legislation in the jurisdictions in which we operate. It is also characterised by transparency, where all stakeholders are empowered to be whistleblowers against unethical behaviour. We want our culture to be recognised for our values of being inspired, open and dedicated. Read more about ethics at Capricorn Group on page 68 of the 2024 integrated annual report.

Effective controls

Capricorn Group is part of a financial services sector that is highly regulated to ensure a stable and trustworthy system. The board ensures controls are effective by using internal and external resources to test controls through a combined assurance model. It also uses scenario analysis to test capital and liquidity, among other things. Read more in the 2024 risk report, which is available online.

Good performance

The board meets quarterly. At each meeting, entity operational overviews and consolidated results are presented and approved by the board. At the June meeting, the board considers the annual budget with a three-year forecast per entity and consolidated. These discussions and approvals are done against the board's expectation of good performance, given external influences, risk mitigation, the regulatory environment and competitor results. Where targets are not met, corrective action is discussed and initiated.

Legitimacy

The board supports various initiatives and investments to engage and support stakeholders. The extent to which our material matters involve and include stakeholder feedback is evidence of the Group's intent to develop quality relationships built on feedback and responsiveness. The level of engagement and approaches experienced by stakeholder groups is further evidence of the Group's status as a legitimate financial services provider and of its wider contribution to communities in Namibia and Botswana.

For a summary of the King IV™ principles and how Capricorn Group has applied them, please refer to our website: <https://www.capricorn.com.na/Pages/About-Us/Corporate-Governance.aspx>



Message from the Chairperson

Our results demonstrate resilience and successful strategic execution, despite a difficult operating environment.

I am pleased with the Group's financial results, considering the challenging market conditions in both Namibia and Botswana. Our profit after tax increased by N\$1.74 billion (2023: N\$1.48 billion), while our return on equity increased to 17.6%. The performance of our banking subsidiaries was lifted by an improved net interest margin due to high interest rates and a better funding mix, which lowered our cost of funding. Our cost base was also well-managed, which is notable considering our US dollar-based IT expenses rose substantially as the Namibia dollar depreciated.

While Namibia's economy grew by 4.5% in 2023, it is still small and has high unemployment. In Botswana, economic growth decelerated to 2.7% in 2023, weighed down by lower demand for diamond exports. In both markets, private sector credit extension came under pressure, an indication that these economies are not performing.



While many of our customers struggled to meet their commitments, our non-performing loans, impairments and bad debt provisions remain closely managed and within acceptable levels. Fortunately, there are indications of potential monetary policy easing, and both the Bank of Botswana and the Bank of Namibia have already cut interest rates. Our non-performing loans should normalise as the interest rate cycle turns.

Namibia's outlook has brightened considerably, a substantial shift from recent times, when bleak prospects were expected. The country is an oil exploration hotspot after several significant findings on its coast. We hope for adequate regulation to ensure local participation and skills development so that many Namibians benefit from this new industry and economically prosper. Foreign direct investment into the country reached record levels, buoyed by the oil finds and exciting green hydrogen developments. As a financial services group, we are paying close attention to how we can participate in this opportunity and developing scenario analyses on what Namibia's future could look like.

Governance priorities in 2024

Approving a significant investment in Paratus Group

In 2023, the board approved a N\$243.4 million investment into Paratus Group to increase our shareholding from 26% to 36.4%. This additional investment provides further diversification outside of financial services. In May 2024, Paratus Namibia successfully concluded its rights issue and raised N\$602 million, doubling its market capitalisation on the NSX. Of this capital, 61.9% comes from the Paratus Group. Paratus Namibia will use the funding to develop the network required to compete aggressively with the current mobile operators. We participated at the holding company level (Paratus Group Holdings) as we seek access to the Namibian mobile telecommunications opportunity and Paratus Group's other African growth plans.

Reviewing and amending the Group's strategy

The Group has a rolling three-year strategy, which the Exco defines with substantial input from entities. The board reviewed the strategy's progress and made strategy amendments. The Group's five strategic choices direct its focus areas, activities and key performance indicators. In March 2024, the board approved a new strategic choice: deliberate portfolio action, which replaced the choice related to intrapreneurial action to contribute to a sustainable organisation.

Deliberate portfolio action is now our top strategic choice. It refers to benefiting from the Group's structure as a portfolio of financial services businesses to target growth and leverage synergies within our ecosystem. This encompasses sustaining growth in our businesses, optimising our financial services, developing products and solutions to serve a shared customer, and exploring innovative growth opportunities.

Our second strategic choice is data and digital, which encompasses the Group's digital transformation investments.



In 2024, the Group enhanced its digitally enabled branch model with a view to scaling this, invested in data capabilities, and began exploring AI opportunities. These critical projects lay the foundation for continued customer relevance and new ways of doing business. As always, we build our cybersecurity capabilities alongside our technology investments. The board, supported by the Group board information technology committee (“GBITC”), approved key technology decisions and investments.

Our identity and ethos are closely linked to Namibia and Botswana’s socioeconomic progress. Sustainability, our third strategic choice, highlights our commitment to key ESG matters and our role as a responsible corporate citizen.

The two final strategic choices relate to people: leadership, and diversity, equity and inclusion. This emphasises how people are critical to delivering our objectives. We unlock value through exceptional customer service, empowering our employees, ensuring shareholders’ solid returns, and enhancing community care.

Read more about our strategy on page 30 of the integrated annual report.

Enhancing ethics capabilities

The Group board social and ethics committee (“BSEC”) reviewed the results of a second independent assessment conducted by the Ethics Institute of Southern Africa. The results show sound progress in maturing our ethics culture; however, there were areas for improvement. The committee monitored the implementation of the Group-wide three-year ethics training programme and reviewed critical ethics policies. The Group Whistleblower Policy was amended to strengthen protections for whistleblowers and The Group Code of Ethics and Conduct Policy was revised to provide clarity on the ethics around receiving gifts.

Read more in our BSEC report on page 68 of the integrated annual report.

Corporate citizenship

In May 2024, the Namibian government declared a State of Emergency following extreme drought in some areas of the country. The government urged Namibians to prioritise assistance to vulnerable communities. The Group is evaluating how Bank Windhoek can ease the burden on its agricultural customers and how the Capricorn Foundation can alleviate suffering.

In 2024, we invested N\$25.8 million (2023: N\$21.7 million) in the Capricorn Foundation and other corporate social responsibility (“CSR”) projects in Namibia and Botswana. The Capricorn Foundation is the Group’s primary CSR vehicle, supporting communities through a portfolio of 48 quality programmes and projects across Namibia. This year, Bank Gaborone approved the establishment of the Capricorn Foundation Botswana to provide

structure and focus for its CSR activities. We look forward to new developments in 2025.

Read more about our CSR activities in our 2024 social value report, available online.

Leadership changes and board renewal

The start of David Nuyoma’s tenure as Group chief executive officer (“Group CEO”) and executive director in March 2024 marked a new chapter for Capricorn Group. David is an accomplished executive leader who held CEO positions at the GIPF and the Development Bank of Namibia. He chaired the Namibia Stock Exchange (“NSX”) and was a member of several regional and national boards. He has played a role in national development through positions as Commissioner of the National Planning Commission and a member of the Founding President Nujoma’s Economic Advisory Council.

David is also a director of Bank Windhoek and the Capricorn Foundation board. He joins the board IT committee (“GBITC”), the board HR committee (“HR”), the board investment committee (“GIC”), and the BSEC.

On behalf of the board, I thank Thinus Prinsloo, the former Group CEO, for his visionary leadership. He was instrumental in developing a unified brand, common purpose, and shared culture, which have set us apart in the industry. He has stepped down from the HR committee, GIC and BSEC, but remains a member of the GBITC. We wish him success in his new role as executive director at Capricorn Investment Holdings, the Group’s largest shareholder. He also serves as a shareholder representative on the board and several subsidiary boards.

We thank Thinus for his contribution to the Group’s success and express our confidence in David’s ability to lead us in a dynamic and challenging business environment.

In February 2024, we announced Koos Brandt’s retirement as a non-executive director of the board. Koos, one of the founders of Capricorn Group, served on the board since the company’s establishment in 1996 and was Group chairperson until 2017. We thank Koos for his many years of wisdom, entrepreneurial energy and guidance to the board and its committees over the

years. He continues to serve as a non-executive director of the Bank Windhoek board.

In an interview with Koos about Bank Windhoek’s 40th anniversary in 2023, he said: “When I lay down my head at night, I ask myself if I have accomplished what I set out to do. Have I added value, not only for my interests but also for those around me? I do not measure milestones but value. The question is, how do you add value to the lives of other people?” This reflection summarises what the Group stands for and our purpose of creating value, or positive change, for our stakeholders.

We welcomed Jacobus Wynand (Cobus) Brandt as a non-executive director and member of GIC in February 2024. Cobus has been the alternate non-executive director for Koos since 2016 and a non-executive director of Capricorn Investment Holdings since 2018. He holds an accounting qualification and substantial experience in the financial and agricultural sectors. The board welcomes Cobus and looks forward to his contributions.

In May 2024, we welcomed Justina Alders-Sheya, who is also a Bank Windhoek board member, to the BSEC. Justina has significant experience in banking and has a special interest in sustainability finance honed at European financial institutions. She will add significant value to BSEC and the organisation through her experience in tapping into the commercial side of sustainability and evolving sustainability reporting requirements.

Other board committee changes include Daniel Kali, our lead independent non-executive director, being elected to Remco and Erna Solomon, an independent non-executive director joining the Board audit, risk and compliance committee (“BARCC”).

Appreciation

I appreciate our dedicated employees and management teams for another set of strong financial results. I thank my fellow directors for their guidance throughout 2024. I also acknowledge the boards of our entities for the guidance they provide their management teams. Finally, I thank our loyal and diverse customers for their continued support and faith in the Group’s ability to Make Change Positive.



Gerhard Fourie
Group chairperson



Governance overview and approach

Capricorn Group and its subsidiaries are committed to sound corporate governance principles, which are characterised by discipline, transparency, independence, accountability, responsibility, fairness, and social responsibility.

The Group believes that by adhering to these principles, all stakeholders' interests are promoted and creates long-term value.

The board and its committees are responsible for establishing effective leadership and ethical practices and for ensuring the application of appropriate governance practices to deliver the desired outcomes.

The board accepts that the leadership tone is set from the top. The work done in embedding The Capricorn Way emphasises creating an ethical culture with behaviours based on a common set of values. We are also entrenching a Risk Culture that supports dynamic risk management.

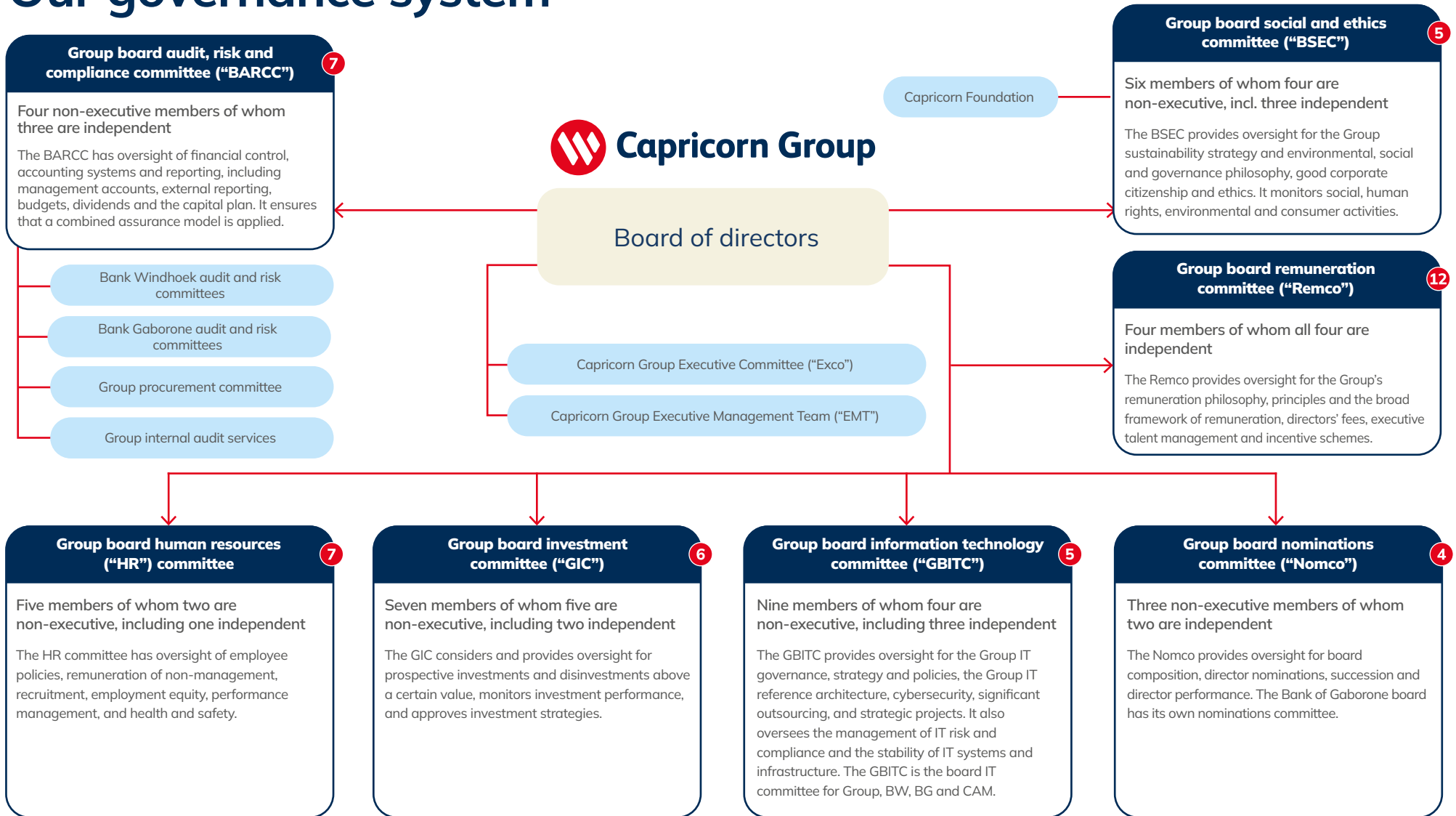
Eight board members are Capricorn Group shareholders, holding less than 5% of total shares. Dealing in shares is governed by a policy that sets out practices for approval requirements, disclosure principles and closed-period rules, among other things. Board members must observe section 242 of the Companies Act of Namibia, which deals with the disclosure of interests. Where appropriate, board members recuse themselves from discussions or decisions on matters involving potential conflicts of interest unless these matters are resolved otherwise by the Group chairperson or by the remaining board members.

Key board practices and activities focus on:

- > Open and rigorous discussion
- > Active participation
- > Consensus in decision-making
- > Independent thinking and alternate views
- > Reliable and timely information



Our governance system



Number of meetings per annum.

The board follows a structured approach to meetings, supported by a timely flow of documents to ensure that the oversight responsibilities of the boards of subsidiaries, as well as the Group board and its committees, are carried out effectively.



The role of the board

The board plays a pivotal role in the Group’s corporate governance system. Intellectual honesty is an overriding commitment in the board’s deliberations and approach to corporate governance.

The board defines the Group’s purpose and approves its strategic intent and choices, which are considered to be clear, concise, and achievable.

The Group’s strategy is considered, evaluated and agreed upon every year before the annual budget is approved. Implementation is monitored quarterly at board and executive meetings. Read more about the Group’s strategy in the integrated annual report on page 30.

The board ensures that procedures and practices are in place to protect the Group’s assets and reputation and mitigate risk. The risk report provides more about the governance of risk management, including processes and structures.

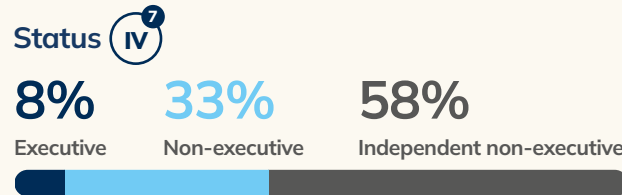
The board is governed by the board charter, which regulates how the board conducts its business. The charter sets out the specific responsibilities to be discharged by the board members collectively and the Group CEO and Group chairperson in their respective capacities.

The charter also sets out a schedule of matters reserved for the board’s decisions. It details key aspects of the Group’s affairs that the board does not delegate, including the approval of business plans and budgets, material expenditure and alterations to share capital. This framework clarifies roles and ensures the effective exercise of authority and responsibilities.

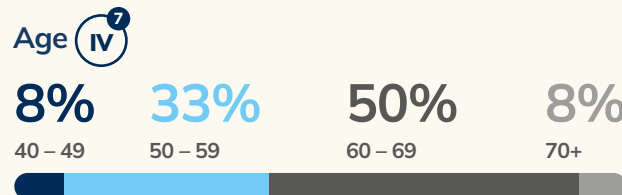
The board is satisfied that it fulfilled its responsibilities in terms of the board charter for 2024.

Board leadership, composition and diversity ^{IV}₆

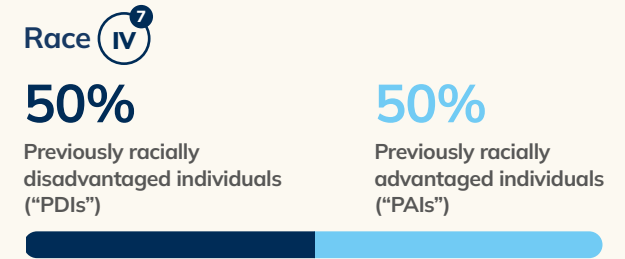
Capricorn Group has a unitary board consisting of an appropriate mix of executive, non-executive and independent directors. The size of the board is dictated by the company’s articles of association, which require a minimum of five and a maximum of 12 directors.



Nomco assessed the independence of the non-executive directors classified as independent and confirmed their continued classification as independent. Johan Swanepoel, Gida Sekandi and Thinus Prinsloo have all served more than nine years. Thinus Prinsloo is not classified as independent. The independent classification for Johan Swanepoel and Gida Sekandi was reassessed and confirmed.



The national banking regulator, the Bank of Namibia, published a revised “Determination on the Appointment, Duties and Responsibilities of Directors, Principal Officers, and Executive Officers of Banking Institutions and Controlling Companies (“BID-1”) in December 2022. The revised BID introduced a limitation on the age of non-executive directors of 70 years, after which the regulator’s approval is required for a director to continue serving as a non-executive director. Koos Brandt retired from the board in February 2024, and Gida Sekandi will retire on 31 October 2024, in line with the regulator’s approval.



The board aims for a PDI ratio of 50%.



The board aims for a female component of at least 30%.

The board is satisfied that its composition reflects the appropriate mix of knowledge, skills, experience, diversity and independence but keeps an eye on enhancing the appropriate mix.



Board member profiles

Daniel Gerhardus Fourie (66)

BCom (Hons), CA(SA), CA(Nam)

Independent non-executive board chairperson

Appointed to the board in 2015

Gerhard Fourie has 35 years' experience as a chartered accountant. He was a partner with EY (formerly Ernst & Young) for 28 years until his retirement as managing partner of EY Namibia in June 2015. Gerhard completed a post-graduate management development programme at the University of Cape Town Graduate School of Business and an advanced leadership programme at GIBS. He was a member of the Institute of Chartered Accountants Council until 2015.

His other board memberships include Bank Windhoek Ltd, and he is chairperson of Namib Bou (Pty) Ltd and the Capricorn Foundation.



Daniel Teodor Kali (55)

BA, MPhil

Lead independent non-executive director

Appointed to the board in 2021

Daniel Kali is the resident director for the De Beers Group in Namibia and has nearly 30 years of experience in the diamond industry. He is also the deputy chairperson of Namdeb Diamond Corporation, the chairperson of the M&Z Group, and a director of several De Beers companies in Namibia.



David Nuyoma (61)

BA(Hons), MA

Group CEO and executive director

Appointed to the board in 2024

David Nuyoma joined the Group in 2024 as Group CEO and executive director.

He held various senior roles in the public sector before being appointed as the founding CEO of the Development Bank of Namibia and the CEO of the Government Institutions Pensions Fund ("GIPF").

David is a director on various boards in the Capricorn Group, and chairman of Pupkewitz Holdings.



Jacobus Wynand Brandt (43)

BCom

Non-executive director

Appointed to the board in 2024

Cobus Brandt holds a BCom in Management Accounting. He joined CAM as an investment analyst in 2008 and later moved to Bank Windhoek as an assistant dealer in 2010.

He is a businessman with directorships in Capricorn Investment Holdings and other companies with a focus on the agricultural sector.





Elize Fahl (64)
Certificates in Human Resources Management, Management Development Programme

Independent non-executive director

Appointed to the board in 2021

Elize Fahl was the principal officer of Bankmed Namibia from 1997 to 2023. She is a generalist human resources professional with over 38 years of experience and registered her own people-centric business, Flexona Organisational Services, in 2016. She was a strategic business partner and Exco member at Standard Bank Namibia from 2006 to 2016. She was a senior human resources manager and later executive officer of Capricorn Group human resources. She is the chairperson of Women at Work.

HR



Heinrich Mihe Gaomab II (54)
BCom (Hons), PGDip and MSc in Quantitative Development Economics

Non-executive director

Appointed to the board in 2018

Until recently, Mihe Gaomab was CEO of the Namibia Industrial Development Agency (“NIDA”). Previously, he was an executive director at the African Development Bank after serving as the CEO of the Namibian Competition Commission until 2016. He was a deputy director of the Southern African Customs Union until 2009. He was the chairperson of the board of trustees of the GIPF from 2011 to 2016 and is the founding president of the Namibian Economic Society.

His other directorships include Capricorn Unit Trust Management Company and the GIPF.

GIC (Chair)

BSEC



Goms Menetté (57)
MBA, PGDip in Management Studies, NDip in Business Administration

Non-executive director

Appointed to the board in 2018

Goms Menetté is the Deputy Auditor-General of Namibia. He was the deputy director for internal audit of the Ministry of Finance. Until 2021, he was a trustee and chairperson of the GIPF’s board of trustees and a member of the GIPF’s investment, audit, and risk committees. He served on the board of Air Namibia for seven years until 2012 and chaired the airline’s audit committee. He also served on the Road Fund Administration’s audit committee from 2001 to 2004.

HR (Chair)

BARCC



Gida Nakazibwe-Sekandi (71)
LLB, Accredited Public Relations Practitioner (APR)

Independent non-executive director

Appointed to the board in 2004

Gida Nakazibwe-Sekandi has an extensive background in the banking industry, having had executive roles at Bank Windhoek and Capricorn Investment Holdings. She is also a founding member of the Public Relations Institute of Southern Africa (PRISA) Namibia and has served in executive positions at Rössing Uranium and as a state attorney and public prosecutor in the ministries of justice in Uganda and Zimbabwe, respectively.

Gida is a director of several companies in the Capricorn Group, including Capricorn Investment Holdings Ltd and Welwitschia Insurance Brokers Ltd. She also volunteers pro bono in various social institutions, including MSR, Women at Work, and the Capricorn Foundation.

Remco (Chair)

BSEC (Chair)





Marthinus Johannes Prinsloo (53)

BCompt (Hons), CA(SA), Cert.Dir.

Non-executive director

Appointed to the board in 2013

Thinus Prinsloo joined Capricorn Investment Holdings in July 2011 and was its Group CEO and executive director from January 2016 to February 2024. Before that, he worked at Absa in South Africa and held various positions, including head of integration. Thinus worked as a business strategy consultant at IBM and PwC before qualifying as a chartered accountant at PwC in South Africa and the corporate finance division in the UK. He completed executive programmes at GIBS, the University of Cape Town Graduate School of Business, and the Saïd Business School.

In 2021, he chaired the National Business Rescue Task Force at the request of Namibia's late president, Dr Hage Geingob. He is currently the Executive Director of Capricorn Investment Holdings as of 1 March 2024.

GBITC



Dirk Johannes Reyneke (62)

BCom, BCompt (Hons), CA(SA), NDip in Advanced Banking

Independent non-executive director

Appointed to the board in 2017

Dirk Reyneke was a partner at EY for 14 years, including the Gauteng Financial Services Group and Gauteng head of banking. In 2006 he joined Absa Retail Bank as CFO. Other positions at Absa included head of finance and operations and later chief operating officer for Absa Retail and Business Bank. Since 2012 he has been employed by Telkom Group, where he was the Group CFO. He is currently the Group Chief of Capital Projects. Previous positions at Telkom included CFO for Openserve, Gyro Group, Telkom's property division, Telkom Mobile and head of integration tasked with integrating Telkom Enterprise and Business Connexion.

BARCC (Chair)

GBITC



Erna Solomon (62)

BSc (Ed), BSc (Hons), MSc, Global Executive Development Programme

Independent non-executive director

Appointed to the board in 2019

Erna Solomon is a seasoned financial services technology and information executive with experience as a chief operating officer, chief information officer and executive director. She was previously a global partner at a big four consulting firm, where she advised South African and international banks. Erna has a deep understanding of wholesale and retail banking products and services and has been instrumental in advising on payments transformation and digital banking implementation, including central bank registration. She has developed and implemented board training on King IV™ as well as technology and information strategy and governance at various large institutions. Erna is the managing director of Cyan EA, a financial services IT consulting company focusing on strategy, enterprise architecture and digital transformation.

BARCC

GBITC (Chair)



Johannes Jacobus Swanepoel (64)

BCom (Hons) (Accounting), CA(SA), CA(Nam)

Independent non-executive director

Appointed to the board in 1999

After joining Coopers & Lybrand (now PwC) in 1980, Johan Swanepoel qualified as a chartered accountant in 1982. He was elected managing partner of the firm in Namibia in 1989. He was appointed as managing director of Bank Windhoek and a director of Capricorn Group on 1 July 1999. In 2005 he took up the position of group managing director of Capricorn Investment Holdings. Upon his retirement from this position in 2017, he accepted the role of chairperson of the board of Capricorn Group, from which he retired on 31 December 2021, as well as the role of chairperson of Bank Windhoek, which he continues to hold.

Johan is a director of several companies in the Capricorn Group. He is also a director of Capricorn Investment Holdings Ltd, Namibia Strategic Investments (Pty) Ltd, Kuiseb Investments (Pty) Ltd and Infocare International Ltd.

Remco

Nomco (Chair)

GIC

BARCC




Effective governance structures and practices

Meeting attendance

Each board committee has an executive lead to coordinate meetings and prepare documentation. The board meets a minimum of four times a year, with board committee meetings normally held two weeks prior to board meetings. Feedback reports from the committees to the board include feedback on key matters discussed, key decisions taken, and matters referred to the board.

The BARCC, in particular, has an oversight responsibility on behalf of the Group regarding key audit, financial and risk matters dealt with by the board audit and risk committees of Group subsidiaries.

To assist the Group BARCC in discharging this responsibility, the chairpersons of the BARCCs, Group subsidiaries' board audit committees ("BACs") and board risk and compliance committees ("BRCCs") submit letters of representation to the Group BARCC chairperson. The Group CEO also attends all the subsidiaries' audit and risk committee meetings. See the diagram on page 7 for details of this structure.

Attendance at meetings during the year was as follows: 


Director	Category	Board	BARCC	Group board HR committee	Group board Remco	Group board Nomco	Group board investment committee	BSEC	GBITC
	Meetings held	8	7	7	12	4	6	5	5
D G Fourie	Independent non-executive Chairperson	8*			12	4	6		
J W Brandt	Non-executive	4					1		
E Fahl	Independent non-executive	7		6					
H M Gaomab II	Non-executive	6					6*	5	
D T Kali	Independent non-executive	6			7			5	
G Menetté	Non-executive	8	7	7*					
G Nakazibwe-Sekandi	Independent non-executive	8			12*			5*	
D Nuyoma	Group CEO and executive director	4		2			3	1	2
M J Prinsloo	Non-executive	8							5
D J Reyneke	Independent non-executive	6	7*						5
E Solomon	Independent non-executive	8	4						5*
J J Swanepoel	Independent non-executive	8	7		12	4*	5		

* Chairperson.

Group chairperson, lead independent director ("LID") and Group CEO

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The Group chairperson, Gerhard Fourie, is an independent non-executive director. The board has appointed Daniel Kali as LID. His role and responsibilities are set out in the board charter. They include serving as a nexus between executive and non-executive directors, where a more stringent observation of independence is required. This relates to situations where the independence of the Group chairperson may be questionable or impaired, including discussions about the succession and performance appraisal of the Group chairperson.

The Group CEO is appointed by the board, and Nomco, on advice from Remco, attends to his succession. 

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The board is of the opinion that the governance structures and processes in place provide an adequate scope and means to challenge, review, balance and mitigate undue influence by any particular director. Board decisions are robustly deliberated, and consensus driven. The board is satisfied that the Delegation of Authority Framework contributes to role clarity and the effective exercise of authority and responsibilities.



Board appointments, induction and training IV

Two new board appointments were made during the year, namely Messrs D Nuyoma and JW Brandt. The directors attended training on the board's role in terms of the Contingency Funding Plan ("CFP"), provided by Bank Windhoek's treasury department. In addition, ethics training was provided in cooperation with The Ethics Institute, while Financial Crime Risk Management Consultants ("FCRMC") assisted with training on anti-money laundering, combating the financing of terrorism, and countering proliferation financing ("AML/CTF/CPF"), and further training on cyber security/awareness.

Procedures for appointment to the board are formal and transparent. Nomco, chaired by an independent non-executive director and with all members being non-executive directors, recommends nominations for appointment as members of the board.

Background and reference checks are performed before the nomination and appointment of new directors.

New board members hold office until the next annual general meeting ("AGM"), when they become available for re-election. Executive directors are engaged on employment contracts, subject to short-term notice periods unless longer periods are approved by the board.

On appointment, all directors attend an induction programme to deepen their understanding of the Group, business environment and markets in which the Group operates. This includes background material, meetings with senior management and visits to the Group's facilities. All board members are expected to keep abreast of changes and trends in the economic, political, social and legal landscape in which the Group operates. Where appropriate, significant developments that impact the Group and of which the board needs to be aware are highlighted via the governance structures and process.

Our board recruitment process



New regulations for board appointments and tenure

The Bank of Namibia issued a new BID-1 on the appointment, duties and responsibilities of directors, principal officers and executive officers of banking institutions and controlling companies, effective 16 December 2022.

The determination sets out guiding principles relating to corporate governance and aims to ensure that only “fit and proper” persons are appointed. The BID softened the following restrictions, compared to the 2020 version:

- > The restriction that a person nominated for appointment as a board member at a banking institution or controlling company must not serve simultaneously on more than two boards is only applicable to full-time employees, and the regulator can grant exceptions on a case-by-case basis.
- > Individuals entrusted with prominent public functions and who hold positions of influence (designated as politically exposed persons or “PEPs”), who were previously barred from appointment as directors of banking institutions or controlling companies, can now be appointed on the basis that they will be subjected to enhanced due diligence oversight by the regulator prior to and during their tenure as directors.
- > A non-executive director of a banking institution or controlling company may not serve in this capacity for more than 10 years. This restriction starts counting from September 2020, when it was first introduced, and a dispensation may be granted for a maximum of two years. Unfortunately, the regulator was not willing to add a differentiation in this regard between independent non-executive directors (“NEDs”) and those NEDs not classified as independent.

New restrictions imposed by the revised BID-1 include:

- > An upper age limit for non-executive directors of banking institutions or controlling companies of 70 years, after which, subject to the regulator’s approval, a director may continue serving as a non-executive director for a limited period.

Evaluating the board’s performance

During the previous year, Nomco requested each board and each board committee in the Group to consider, reflect on and discuss “its performance, its chair and its members as a whole”, as per recommended practice 74 under Principle 9 of King IV™, and report back to Nomco.

In the current year, Nomco directed the formal evaluation of the boards, committees, directors, chairpersons and the Group’s company secretary.

Questionnaires were circulated to directors to evaluate the performance of the boards, committees, chairpersons, the Group’s company secretary and their peers.

The summary reports of five boards and twelve board committees were presented to Nomco. They indicated a satisfactory appraisal outcome with no significant matters. Recommendations were discussed and converted into an action list for each board and board committee.

The summary reports of the director peer appraisal, indicating a satisfactory outcome, were presented to the chairpersons, who undertook to implement the recommendations.

The board is satisfied that the evaluation process is improving the board’s performance and effectiveness.



Board access to independent advice ¹⁵ IV

The company secretary provides professional corporate governance services to the board and its committees, and the board believes that those arrangements are effective.

The company secretary is available to provide the directors with assistance and information on governance and corporate administration, as appropriate. The directors may also directly seek advice on these or other business-related matters from independent professional advisers, in addition to the advice provided by independent advisers to the board's committees. No requests for external professional advice were received during the year.

The board has unrestricted access to the executive management team of the Group to discuss and ask for advice on any matters where they require additional information or clarification. The board believes that these arrangements are effective for the optimal functioning of the board.

Board committees and focus areas

To effectively discharge its responsibilities, the board delegates certain functions to committees. All committees are properly constituted, chaired by a non-executive director and act within agreed written terms of reference that meet best practice standards authorised by the board.

The composition of some board committees includes Group directors only (BARCC, Remco, Nomco and the GIC), while others comprise a combination of directors and executive management (HR committee, BSEC and GBITC).

BARCC Board audit, risk and compliance committee ("BARCC")

Committee role, responsibilities and functions

BARCC is responsible for the following key matters:

- > Financial control, accounting systems and reporting, including management accounts, external reporting (interim results and integrated annual report), budgets, dividends and the capital plan
- > Ensuring a combined assurance model is applied
- > Overseeing the internal audit function
- > Reviewing the finance function
- > Overseeing risk management, including risk appetite and IT risk, as referred by GBITC
- > Reviewing compliance
- > Engaging with the external auditors
- > Reviewing non-trading losses
- > Overseeing the asset and liability committee ("ALCO")

The Group CFO, Group head of risk, head of internal audit and external auditors attend all BARCC meetings. They have unfettered access to the BARCC chairperson and the board. BARCC is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the year.

As per the requirements of BID-1, BARCC assessed the extent to which the Group is managing its compliance function and is satisfied that the compliance function is effective.

Key focus areas for the year

- > Key responsibilities as listed
- > Appointment of Deloitte as external auditor
- > Share repurchase scheme limits
- > Material matters
- > Monitor remaining Cavmont issues
- > Review of terms of reference

Members of the committee

- > Chairperson: Dirk Reyneke
- > Goms Menetté
- > Erna Solomon
- > Johan Swanepoel

External advisers

- > PwC (external auditors)

Board members and management representatives' invitees

- > Cobus Brandt
- > Thinus Prinsloo
- > Elize Fahl
- > Gerhard Fourie
- > Mihe Gaomab II
- > Daniel Kali
- > Gida Nakazibwe-Sekandi
- > David Nuyoma
- > Johan Maass (Group CFO)
- > Nico van der Merwe (executive officer: enterprise risk management ("ERM"))
- > Johann van Rensburg (chief audit executive)
- > Azelle Verwey (Group Head: Legal, Compliance & AML)
- > Piere Clarke (Head: Financial Risk and Analytics)



Further compliance disclosures on external and internal audits and internal controls

External audit

The external auditors are responsible for reporting on whether the financial statements are fairly presented in all material respects in accordance with the applicable frameworks adopted by the Group. The audit opinion is included in the consolidated annual financial statements on page 3.

BARCC approved the external auditors' terms of engagement, scope of work, and 2024 annual audit strategy and agreed on the applicable levels of materiality. Based on written reports submitted, BARCC reviewed the findings of the external auditors' work with the firm and confirmed that all significant matters were satisfactorily resolved. BARCC's view on the quality of the external audit is that it was executed in compliance with international standards on auditing.

The IFRS 9 provisioning models have reached an acceptable level of maturity. Due to the materiality of the values involved, the impairment provisions will always be a significant matter that the committee must consider concerning the annual financial statements. BARCC addressed this by engaging with the external auditor and other professional advisers in the countries where the Group's banks operate.

BARCC assessed the external auditors' independence and concluded that this independence was not impaired during the reporting period and up to the date of signing the consolidated financial statements.

BARCC has approved a Non-audit Services Policy that is strictly adhered to. Every quarter, management reports all payments made to the external auditors for audit and non-audit fees to the BARCC. Prior BARCC approval is required for assignments exceeding the policy threshold. Non-audit services received, and fees paid by the Group during the year, are:

Non-audit services	(N\$'000)
Technical training	115
Agreed upon procedures	228
Tax-related matters	606
Other (ATM rental)	164
Consulting	57

Audit firm rotation, as required by the BID on Independent Auditors ("BID-10")

Following the conclusion of a thorough, open tender process that commenced in December 2022, BARCC has recommended, and the board has endorsed, the proposed appointment of Deloitte as the external auditor of Capricorn Group with effect from the financial year ending 30 June 2025. This appointment is subject to regulatory approval and will be put to shareholders at the Capricorn Group's 2024 AGM.

PwC completed the audit of Capricorn Group's annual financial statements for the 2024 financial year. To enable a smooth transition, Deloitte was recommended to shadow PwC during this audit. The change in external auditor is in compliance with the Bank of Namibia's BID-10 regulation, which requires rotating external auditors every 10 years.

Internal audit

Group internal audit services ("GIAS") is an independent and objective assurance and consulting function created to assist in the improvement of the internal control systems across the Group. GIAS helps the Group achieve its objectives by systematically reviewing current processes using a risk-based approach to establish whether the risk management process, the management control process and the governance process are adequate, effective and appropriate. The internal audit function has sufficient knowledge and experience to execute the BARCC-approved internal audit charter. The charter is aligned to King IV™ and adheres to the requirements of the Institute of Internal Auditors.

GIAS reports to BARCC and has unrestricted access to the BARCC chairperson. A risk-based internal audit plan is approved annually by the BARCC. It is reassessed biannually for the internal audit function to remain focused on the relevant risks and material matters for the board. BARCC satisfied itself that the internal audit function was appropriately independent.

EY acts as a co-source partner to GIAS, supporting the head of GIAS by providing technical support, training, resource capability and reporting to BARCC.

Internal controls and combined assurance

The Group maintains internal control systems over financial reporting and the safeguarding of assets against unauthorised acquisition, use or disposition. These systems are designed to provide reasonable assurance to the Group and each subsidiary's management and board about the reliable preparation of financial statements and safeguarding of the Group's assets.

The systems include a documented organisational structure and division of responsibility, established policies and procedures that are communicated throughout the Group, and the proper employee training and development.

The effectiveness of any internal control system has inherent limitations, including the possibility of human error and the circumvention or overriding of controls. Accordingly, even effective internal control systems can provide only reasonable, not absolute, assurance concerning the preparation of financial statements and the safeguarding of assets. Furthermore, the effectiveness of an internal control system can change with circumstances.

The Group continually assesses its internal control systems through reports from management, internal assurance providers and external audit concerning effective internal control and risk management as the basis for preparing reliable financial reporting.

No material breakdown in controls was identified during the year. Based on its assessment and the results of the internal and external audit reports, the Group believes that as at 30 June 2024, its systems of internal control over financial reporting and safeguarding of assets were adequate. BARCC's views on the effectiveness of the design and implementation of internal financial controls are reflected in the statement of responsibility by the board on page 2 of the annual financial statements.

Having assessed the effectiveness of the Group CFO and the finance functions in the Group, BARCC considered the overall finance function to be competent, well capacitated and in compliance with benchmark standards and norms.

A Group Combined Assurance Framework, based on the principles of King IV™, is embedded. BARCC believes the framework is adequate to achieve the objective of an effective coordinated approach for all assurance providers. The outcome from the assurance activities of compliance monitoring, management assurance services and internal audit is reported to BARCC in a combined assurance report. The external auditors' annual audit activities are considered and coordinated with internal assurance providers. A process is underway to extend the Group Combined Assurance Framework to identify and integrate other external assurance role players and their envisaged contribution to combined assurance reporting.

Risk and compliance

Please refer to the risk report for more information on BARCC's work in the risk and compliance areas.



Group board human resources (“HR”) committee

Committee role, responsibilities and functions

The committee is responsible for the following key matters:

- > Considering and approving personnel policies
- > Considering and challenging the appointment, benefits and remuneration of management below executive level
- > Considering and approving remuneration and benefits of non-management
- > Considering and acting on recommendations by the Capricorn Group Retirement Fund
- > Considering and acting on recommendations regarding medical aid and group life benefits
- > Determining and approving criteria for performance management and incentives
- > Overseeing implementation of the Group’s Employment Equity Policy
- > Approving and monitoring the framework policies and guidelines for environmental health and safety management

The HR committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the year.

Members of the committee

- > Chairperson: Goms Menetté
- > Elize Fahl
- > Baronice Hans (managing director: Bank Windhoek)
- > Tertius Liebenberg (managing director: CAM)
- > David Nuyoma

Board members and management representatives’ invitees

- > Gerhard Fourie
- > James Chapman (executive officer: retail banking services)
- > Stephanie Viljoen (executive officer: human capital and citizenship)
- > Josie Gubeon (head: business transition)
- > Leandi van der Westhuizen (Bank Windhoek remuneration and reward manager)

Key focus areas for the year

- > Key responsibilities as listed
- > Medical aid solvency and new medical aid recommendation
- > Negotiations with trade union
- > Review of terms of reference
- > Remuneration Review & Salary Survey
- > Long service award review

Group board remuneration committee (“Remco”)

Committee role, responsibilities and functions

Remco is responsible for the following key matters:

- > Reviewing and approving the Group’s remuneration philosophy, principles and the broad remuneration framework
- > Overseeing the establishment of the Group’s Remuneration Policy
- > Reviewing and recommending remuneration and fees for services as directors
- > Overseeing talent management at executive level
- > Considering and approving the remuneration of executive positions
- > Considering and approving the incentive scheme

Remco is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the year.

Members of the committee

- > Chairperson: Gida Nakazibwe-Sekandi
- > Gerhard Fourie
- > Johan Swanepoel
- > Daniel Kali

Board members and management representatives’ invitees

- > David Nuyoma
- > Managing directors of operating subsidiaries when appropriate

Key focus areas for the year

- > Key responsibilities as listed
- > Succession of Group CEO



Group board nominations committee (“Nomco”)

Committee role, responsibilities and functions

Nomco is responsible for the following key matters:

- > Consider and recommend director nominations and related matters
- > Evaluate director performance
- > Consider director succession plans

Nomco is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the year for all Namibian entities. Botswana-based entities have their own committees.

Key focus areas for the year

- > Key responsibilities as listed
- > Appointment of Ms Justina Adlers-Sheya and Mr David Nuyoma on the board of Bank Windhoek
- > Appointment of Messrs David Nuyoma and Cobus Brandt on the Group board
- > Guide board and committee self-evaluations based on discussions and consider feedback thereon
- > Consider board and committee composition
- > Respond to BID-1 revision
- > Respond to Bank of Namibia examination on governance

Members of the committee

- > Chairperson: Johan Swanepoel
- > Koos Brandt
- > Gerhard Fourie

Board members and management representatives' invitees

- > David Nuyoma

Group board investment committee (“GIC”)

Committee role, responsibilities and functions

The committee is responsible for the following key matters:

- > Considering and recommending all prospective investments and disinvestments above a certain value
- > Evaluating and monitoring the performance of investments
- > Measurement and oversight of equity investment portfolio
- > Reviewing and approving investment strategies

The GIC is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the year.

Members of the committee

- > Chairperson: Mihe Gaomab II
- > Cobus Brandt
- > Koos Brandt
- > Gerhard Fourie
- > David Nuyoma
- > Johan Swanepoel
- > Johan Maass (Group CFO)

Board members and management representatives' invitees

- > Zenaune Kamberipa (CFO: Bank Windhoek)
- > Baronice Hans (managing director: Bank Windhoek)
- > Claire Hobbs (chief treasurer: Bank Windhoek)
- > Tertius Liebenberg (managing director: CAM)
- > Nico van der Merwe (executive officer: ERM)

Key focus areas for the year

- > Key responsibilities as listed
- > Group Investment Philosophy
- > Additional investment in Paratus
- > Monitor Peo Finance
- > Terms of Reference reviewed



BSEC **BSEC Group board social and ethics committee**
(“BSEC”)

Committee role, responsibilities and functions

The committee is responsible for the following key matters:

- > Considering and approving the Group sustainability strategy and philosophy, good corporate citizenship and ethics
- > Promotion of equality, prevention of unfair discrimination and reduction of corruption
- > Monitoring social and economic development activities
- > Monitoring environment, health and public safety activities
- > Monitoring consumer relationships and public relations
- > Monitoring compliance with human rights conventions and ethical breaches internally and externally

BSEC is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the year. See the integrated annual report for more disclosures related to ethics, good corporate citizenship and stakeholder engagement.

Members of the committee

- > Chairperson:
Gida Nakazibwe-Sekandi
- > Mihe Gaomab II
- > Daniel Kali
- > David Nuyoma
- > Nico van der Merwe
(executive officer: ERM)

Board members and management representatives' invitees

- > Gerhard Fourie (Group chairperson)
- > Olebile Makhupe (managing director: Bank Gaborone)
- > Baronice Hans (managing director: Bank Windhoek)
- > Marlize Horn (executive officer: brand and corporate affairs)
- > Tertius Liebenberg (managing director: CAM)
- > Azelle Verwey (Group head: legal, compliance and AML)
- > Stephanie Viljoen (executive officer: human capital and citizenship)

Key focus areas for the year

- > Key responsibilities as listed
- > Group sustainability integration programme
- > Vendor ethics risk assessment
- > Consideration of material matters
- > Confirmation of United Nations Sustainable Development Goals (“SDGs”)
- > Sustainability action plan

Read more about the BSEC’s activities on page 68 of the integrated annual report.

Good corporate citizenship

The board is ultimately accountable for the stakeholder relationship management and the Group’s engagement strategy. The board delegates its responsibilities in this regard to BSEC so that stakeholder relationship management can be integrated into the operations of the Group. BSEC is the custodian of environmental, social and governance (“ESG”) matters related to the Group’s sustainability, stakeholder relationships, corporate citizenship and ethical standing. The committee provides oversight and monitors a range of aspects within the ambit of this role.

We apply the principles set out in King IV™ and the United Nations Global Compact (“UNGC”) in governing stakeholder relationships. We also adhere to the regulatory requirements for risk-based supervision (Basel II), whereby interaction and consultation with stakeholders, both formal and informal, form an integral part of our risk management strategy.

The board does not have direct oversight of any stakeholders but relies on the committees to elevate stakeholder issues to the board in their quarterly feedback.





Group board information technology committee (“GBITC”)

Committee role, responsibilities and functions

GBITC is chaired by Erna Solomon, an independent external IT specialist and board member. GBITC is responsible for the following key matters:

- > Reviewing and recommending the Group IT strategy
- > Considering and recommending changes to the Group IT Policy
- > Considering and approving the Group IT reference architecture
- > Considering and approving the Group application portfolio
- > Assessing and approving the Group IT organisational and governance structures
- > Overseeing IT risk management, IT compliance and information and cybersecurity
- > Considering and approving strategic projects
- > Considering and recommending significant outsourcing
- > Ensuring the adequacy of IT resources
- > Overseeing IT systems and infrastructure stability

The Group Digital and Information Technology Advisory Committee (DITAC) was established by GBITC to provide advice to the Group Chief Information Officer (“CIO”) on new technologies, innovation, and digital/data considerations.

The membership, apart from the Group CIO and relevant internal IT, digital, data and security executives as invitees, includes two independent persons with the requisite qualifications and experience. In this regard, Dr Jay van Zyl is the lead independent specialist and chair of the DITAC and the chair of GBITC is the second independent member of DITAC.

GBITC is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the year.

Members of the committee

- > Chairperson: Erna Solomon
- > Olebile Makhupe (managing director: Bank Gaborone)
- > Baronice Hans (managing director: Bank Windhoek)
- > Jay van Zyl (special adviser, DITAC chairperson)
- > Johan Maass (Group CFO)
- > Thinus Prinsloo
- > David Nuyoma
- > Dirk Reyneke
- > Etienne Slabbert (chief information officer)

Board members and management representatives’ invitees

- > Gerhard Fourie
- > Tertius Liebenberg (managing director: CAM)
- > Nico van der Merwe (executive officer: ERM)
- > Kobus Hough (platform owner eChannels)

Key focus areas for the year

- > Key responsibilities as listed
- > Enterprise data and analytics strategy (“EDAS”)
- > Cyber resilience – improving the Group’s cyber posture
- > #gobeyond, the Group’s digital transformation programme
- > Monitoring risks, including people and talent in IT
- > GoAML (AML monitoring system)
- > BID-34 oversight
- > Future core banking system

Further disclosures on technology and information

Technology and information are governed in a way that supports Capricorn Group in setting and achieving its strategic objectives. GBITC is well established to fulfil the required oversight of financial services technology including banking and meets quarterly. IT oversight is part of every GBITC agenda, and IT policies are reviewed and approved by GBITC.

GBITC actively monitors the delivery against the platforms’ priorities. Platform progress updates are provided at every GBITC meeting, and specific actions were noted and tracked to completion. All other focus areas were reviewed and actioned.

Capricorn has Group policies that guide IT, service delivery, change management, information security, disaster recovery and acceptable use. It also has a Technology Risk Framework.

The digital transformation programme, #gobeyond, to transform the banking entities in the Group was considered and approved. The architecture in line with “digitising the core” was reviewed and approved. Various large business cases were reviewed and approved for implementation.

Planned areas of future focus are:

- > Further enhancing Agile, DevOps and platforms execution
- > Continue investing in the various platforms to support the Group’s strategy with particular focus on #gobeyond
- > Continued oversight for expanding platform capacity in line with business demand and to enable the delivery of the strategy
- > Continuing reviews of platform execution and delivery against strategy
- > Continuing focus on enhancing systems and infrastructure stability
- > Continual review and improvement of information and cybersecurity and supporting the cyber resilience programme



Our stakeholders and how we engage them



Shareholders

We have an investor relations committee that reports to the Group management committee. The members of the committee are Marlize Horn (Group executive: brand and corporate affairs and committee chairperson), Hellmut von Ludwiger (Group company secretary), Johan Maass (Group CFO), Claire Hobbs (chief treasurer: Bank Windhoek), Azelle Verwey (Group head: compliance and anti-money laundering) and the sponsoring broker, PSG Wealth: Brian van Rensburg and Elanie Rossouw. The Group company secretary is the overall owner of the relationships with shareholders.



Employees

The Group board HR committee attends to employee matters, including policies and arrangements for retirement funding and medical aid. The committee determines and approves criteria for performance management and incentives, whereas the board Remco focuses on remuneration and incentives for directors and executives. Group HR and the subsidiary HR teams own the relationships with employees. Employees have the Employment Equity Forum as a platform to discuss matters of equity in the workplace, ensuring equal opportunity and fair treatment for all employees.



Customers

The customer value proposition team and executives responsible for retail, asset management, treasury and Capricorn Private Wealth customers are all custodians of customer relationships.



Communities

The Capricorn Foundation, a non-profit association, has its own board, which reports quarterly to BSEC. The Group brand and corporate affairs and subsidiary marketing and corporate communication services ("MCCS") teams are the stewards of community relationships.



Suppliers

BARCC has a procurement committee that has oversight of suppliers. The members are David Nuyoma (Group CEO), Jacques Joubert (head of procurement) and Gerhard Fourie (independent non-executive director and chairperson). The committee's mandate is to consider and approve contractual agreements and budgeted expenditure up to N\$10 million, unbudgeted expenditure up to N\$5 million and disposals of assets up to N\$2 million. BSEC receives reports on supplier ethics. Group finance, subsidiary finance teams and Group IT are the owners of relationships with suppliers.



Media

The Group brand and corporate affairs and subsidiary MCCS teams are the owners of media relationships. The Media Policy guides employees on engagement with the media.



Government and regulators

The banking subsidiaries' audit committees engage directly with regulators and provide quarterly feedback to the Group BARCC. Group ERM and the subsidiary risk teams own the primary relationships with government and regulators.



Strategic alliance partners

Group and subsidiary executive management own the relationships with strategic alliance partners.

Read more about corporate citizenship, our stakeholder focus areas, engagement and plans in the integrated annual report.





#MakePositiveChanges

www.capricorn.com.na

Connect with us for positive change

To find out more about Capricorn Group, visit www.capricorn.com.na
or send an email to investorrelations@capricorn.com.na