



Value Creation
Summary

2024

Capricorn Group

Our value creation journey in 2024



We invite you to read more about our performance, outlook, strategy and value created for stakeholders.

This value creation summary provides an overview of the Capricorn Group's performance for the financial year from 1 July 2023 to 30 June 2024. It includes a short profile of the Group and insights into our performance and activities for 2024.

This summary aims to keep our stakeholders informed and respond to their requests for a quick-read version of the integrated annual report. The full integrated annual report and annual financial statements, which were approved by the board on 10 September 2024, can be found on our website.

When we refer to the Group in this summary, we mean the Capricorn Group's financial services operations in Namibia and Botswana. These include banking, insurance, wealth and asset management and microfinance.

Any forward-looking statements in this summary are uncertain, and your investment or engagement decisions should not be based on these.

Make Positive Changes

A brand campaign has the potential to reinforce unity among employees and affinity among stakeholders. We have run annual brand campaigns since 2017. Our latest brand campaign, "Make Positive Changes," builds on the narrative from last year's "Make Change Positive."

"Make Positive Changes" encourages forward-looking momentum by emphasising a proactive mindset and our shared belief that initiating positive changes benefits the Group and those connected to our brand. It also aligns with our strategic focus on sustainability. By promoting sustainable choices and actions, we leave a legacy of hope and ensure a future where everyone thrives.

"Make Positive Changes" is a call to action that captures the essence of our purpose and values. It encourages every individual to contribute to a better tomorrow through meaningful, positive actions.



Financial highlights for 2024

17.9%

Return on equity ("ROE") (2023 restated: 18.7%)



50.0%

Cost to income ratio (2023 restated: 51.0%)



5.8%

Dividend yield* (2023: 6.8%)



17.9%

Capital adequacy ratio (2023: 16.9%)



N\$2.16 billion ▲

Operating profit (2023 restated: N\$1.91 billion)



112 cents ▲

Dividend per share (2023: 100 cents)



1,896 cents ▲

Net asset value per share (2023 restated: 1,683)



319.6 cents ▲

Earnings per share (2023 restated: 292.0 cents)



320.7 cents ▲

Headline earnings per share (2023 restated: 300.4 cents)



1.0 ▲

Price to book ratio* (2023: 0.9)



N\$1.74 billion ▲

Profit after tax (2023 restated: N\$1.58 billion)



6.0 ▲

Price earnings ratio* (2023: 5.0)



* Based on the closing share price as of 30 June 2024.



A message from our Group chairperson

Capricorn Group delivered a strong financial performance with 17.7% growth in previously reported profit after tax to N\$1.74 billion (2023: N\$1.48 billion). This can be attributed to excellent results from our portfolio of businesses which includes the banking subsidiaries, Bank Windhoek and Bank Gaborone, and a solid overall performance from Capricorn Asset Management (“CAM”), Entrepo, Peo Finance and our associates.

While Namibia's GDP grew by 4.5% in 2023, the economy is still small, with high unemployment and inequality. In Botswana, economic growth decelerated to 2.7% in 2023, weighed down by lower demand for diamond exports.

While Botswana is considered a middle-income country, it is a small open economy facing development challenges similar to those faced by countries with lower income levels. In both Namibia and Botswana, private sector credit extension came under pressure, a clear indication that these economies are not performing.

Exciting prospects for Namibia

After several promising discoveries along its coast, Namibia has become an oil exploration hotspot. Oil majors have made discoveries estimated in the billions of barrels, with the first production expected to come online within five years.

We await regulatory and legal certainty as the oil majors and the Namibian government discuss capitalising off the country's energy assets. While Namibia undoubtedly needs the oil majors' specialised experience, we hope for adequate regulation to ensure local participation and skills development.

The oil finds and exciting developments in green hydrogen led to large foreign direct investment flows and improved trust in Namibia's prospects.

Investing in the African connectivity opportunity

During the financial year, the board approved a N\$243.4 million investment in Paratus Group to increase our shareholding from 26% to 36.4%.



This additional investment will lead to further diversification of capabilities that complement our financial services offering to customers and provide exposure to the high-growth telecommunications sector. The Group is actively exploring opportunities to increase synergies with Paratus Group and our subsidiaries, including creating new customer offerings.

A new leadership chapter

The start of David Nuyoma's tenure as Group CEO and executive director in March 2024 marked the start of a new chapter for Capricorn Group. We are confident in his ability to lead us in a dynamic and challenging business environment. David will also serve as a director of the Bank Windhoek and Capricorn Foundation boards.

We thank Thinus Prinsloo, the former Group CEO for his visionary leadership that has been a cornerstone of the Group's success. We wish him success in his new role as executive director at CIH, the Group's largest shareholder. He will also continue to serve the Group as a shareholder representative on the board and several of our subsidiary boards.

Board changes

In February 2024, we announced Koos Brandt's retirement as a non-executive director of the board. Koos, one of Group's founders, served on the board since the company's establishment in 1996 and was Group chairperson until 2017. We thank him for his invaluable input over the years. He continues to serve as a non-executive director of the Bank Windhoek board.

We welcomed Jacobus (Cobus) Brandt as non-executive director, 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. Cobus holds an accounting qualification and substantial experience in the financial and agricultural sectors. The board welcomes Cobus and looks forward to his contributions.

Appreciation

I am grateful for our dedicated employees and management teams for another set of strong financial results despite a constrained operating environment.

I thank my fellow directors for their support and insights throughout the year. 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.

We remain excited about the growth opportunities in Namibia and Botswana and are confident that our strategy positions us for sustainable value creation in a complex, challenging, but rewarding operating environment.



Gerhard Fourie
Group chairperson



Group profile

Capricorn Group is a southern African financial services group with a 42-year track record and a presence in Namibia and Botswana.

Since its establishment in 1982, the Group has been an integral part of the Namibian banking sector, proudly maintaining Namibian ownership and listing on the NSX in 2013. Operating in Namibia and Botswana, our two banking subsidiaries are complemented by subsidiaries and associates providing additional financial products and services. These include asset and unit trust management, microlending and long and short-term insurance. We also have exposure to the African telecommunications sector through our shareholding in Paratus Group.

We create value for our stakeholders through our portfolio of existing businesses whilst ensuring the long-term sustainability of our Group through deliberate portfolio management.

Across our portfolio, we share a broad spectrum of customers, which includes individuals, large corporates and small and medium enterprises ("SMEs"). Our value proposition is developed around customers and comprises a range of products and services delivered through various physical and digital channels. We aim to better serve customer needs by leveraging the collective capabilities, offerings and synergies across our portfolio. We evolve our shared customer proposition through collaboration, data analytics and digital technologies.

Capricorn Group employs 1,998 individuals, making up a diverse workforce. Our organisational culture champions excellent performance and responsible behaviour. As a Group, we are committed to sustainable economic development in Namibia and Botswana.

Business activities

Transactions

We facilitate payments

Loans, credit and deposits

We provide credit, loans and savings or investment products

Asset management

We invest and manage assets on behalf of customers

Advisory

We provide investment banking and advisory services

Bancassurance

We provide short and long-term insurance products

Foreign exchange and trade finance

We provide currency access to global markets



What we stand for

Our purpose:

Improving lives through leadership in financial services by being Connectors of Positive Change.

What it means to be Connectors of Positive Change

- > We connect our customers to products and services that positively impact their lives
- > We bring positive change to our communities by being a responsible corporate citizen
- > We encourage employee volunteerism through the Changemaker initiatives
- > We connect our customers, partners and suppliers with opportunities for growth
- > We seek to find innovative ways in which to bring together our customers and their aspirations
- > We collaborate with the like-minded to bring about positive change in the countries in which we operate
- > We are catalysts of sustainable opportunities

The Capricorn Way

We make deliberate strategic choices to realise our purpose and nurture our shared culture, as articulated in The Capricorn Way. It promotes nine behaviours to unlock the potential of each employee and the collective:

1. **Wisdom** – Choose when to speak and act
2. **Responsiveness** – Be concise when you speak. Be silent when you listen
3. **Motivation** – Be an example of what is possible
4. **Resilience** – Navigate the ups and downs with perseverance
5. **Curiosity** – Ask in order to learn, improve and discover
6. **Initiative** – Do not wait to be told what to do
7. **Enjoyment** – Stop, be aware of the good things that are happening, big and small
8. **Impact** – Busy does not equal great results
9. **Engagement** – Be fully present when you are with others

The Capricorn Way directs us towards positive change and is underpinned by three beliefs:

1. Purpose Inspires Leadership
2. Diversity Ignites Quantum Leaps
3. Being Connected Helps Us Grow

Our brand values

Inspired: We strive to empower the communities we operate in.

Open: We learn from the best and share our knowledge openly.

Dedicated: We build deep customer relationships and put the needs of customers first.

“Our strong financial results for 2024 can be attributed to our focus on supporting customers while executing our strategy and staying true to our purpose.”

- David Nuyoma, Group CEO



Our footprint

Capricorn Group is an aspirational financial services brand in the southern African region.

Namibia

The Group's headquarters are in Windhoek, Namibia. 80.0%* of the Group's total profit after tax derives from Namibia.

Number of employees (permanent)

1,549 ▲

Bank Windhoek
(2023: 1,505)

63 ▲

CAM
(2023: 58)

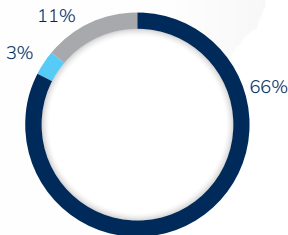
53 ▲

Entrepo
(2023: 46)

1,998 ▲

Capricorn Group
(2023: 1,921)

Contribution to Group profit after tax



● Bank Windhoek (2023: 66%) ● CAM (2023: 3%) ● Entrepo (2023: 11%)

Market share in loans and advances

35.5% ▲

Bank Windhoek
(2023: 35.2%)

* Based on profit attributable to shareholders.



Botswana

10% of the Group's profit after tax is derived from Botswana through Capricorn Investment Holdings Botswana ("CIHB")*.

Number of employees

309 ▲

Bank Gaborone
(2023: 296)

20 ▲

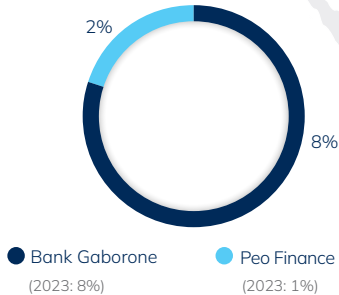
Peo Finance
(2023: 20)

Market share in loans and advances

8.4% ▲

Bank Gaborone
(2023: 8%)

Contribution to Group profit after tax



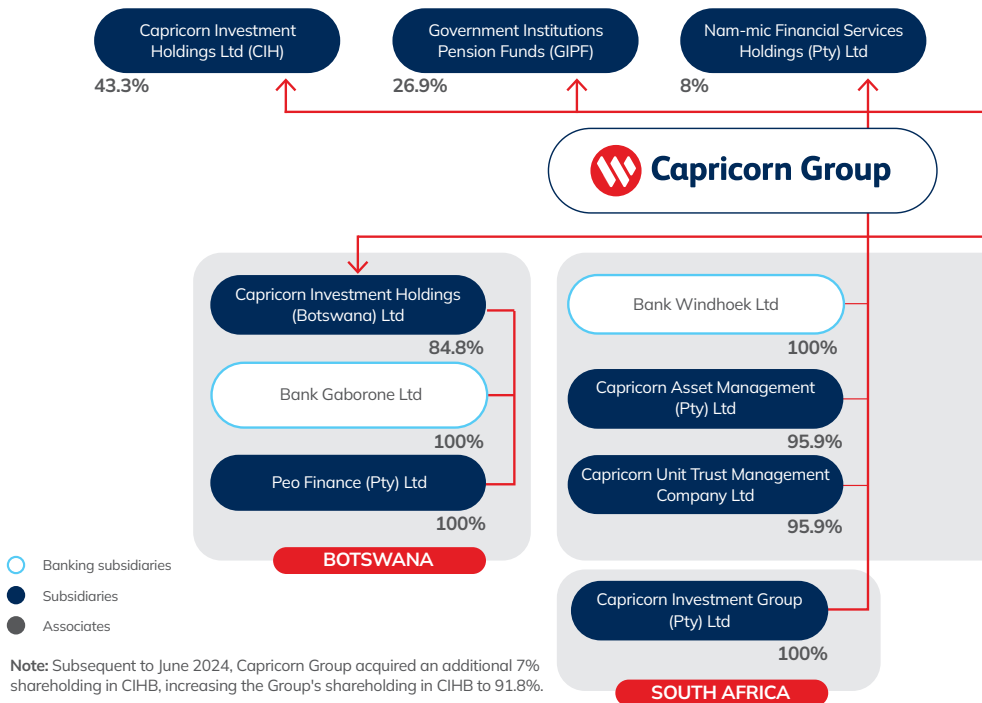
* Based on profit attributable to shareholders.

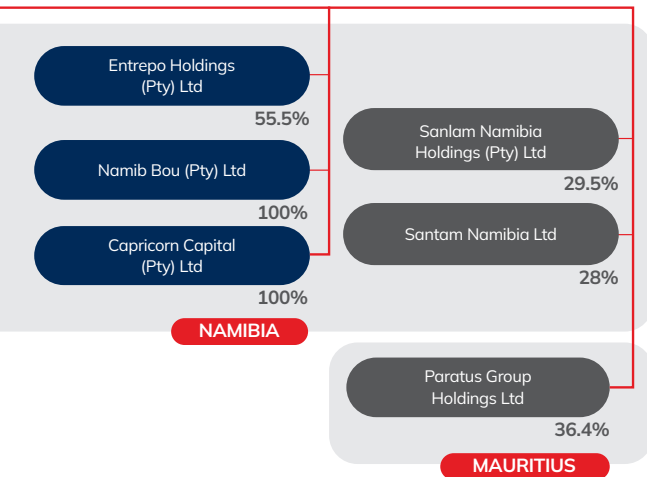


Capricorn Group operating subsidiaries and associates

Group Structure

as at 30 June 2024





The Group's creates value for stakeholders by consistently delivering quality financial services, products and advice that help our customers thrive.



A compelling investment case

Our strong financial position, diverse operations and deep local knowledge position the Group for sustained growth and quality earnings.

Financial resilience

All our subsidiaries and associates delivered strong financial results for 2024

The Group's profit after tax improved 10.0% to N\$1.74 billion despite a difficult operating environment.

The Group has a healthy balance sheet and is adequately capitalised to exploit growth opportunities.

The Group's cost to income ratio improved to 50.0% and cost discipline remains a priority while investing for future growth.

Access to capital

Capricorn Group has two shareholders of reference – the Government Institutions Pension Fund ("GIPF"), the largest institutional investor in Namibia, and Capricorn Investment Holdings ("CIH"), the founding holding company of Bank Windhoek. They ensure stability, liquidity and access to capital.

Diversification

We have a portfolio of diverse financial services-related offerings, including banking, asset management, microlending, insurance, and telecommunications, broadening our revenue streams while reducing our risks.

We seek to increase collaboration and intersection points between our entities to unlock new possibilities and customer solutions.

Diversification away from net-interest income

The Group's non-interest income grew by 14.2% to N\$2.14 billion, while profit share from associates grew by 200.7% to N\$195.1 million over what was reported in the prior year, as we seek to reduce our dependence on net-interest income.

Geographic expansion

We have operations in two countries and have the opportunity to expand our activities in Botswana. This could further increase operational efficiencies, gain market share, and increase our ROE.

Opportunities for growth

We are well-positioned to capitalise on opportunities in both Namibia and Botswana, including the emerging energy sector. Read more about our opportunities in our Group chairperson's report on page 2.



A track record of investment success

Our investment philosophy is responsible and responsive to operating conditions. We diversify, never speculate, and continuously monitor and evaluate actual performance. Every investment opportunity is unique, and we take time to understand its features and clearly define and quantify its risk factors.

ROE and ROIE

We track ROE as a measure of quality earnings and aim to achieve a 20% ROE in the longer term. We also consider the return on incremental equity ("ROIE"), where a higher portion of profits are retained to invest in growth opportunities. While this may result in lower dividends in the short term, shareholders will benefit from higher dividends over time.

In 2024, we increased our shareholding in Paratus Group Holdings to 36.4%, which increases our exposure to the African telecommunications opportunity.

Peo Finance, our microlending business in Botswana, continues to scale and increased its profit after tax by 248.2% in 2024.

Our investment in digital transformation ensures our continued relevance to customers.



Strategy overview

Our five strategic choices set the direction for our strategy, entrenching our competitive advantage through the combined offering and synergies of our diverse portfolio to unlock value for stakeholders.

Our strategy snapshot



We believe in the power of collective value creation.



Our purpose

Improving lives through leadership in financial services by being Connectors of Positive Change.



Our ambition

Connecting our customers and other stakeholders to our strong financial services portfolio and value networks through our Capricorn brand, employees and distribution channels.

We will grow a sustainable, profitable, thriving organisation that delivers a sustained 20% ROE.

Our five strategic choices will enable our purpose and ambition



Choice 1: Deliberate portfolio action for growth and value creation



Choice 3: Integrate sustainability practices to create a business advantage



Choice 2: Transform our business through data and digital solutions



Choice 4: Promote diversity, equity and inclusion ("DE&I")



Choice 5: Develop leadership

Our focus

Employees



Success depends on good leadership, the right culture, the skills and support of our people, and the handshake between the company and employees in achieving superior performance.

Customers



We differentiate ourselves through our unique service offering and customer experiences, driven by a customer-centric strategy and culture.

Sustainability



We transform sustainability integration into a competitive business advantage while generating positive environmental and social impacts.

Data and digital



We use data and digital technology to transform our business and customer experience, implementing new technologies and data capabilities such as microservices ("Apls"), AI and machine learning.

Value creation



Our portfolio of businesses, brand, culture, and distribution channels contribute to a strong value network that enables us to build and focus on value-adding initiatives. Our strategies are chosen based on the highest value and cascaded

Brand management



We leverage a single unified and powerful brand to realise our ambition.



#gobeyond: Investing in technology

The #gobeyond programme began with a discovery phase to explore what #gobeyond meant for Bank Windhoek and Bank Gaborone. This phase was informed by extensive employee and customer engagement, including focus groups and customer interviews. We mapped the desired customer journeys and set up a roadmap to achieve these.

2021

We boosted our execution capabilities, specifically in IT delivery. We released updates to both mobile banking apps, began deploying cash-receiving ATMs and implemented a new online banking platform for Bank Gaborone.

2022

Increased access to banking services grew transaction volumes on digital channels. The customer adoption rates and usage of our banking apps indicate that customers perceive these as value-adding channels.

2023

We redesigned the customer experience and the onboarding journeys for the most common transactional accounts. The aim was to create a frictionless experience that includes biometrics to simplify future bank engagements and make these much more secure.

We also rethought the branch model and created a redesigned, modern branch supported by technology. For example, handling cash used to be a time-consuming service performed over the counter, while cash deposits are now processed through cash-receiving ATMs at no cost to the customer.



#gobeyond phase two, major focus areas

Deploy new branch model

Roll out the new branch model across Namibia and Botswana, supported by change management, and train employees on technology and new ways of working.

Develop modern data infrastructure and capabilities

Investing in data capabilities and delivering the new data warehouse in 2025. Deploying the architecture and infrastructure to support modern-day data management and analytics and developing use cases.

Exploration of AI and other technologies

Exploring what AI and other emerging technologies can offer. Customers with better financial behaviours offer better profitability and sustainability for banks in the medium to long term. We are considering how to implement rewards and incentives for healthy financial behaviour.

Knowledge sharing with subsidiaries

While the scope of #gobeyond has been limited to our banks, other subsidiaries are beginning digital transformation journeys. Here, they can draw on the resources and experience of the #gobeyond team. For example, CAM is drafting a digital transformation roadmap to automate manual tasks and improve the customer experience.

We never forget that the human element is essential. While customers prefer to access services through the app or online, they also want to speak to a consultant at a branch for other needs.



Our financial performance in 2024

Return on equity (ROE) is the overall measure of our success

17.9% 17.6%[^] 15.0% 20%

2024 2023 2022 **Ambition**

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We want non-interest income to be more than 45% of operating income

2023 43.2%[^]
2022 45.9%

2024 **43.7%**

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This measures our ability to diversify income streams

This measures our ability to operate efficiently

We want to maintain the cost to income ratio below 52%

2023 50.8%[^]
2022 51.1%

2024 **50.0%**

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We want the ratio of NPLs* as a % of loans and advances to be <4.5%

2023 4.5%
2022 4.8%

2024 **4.0%**

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This measures our ability to manage credit risk effectively

This measures the ability to effectively manage liquidity risk

We want to keep the loan-to-funding ratio below 90%

2023 89.2%
2022 87.2%

2024 **86.3%**

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“Our results demonstrate resilience and successful strategic execution, with profit after tax increasing 9.9% over the restated prior period and ROE improving to 17.9%. The strong performance is attributable to loan book growth and increased transaction volumes, offset to some extent by higher credit impairment charges.”

Johan Maass, Group CFO

[^] Prior to IFRS 17 restatement

* Excluding interest in suspense



Financial performance overview

The Group's positive financial results are despite difficult operating conditions, where businesses and consumers face financial strain due to higher interest rates and weaker economic growth.

Operating environment

While the inflation rate in Namibia and Botswana has moderated somewhat, the cost of living remains elevated. The ongoing economic impact of increased inflation rates combined with higher interest rates caused by geopolitical instability continued to put pressure on key credit risk indicators. However, due to proactive credit management, the Group's NPLs decreased to N\$2.03 billion (2023: N\$2.10 billion), resulting in the NPL ratio, excluding interest in suspense, decreasing to 4.0% (2023: 4.5%). The Group continues to hold prudent provisions for expected credit losses.

Net interest income

The Group experienced a noteworthy 13.6% year-on-year increase in net interest income, driven by higher interest rates, a 7.5% year-on-year growth in the loan book and prudent management of the cost of funding. The lending businesses managed their cost of funding very effectively, as Bank Windhoek maintained their net interest margin over 5.0% for the majority of the financial year, while the net interest margin at Bank Gaborone improved 131 basis points from 3.81% to 5.12%.

Non-interest income

Non-interest income also increased by 14.2%, largely attributable to an 12.6% increase in transaction-based fees, especially from digital channels, particularly POS and merchant transactions. Asset management fees from CAM increased by 12.9% due to strong growth in AUM.

Operating expenses

Operating expenses registered a 12.2% year-on-year increase. This rise can be attributed to a 22.9% increase in variable operational banking expenses, directly linked to increased transaction and trading volumes. Excluding these operational banking expenses, the growth in overall expenses was contained at 11.2%. Much of this growth is associated with increased employee costs, driven by annual increases and the filling of key vacancies, especially in IT positions.

Associates

Sanlam Namibia and Santam Namibia delivered strong financial performances. However, the move to IFRS 17 led to significant changes in the value of insurance liabilities, given the use of different valuation approaches. Before the IFRS 17 restatement of the preceding period, the Group recorded a substantial 200.7% year-on-year increase in income from associates, amounting to N\$130.2 million. However, the recognition of substantial previously unrecognised IFRS 17 profits in the restated prior period resulted in a much lower 7.0% increase in income from associates to N\$195.1 million.



Salient performance of our main subsidiaries

Bank Windhoek

9.9%

growth in net interest income
(2023: 17.8%)

21.5%

increase in impairment charges
(2023: 38.7% decrease)

17.4%

growth in non-interest income
(2023: 12.5%)

23.7%

increase in liquid assets
(2023: 9.3%)

13.8%

increase in operating profit
(2023: 32.8%)

4.1%

decrease in NPLs (including interest in
suspense)
(2023: 4.0% decrease)

35.5%

market share in loans
and advances
(2023: 35.2%)

Net interest margin of

4.94%

(2023: 5.06%)

Bank Gaborone

40.8%

growth in net interest income
(2023: 12.0% decrease)

362%

increase in impairment
charge
(2023: 58.1% decrease)

8.6%

growth in non-interest income
(2023: 14.3%)

15.6%

growth in liquid assets
(2023: 11.6% decrease)

26.6%

increase in operating profit
(2023: 22.5%)

9.7%

increase in NPLs
(2023: 14.3%)

8.4%

market share in loans and
advances
(2023: 7.4%)

Net interest margin of

5.12%

(2023: 3.81%)



Capricorn Asset Management and Capricorn Unit Trust Management

N\$46.6 billion

AUM
(2023: N\$38.6 billion)

20.7%

growth in AUM
(2023: 20.3%)

16.7%

increase in operating profit
(2023: 9.8%)

Entrepo

Loan book increased
by 17.8% to

N\$1.81 billion

(2023: N\$1.53 billion)

172.6%

improvement in loan write-offs
to a recovery of N\$3.4 million
(2023: charge of N\$4.7 million)

23.2%

increase in insurance service
result to N\$156.9 million
(2023: N\$127.4 million)

5.8%

increase in profit after tax to
N\$199.2 million
(2023 (restated):
N\$188.2 million)

15.2%

increase in external funding as a
percentage of the total loan book
from 30.8% to 46.0%

33.2%

decrease in claims to
N\$34.1 million
(2023: N\$51.0 million)

Peo Finance

Loan book increased by 13.9% to

BWP435.8 million

(2023: BWP382.5 million)

42.2%

decrease in loan write-offs to BWP4.4 million
(2023: BWP7.6 million)

248.2%

increase in profit after tax to BWP27.5 million
(2023: BWP7.9 million)



Shared financial value for 2024

The Group's positive financial performance for 2024 allowed us to create value for our major stakeholders and contribute to the socioeconomic development of Namibia and Botswana.

Our stakeholders shared in the Group's total value creation of N\$5.1 billion (2023: N\$4.4 billion) as follows:

▲ **11.3%**

Employees

N\$1.3 billion

In addition to remuneration, employees receive rewards and recognition and have career and personal development opportunities.

▲ **13.9%**

Suppliers

N\$924 million

Suppliers have a market for their products and services and opportunities to expand the range and nature of their contracts with the Group. The Group is committed to procuring from local suppliers, including SMEs.

▲ **19.1%**

Communities

N\$25.8 million

The Capricorn Foundation is the Group's main CSR vehicle in Namibia and is funded by our subsidiaries. All subsidiaries run their own CSR initiatives.

▲ **16.5%**

Direct and indirect taxes

N\$1.2 billion

The Group pays taxes, duties and licence fees in the territories where we operate. This enables governments to deliver on their national development plans, improve and maintain public infrastructure and fund public services such as health, education and welfare programmes.

▲ **9.3%**

Retained for future growth

N\$1.1 billion

We allow for sufficient financial reserves to fund our #gobeyond digital transformation programme and other growth opportunities.

▲ **36.9%**

Shareholders

N\$560 million

Shareholders receive dividends and long-term capital growth benefits from funds retained for future growth opportunities.

We are committed to supporting local industry and employment as much as possible. 86% of our total operating expenses were paid to suppliers and employees located within the regions in which we operate. In addition to the value created directly by the Group, the Capricorn Unit Trusts distributed a total value of N\$2.4 billion during the 2024 financial year.

Value created for customers

The Group creates value for customers through a combination of financial products, services, and enhanced customer experiences. Over the past four years, the Group invested N\$403 million in the digital transformation of its banks to improve operational efficiencies and the overall customer experience. In 2024, our banking subsidiaries enabled customers to improve

their lives through a range of long and short-term financial solutions and loans:

- > New home loans: N\$2.2 billion.
- > New vehicle and asset finance: N\$3.8 billion.
- > Sustainability loans: N\$390.70 million
- > New SME loans N\$3.4 billion.
- > New business loans N\$6.3 billion.

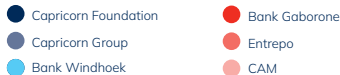
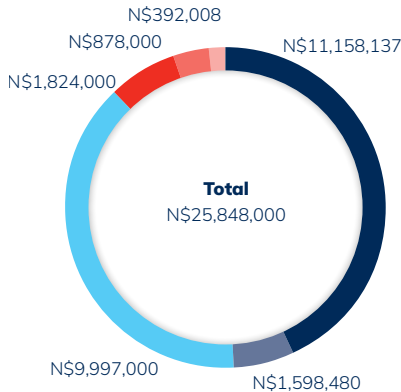


Consolidated Group-wide CSR

As a Connector of Positive Change, Capricorn Group is committed to being a responsible corporate entity. This includes collaborating with internal and external stakeholders to ensure we fulfil our duty to our communities.

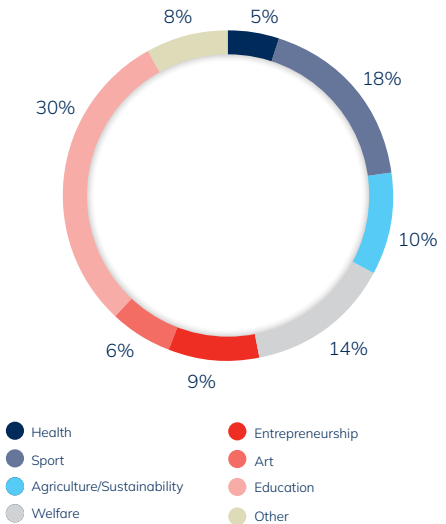
Through the Group's CSR initiatives, including the Foundation and subsidiaries, we have invested N\$25.8 million (2023: N\$21.7 million) in Namibia and Botswana. Below is a breakdown of the CSR investments made by the Foundation, Group, and subsidiaries. This excludes any salary costs of Group, Foundation or subsidiaries' employees.

Capricorn Group and subsidiaries CSR expenditure



Our CSR investments address many social challenges in education, sports development, entrepreneurship, art and culture and health.

CSR investment per focus area by Capricorn Group and subsidiaries



* The Capricorn Foundation is funded by Capricorn Group's Namibian subsidiaries, including Bank Windhoek, CAM and Entrepo. Refer to page 22 for a detailed overview of the Capricorn Foundation.



Overview of the Capricorn Foundation

The Capricorn Foundation is a Section 21 Company and registered as a Welfare Organisation (W0499). Since 2020, the Capricorn Foundation has been committed to positively impacting lives by creating and supporting initiatives and programmes that advance CSR in Namibia and Botswana.

The Foundation's vision

Our vision statement is aligned with the Group's CSR vision:

The Capricorn Foundation aspires to be a Connector of Positive Change by being accountable to ourselves and our stakeholders. We seek to make an overall positive economic and social impact on society by investing responsibly in sustainable programmes that address national priorities in line with the SDGs.

What we do

Our main objective is to identify and fund programmes, projects or organisations that need support to positively impact local communities. We want to:

- > Act as the primary vehicle through which the Group manages its CSR activities in Namibia
- > Seek collaboration and partnerships between the programmes, projects or organisations supported by the organisation to achieve a more significant impact and consolidation of efforts
- > Provide financial and non-financial (in-kind) support to identified projects, programmes, or organisations
- > Implement and maintain a well-defined process for monitoring and evaluating the progress and impact of our support.



Key focus areas

The Capricorn Foundation has five key focus areas, divided into primary and supplementary areas:

Primary focus areas



Education and Training



Economic Advancement, with a focus on job creation and entrepreneurial skills development.

Supplementary focus areas



Vulnerability, basic needs of vulnerable groups, especially children (hunger and poverty) and gender-based violence ("GBV") victim counselling.



Health, especially major dread diseases, mental health, and disability.



Sustainability: programmes that contribute to attaining the UN's SDGs.

The Foundation's impact in 2024

The Capricorn Foundation invested N\$11.1 million in projects across our five focus areas:



Education

N\$5.1 million



Economic advancement

N\$2.1 million



Vulnerability

N\$2.6 million



Health

N\$300,000



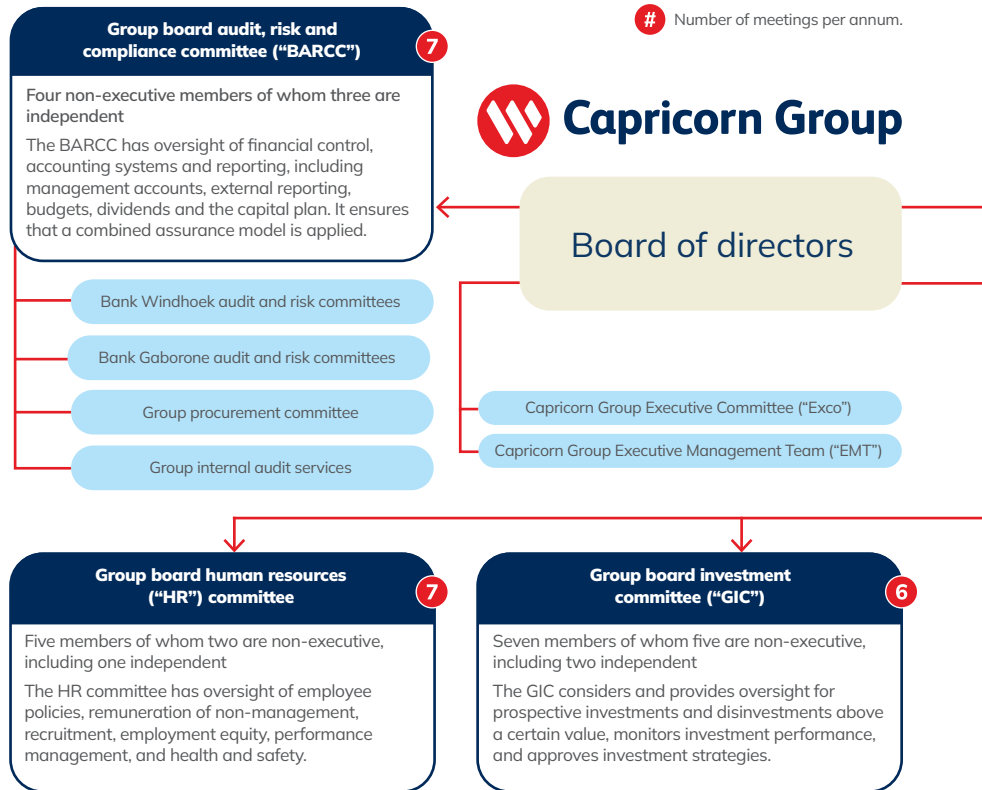
Sustainability

N\$1,000,000



Our governance system

Number of meetings per annum.



Capricorn Foundation

Group board social and ethics committee ("BSEC")

5

Six members of whom four are non-executive, incl. three independent

The BSEC provides oversight for the Group sustainability strategy and environmental, social and governance philosophy, good corporate citizenship and ethics. It monitors social, human rights, environmental and consumer activities.

Group board remuneration committee ("Remco")

12

Four members of whom all four are independent

The Remco provides oversight for the Group's remuneration philosophy, principles and the broad framework of remuneration, directors' fees, executive talent management and incentive schemes.

Group board information technology committee ("GBITC")

5

Nine members of whom four are non-executive, including three independent

The GBITC provides oversight for the Group IT governance, strategy and policies, the Group IT reference architecture, cybersecurity, significant outsourcing, and strategic projects. It also oversees the management of IT risk and compliance and the stability of IT systems and infrastructure. The GBITC is the board IT committee for Group, BW, BG and CAM.

Group board nominations committee ("Nomco")

4

Three non-executive members of whom two are independent

The Nomco provides oversight for board composition, director nominations, succession and director performance. The Bank of Gaborone board has its own nominations committee.



Summary board member profiles

Full board member profiles are available in the governance report, available online.



Daniel Gerhardus Fourie (66)
BCom (Hons), CA(SA), CA(Nam)

Independent non-executive board chairperson
Appointed to the board in 2015
Appointed as board chairperson with effect from
1 January 2022



Daniel Teodor Kali (55)
BA, MPhil

Lead independent non-executive director
Appointed to the board in 2021



Jacobus Wynand Brandt (43)
BCom

Non-executive director
Appointed to the board in 2024



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

Independent non-executive director
Appointed to the board in 2021



GIC

GBTIC

HR

BSEC

David Nuyoma (61)

BA (Hons), MA

Group CEO and executive director

Appointed to the board in 2024



HR (Chair)

BARCC

Goms Menetté (57)

MBA, PGDip in Management Studies, NDip in Business Administration

Non-executive director

Appointed to the board in 2018



GIC (Chair)

BSEC

Heinrich Mihe Gaomab II (54)

BCom (Hons), PGDip in Quantitative Development Economics, MSc Quantitative Development Economics

Non-executive director

Appointed to the board in 2018



BARCC (Chair)

GBITC

Dirk Johannes Reyneke (62)

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

Independent non-executive director

Appointed to the board in 2017





Remco (Chair)

BSEC (Chair)

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

Independent non-executive director
Appointed to the board in 2004



GBITC

Marthinus Johannes Prinsloo (53)
BCompt (Hons), CA(SA) Cert.Dir.

Non-executive director
Appointed to the board in 2013



BARCC

GBITC (Chair)

Erna Solomon (62)
BSc (Ed), BSc (Hons), MSc, Global Executive Development Programme

Independent non-executive director
Appointed to the board in 2019



Remco

Nomco (Chair)

GIC

BARCC

Johannes Jacobus Swanepoel (64)
BCom (Hons) (Accounting), CA(SA), CA(Nam)

Independent non-executive director
Appointed to the board in 1999



The Capricorn Group reporting suite for 2024 includes the following separate elements, all available on our website at www.capricorn.com.na

- > Integrated annual report
- > Annual financial statements
- > Governance report
- > Risk report
- > King IV index
- > Social value report

We welcome feedback from our stakeholders. Please direct your questions and feedback to Marlize Horn at investorrelations@capricorn.com.na or +264 (61) 299 1226



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.



#MakePositiveChanges

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