

SUSTAINABLE DEVELOPMENT REPORT

THE COMPANY HAS CONSISTENTLY MAINTAINED ITS COMMITMENT TO AN INTEGRATED APPROACH TO CORPORATE GROWTH—A HOLISTIC STRATEGY THAT NOT ONLY PRIORITISES ECONOMIC DEVELOPMENT BUT ALSO PLACES EQUAL EMPHASIS ON SUSTAINABLE GROWTH, AS WELL AS SOCIAL AND ENVIRONMENTAL DEVELOPMENT AND PROTECTION.

BACKGROUND

Trustco firmly maintains the conviction that the commitment to strong corporate responsibility and ethical conduct is essential for building trust, in alignment with sound business principles, and is a critical factor in protecting and enhancing investment. Responsible and ethical business practices serve as the foundation for continuous shared value creation, environmental sustainability, long-term asset performance and the overall wellbeing of society at large.

The company has consistently maintained its commitment to an integrated approach to corporate growth—a holistic strategy that not only prioritises economic development but also places equal emphasis on sustainable growth, as well as social and environmental development and protection. In the pursuit of excellence, management proactively addresses and evaluates critical sustainability concerns.

Trustco actively embraces and contributes to sustainable strategies aimed at advancing a comprehensive agenda guided by the United Nations (UN) Sustainable Development Goals (SDGs). Recognising the significance of sound environmental, social and governance (ESG) practices, Trustco regards them as vital for establishing and preserving resilient assets and businesses. The policies governing these practices are integral elements of the value creation process, ensuring the enduring sustainability of investment operations.

Trustco's dedication extends to the transformation of capitals, involving a meticulous evaluation of Key Performance Indicators (KPIs) within the contexts of risks, opportunities, strategies and performance. This comprehensive approach ensures the continuity and sustainability of Trustco's investment activities. Evaluating capital inputs remains of utmost importance, guaranteeing the generation of significant value for investors in the result-focused approach. Even in demanding economic conditions, Trustco remains proactive and well-prepared with the necessary expertise to enhance resilience.

Furthermore, Trustco maintains an ESG strategy that is tailored to address the distinctive sustainability challenges within the markets where it invests.

SUSTAINABLE DEVELOPMENT REPORT (CONTINUED)

This strategy effectively addresses the opportunities and risks inherent in those markets. Trustco group remains convinced that a pure bottom line growth focus cannot deliver the group's vision of long-term investor wealth creation. As such, it has an integrated approach to growth, one focused not only on economic development, but also on social as well as environmental development. This reflects the company's commitment to advancing socio-economic development, with the aim of fostering a more equitable and inclusive society that derives tangible benefits from the realisation of shared value creation.

Trustco maintains a diversified portfolio of investments across various industries, and as a responsible custodian, it utilises its influence to the fullest extent to ensure that the companies in which it invests uphold and exhibit responsible behaviours pertaining to environmental, social and governance matters.

The three pillars of sustainable development coalesce in diverse ways to create the six types of capital the group itself and its investee companies are focused on.

| CAPITALS | INPUTS | OUTCOMES |
|---|---|---|
| <p>FINANCIAL CAPITAL</p> <p>Financial capital aims to accurately represent the value of natural, human, social and manufactured capital and is the ultimate output of the economic growth machine – the measure of wealth creation</p> | <ul style="list-style-type: none"> Funds invested | <ul style="list-style-type: none"> Headline earnings NAV increase Gross investment profit Share price growth Return on investments Revenue generated |
| <p>HUMAN CAPITAL</p> <p>Human capital is embodied in the individuals employed by Trustco. It comprises of their collective and individual capabilities, knowledge and skills – from rank-and-file employee up to board level</p> | <ul style="list-style-type: none"> 636 employees employed and overseen by Trustco and its investee companies Ensuring a diverse and engaged team Upskilling, development and retention of employees for future roles Employees are treated fairly and remunerated competitively | <ul style="list-style-type: none"> A total of NAD 1.5 million contributed towards training and training levies during the reporting period Skilled, motivated, productive and dedicated employees |
| <p>INTELLECTUAL CAPITAL</p> <p>Intellectual capital is formed by the interrelation of other intangible capitals and does not only comprise of what is termed 'intellectual property,' such as patents, copyrights and licences but encompass much more – the knowledge held by Trustco, its systems, procedures and protocols that provide it with a competitive advantage against its peers</p> | <ul style="list-style-type: none"> Diversified management team with business and industry knowledge Encouraging and facilitating an environment that thrives on innovation and change Customised ICT systems Trademarks | <ul style="list-style-type: none"> Cost savings by streamlined and in-house support services Strong brands of investments |

| CAPITALS | INPUTS | OUTCOMES |
|--|---|--|
| <p>MANUFACTURED CAPITAL Manufactured capital is distinguished from natural capital in that this form of capital is produced to enable a business to operate – to produce products, goods and provide services. This not only encompasses the capital as recorded on the balance sheets, but also the available infrastructure provided by others in the economy which the company can use to create value for stakeholders</p> | <ul style="list-style-type: none"> • ICT Infrastructure | <ul style="list-style-type: none"> • Smooth business operations |
| <p>NATURAL CAPITAL Natural capital is the underlying resource that all other capitals build upon. This not only includes those resources normally thought of as natural capital, such as water, land, minerals etc., but also broader resources, such as biodiversity and ecosystem health</p> | <ul style="list-style-type: none"> • Use of water, energy and paper | <ul style="list-style-type: none"> • Maximise the efficient utilisation of water, energy and paper • Continued awareness programmes on recycling and saving measures • Limited travelling and use of online communication platforms • Maintaining environmental impact monitoring and compliance |
| <p>SOCIAL AND RELATIONSHIP CAPITAL Social and relationship capital is the level of trust that Trustco has accumulated over the years from stakeholders and emphasises the common values between the group and the society that it operates in that allows it to conduct its business</p> | <ul style="list-style-type: none"> • Managing stakeholder relations • Corporate social investments spent of a total of NAD 1.3 million for the reporting period for the holding company and its subsidiaries • Corporate social investments spent of NAD 4.9 million across the group and its portfolio entities | <ul style="list-style-type: none"> • Follow regulatory and best practices guidelines and demonstrate leadership in the industries in which the group operates • Be inclusive, inviting stakeholders' views where appropriate to improve engagement and to promote accessibility |

SUSTAINABLE DEVELOPMENT REPORT (CONTINUED)

ADDING VALUE

Trustco and the portfolios it invests in are committed to transforming capitals by evaluating KPIs through risks and opportunities, whilst strategies and performance ensure CSI activities are ongoing and sustainable. Evaluation of capital inputs ensure that sustainable and long-term value is created for investors during the output process.

This report provides an overview of selected CSI initiatives carried out by both Trustco and its unlisted and independently managed investees. While not an exhaustive list, it offers insight into the commitment of Trustco and its investees to enhance the countries where Trustco invests and where its investees conduct their business operations.

TRUSTCO'S CORPORATE SOCIAL INVESTMENT INITIATIVES

Trustco regards CSI as a self-regulating business model that fosters social accountability towards itself, its stakeholders, and the broader public. The initiatives supported serve as a measure of the group's impact on various facets of society, with a particular emphasis on social engagements, the environment and economic prosperity.

Over the past three decades, Trustco has diversified its investment efforts across a range of social projects, including sports development, education, health and research and real estate development.

SPORTS DEVELOPMENT

Trustco has invested in the development of various sporting codes over the years, including hockey, soccer, athletics, rugby, tennis, cricket, karate and squash. Sports offer individuals and teams benefits that extend beyond physical fitness and assist in building character and imparting essential skills such as strategic thinking, analytical thinking, leadership and goal setting. Additionally, sports contribute to the development of managerial skills, communication, persuasion and confidence. These attributes are highly valued and synonymous with skills required in the corporate world. Sports development, starting from the grassroots level, holds great significance and is essential in nurturing talent and enabling athletes to compete on the global stage. Under the sports umbrella, Trustco supported the following sporting institutions during the reporting year:

TRUSTCO UNITED SPORTS CLUB

Trustco continued its annual support of the Trustco United Sports Club (Trustco United) during the reporting period. Trustco has ensured that the successes and achievements of Trustco United run parallel with the vision of the group. The remarkable and enduring consistency exhibited by the sporting teams of the club since the agreement's inception in 2011, stands as compelling evidence of the vigour and endorsement that sports enjoy when supported by a capable sponsor. The accomplishments displayed by especially all the rugby and netball teams of the club during 2023 include amongst other premier and first division league winners as well as for the best coach and club awards.

NAMIBIA TENNIS ASSOCIATION (NTA)

Trustco has sponsored two junior tennis tournaments every year over the past decade, the Trustco NTA Juniors and Junior Masters Championship, which contribute to the steady growth and development of junior tennis in all regions of Namibia. Trustco consistently introduces innovative and creative features leading up to and on match days of these tournaments, to ensure that both players and spectators regard these tournaments as significant and entertaining events on Namibia's junior tennis calendar.

NAMIBIAN SQUASH ASSOCIATION

Trustco maintains a substantial affiliation with squash and the sport's development in Namibia. Through its ongoing sponsorship, the sport has consistently upheld a strong presence both within the local community and on the international platform. Throughout this year, the group intensified its dedication by sponsoring essential equipment on multiple occasions, ensuring the continuation of the high standards of hospitality and professionalism upheld by the Namibian Squash Association.

INFORMATION TECHNOLOGY PARTNERSHIP WITH THE MINISTRY OF INFORMATION COMMUNICATION AND TECHNOLOGY

Trustco and the Ministry of Information and Communication Technology (MICT) jointly launched an Information Technology (IT) internship and skills development programme aimed at equipping Namibian IT graduates with real-world work experience in the competitive corporate environment. These young graduates have the opportunity to apply and refine their academic skills in their chosen career paths.

During this reporting period, the collaborative programme entered its second year, and the second beneficiary was selected to gain valuable knowledge and experience by working in Trustco's IT department.

TRUSTCO'S INVESTMENT PORTFOLIO'S SOCIAL INVESTMENT INITIATIVES

INSURANCE

LEGAL SHIELD BURSARY

With a distinguished legacy spanning more than 22 years, Trustco Insurance continues to demonstrate its unwavering support to the development of Namibian law students. Trustco Insurance, through its Legal Shield product, is committed to annually sponsoring two University of Namibia Law students, offering them essential financial support for their tuition, study materials and accommodation. Furthermore, these students have the valuable chance to engage in work-integrated learning at Trustco Insurance during their holiday breaks. During the reporting period, two students effectively navigated a competitive and demanding selection process built upon a strict set of criteria and were granted these two scholarships to further advance their skills and pursue their career aspirations.

ALLOCATING RESOURCES TO ENHANCE THE HEALTHCARE SECTOR

Health research holds significant importance for the broader society as it can provide crucial insights into disease trends, risk factors, treatment outcomes, the effectiveness of healthcare interventions, functional abilities, utilisation, and healthcare expenses. In collaboration with the Medical Association of Namibia (MAN), the Hepato-Pancreato-Biliary Association of South Africa (HPBASA) organised and, for the first time, hosted its annual conference in Namibia. The conference aimed to foster knowledge exchange on advanced surgical procedures and the management of hepato-pancreato-biliary diseases for general surgeons and physicians in Southern Africa. Trustco Life, a subsidiary within Trustco's insurance investment portfolio, remains a dedicated presence and facilitator in the healthcare sector for the benefit of Namibians. They continually strive to explore innovative and improved initiatives that enhance access to quality healthcare in the country. Trustco Life played a pivotal role in bringing the conference to fruition through its platinum sponsorship. The

event witnessed significant participation from international experts in the field. In collaboration with the MAN, HPBASA hosted speakers from the USA, South Africa, Zambia and Zimbabwe, who delivered insightful presentations on various topics including surgical trauma, bile duct exploration, palliative care and safe cholecystectomies.

EDUCATION

As a recognised and highly respected institution for distance learning education in Namibia, Trustco's educational investment portfolio, the Institute for Open Learning (IOL), play a pivotal role in ensuring that access to education in Namibia is not limited to a privileged few who can afford fulltime study. This is achieved this by offering affordable and high-quality private distance higher education in Namibia. In a country where the unemployment rate hovers around 20%, the Namibian government's primary objective is to significantly reduce this figure. This ambitious goal can only be achieved through the collaborative efforts of stakeholders, who serve as reliable partners. Throughout the reporting period, IOL actively participated in and supported various initiatives.

STUDY HUT

IOL reconfirmed its commitment to education in Namibia by generously sponsoring Study Hut, a home schooling centre situated in Walvis Bay. Acknowledging the significant role home schooling has assumed in the educational landscape during the COVID-19 pandemic, IOL furnished study desks and essential computer equipment to improve the learning environment for the students, principal and teachers at the centre.

HAVANA PRIMARY SCHOOL

In the quest for achieving 100% literacy in Namibia, the Namibian Government depends on robust strategic partnerships to accelerate progress at a national level. IOL views itself as a vital strategic partner in this pivotal undertaking and has consistently undertaken various programmes and initiatives to bolster the government's endeavours. One notable example is Havana Primary School, located in the informal settlements on the outskirts of Windhoek, which received a significant boost by receiving progressive school books for its library resources, making a substantial contribution to the school's educational advancement

SUSTAINABLE DEVELOPMENT REPORT (CONTINUED)

REAL ESTATE

Elisenheim Property Development Company (EPDC), a subsidiary within Trustco's real estate investment portfolio, was founded in 2005 with the acquisition of Elisenheim farm on the outskirts of Windhoek. In 2010, the Elisenheim Lifestyle Estate was formally launched. In recognition of Namibia's ongoing housing shortage, EPDC is committed to providing serviced erven for affordable housing options within the estate.

THE ELISENHEIM OWNERS ASSOCIATION

In support of the continuous growth and enhancement of Namibia's foremost and most secure estate, EPDC has donated movable assets, including a compressor, tractor and trailer, to the Elisenheim Owners Association

(EOA). This equipment will empower the EOA to efficiently extend its land service and maintenance efforts, ultimately leading to the creation of more high-quality residential plots.

MINING

Trustco's mining investee, Meya Mining, places a strong focus on investing in CSI initiatives that furthers sustainability, transparency and social welfare as crucial components for the success of the venture in Sierra Leone. To better comprehend and address the needs of the local community, Meya Mining has made significant investments in a range of CSI projects, covering areas like sports, missionary services, women's empowerment and education.

