



Integrated
Annual Report
2025
Capricorn Group

Welcome to our integrated annual report

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Our report theme for 2025, **Connecting Growth and Positive Change**, promotes a proactive mindset and reflects our belief that positive actions benefit the Capricorn Group and everyone connected to our brand.

Aligned with our focus on sustainability integration, this theme encourages choices that build a hopeful legacy and a thriving future. This call to action embodies our purpose and values, inspiring all to contribute to a better tomorrow through meaningful and positive steps.



Financial highlights

18.2%

Return on equity ("ROE") (2024: 17.9%)



N\$2.47 billion

Operating profit (2024: N\$2.16 billion)



N\$1.99 billion

Profit after tax (2024: N\$1.74 billion)



49.5%

Cost to income ratio (2024: 50.0%)



171 cents

Dividend per share² (2024: 112 cents)



2,135 cents

Net asset value per share (2024: 1,896 cents)



367.3 cents

Earnings per share (2024: 319.6 cents)



369.7 cents

Headline earnings per share (2024: 320.7 cents)



1.0

Price to book ratio¹ (2024: 1.0)



5.9

Price earnings ratio¹ (2024: 6.0)



7.9%

Dividend yield¹ (2024: 5.8%)



18.1%

Capital adequacy ratio (2024: 17.9%)



¹ Based on the closing share price as of 30 June.

² Consists of ordinary dividends of 135 cents per share and a special dividend of 36 cents per share.

Strategic highlights

Net promoter score reduced slightly by 2% to **44%** (2024: 46%), a positive result relative to benchmarks

New branch model refined and implemented across **17** Bank Windhoek branches

Bank Windhoek facilitated **N\$112 million** in sustainability loans, supporting projects in renewable energy, clean transportation, education, and irrigation. These initiatives contributed to building climate resilience, reducing emissions through avoidance, and improving access to education.

In 2025, we reimagined our shared culture, The Capricorn Way, with a new set of values and behaviours.

1,768 employees participated in the annual employee engagement survey, achieving a response rate of 90.0%



Navigating our report

We are proud to present our integrated annual report for 2025. This report is part of our annual reporting suite and reflects our ongoing commitment to transparent reporting and better communication with a broad range of stakeholders.

This integrated annual report ("the report") provides details on the performance, activities and engagements of Capricorn Group Ltd ("the Group" or "Capricorn Group") to deliver value to our stakeholders during the financial year from 1 July 2024 to 30 June 2025 ("the year"). The report is aimed primarily at providers of financial capital.

The financial and non-financial information in this report pertains to the entities that constitute the Group, as outlined on page 9.

Our reporting suite

Our reporting suite is designed to meet the specific information needs of our stakeholders, with each element adhering to the relevant reporting frameworks and legislation. The 2025 suite includes the following elements and is available on our website at www.capricorn.com.na.

Integrated annual report

This report to stakeholders discloses our ability to create and preserve value over the short, medium and long term.

Key regulatory and reporting framework

- > The <IR> Framework, January 2021
- > King IV Report on Corporate Governance™ for South Africa, 2016 ("King IV™")¹
- > Companies Act of Namibia, 28 of 2004 ("Companies Act of Namibia")
- > Namibia Securities Exchange ("NSX") Listing Requirements

Assurance of reporting content

This report contains data extracted from the Group's audited annual financial statements, which received an unmodified audit opinion from the external auditors.

Unless stated otherwise, non-financial information is not externally assured.

A combined assurance model is applied to assess and assure various aspects of the Group's operations, including internal controls related to external reporting.

The processes and practices to ensure the report's accuracy and reliability are outlined on pages 2 to 4. The Board will consider an assurance report on selected non-financial data included in this report in the future.

Annual financial statements

Presents the Group's audited consolidated financial performance.

Key regulatory and reporting framework

- > International Financial Reporting Standards ("IFRS")
- > Namibia Banking Institutions Act, 2 of 1998
- > Botswana Banking Act, 13 of 1995

Assurance of reporting content

Deloitte provides external assurance on the annual financial statements. The external auditor's opinion on the annual financial statements is on page 3 of the online financial statements. Shareholders should refer to the full auditor's report at www.capricorn.com.na for details on the scope of the engagement.

King IV™ index

Provides a synopsis of the Group's application of King IV principles.

Key regulatory and reporting framework

- > King IV™

Assurance of reporting content

This index is reviewed by the BSEC and approved by the board as a fair representation of the Group's application of the King IV™ principles.

Risk report

Discloses our risk approach and application of King IV principles.

Key regulatory and reporting framework

- > King IV™

Assurance of reporting content

The risk report is reviewed and approved by the Group's central risk management function and BARCC, which oversee risk governance and reporting.

Social value report

Describes the work and impact of the Capricorn Foundation and the Group's corporate social responsibility activities.

Aligning to key reporting frameworks

- > National Development Plan (NDP6)
- > United Nations Sustainable Development Goals ("SDGs")

Assurance of reporting content

This report is reviewed by the Capricorn Foundation board and the BSEC, and recommended to the board for approval. Oversight includes alignment with the Group's social responsibility strategy and contribution to national development goals.

Governance report

Discloses our governance approach and application of King IV principles.

Key regulatory and reporting framework

- > King IV™
- > Companies Act of Namibia
- > NSX Listing Requirements

Assurance of reporting content

The governance report is approved by the board, on BSEC's recommendation.

Notice of annual general meeting ("AGM") and proxy

Invites shareholders to the AGM and provides a proxy form for those unable to attend.

Key regulatory and reporting framework

- > NSX Listing Requirements
- > Companies Act of Namibia

Assurance of reporting content

The notice of AGM is reviewed by the company secretary and approved by the board in accordance with the Companies Act of Namibia and the NSX Listing Requirements.

¹ Copyright and trademarks are owned by the Institute of Directors in South Africa NPC and all of its rights are reserved.



Our commitment to enhanced reporting

We are working to establish a robust internal baseline for sustainability reporting, guided by industry best practice such as the IFRS Standards S1 and S2. This forms part of our broader Sustainability Integration Programme as we move towards expanded non-financial disclosures. The board has approved reporting principles and a multi-year reporting and disclosure roadmap, which will support greater transparency, consistency and alignment with evolving stakeholder expectations. We are also engaging with regulators in Namibia and Botswana to ensure local requirements and developments inform our reporting approach.

Forward-looking information

This report contains certain forward-looking statements regarding the results and operations of the Group, which involve risk and uncertainty because they relate to events and circumstances that may or may not occur in the future. The Group's external auditors have not reviewed or reported these forward-looking statements.

Report approval process and accountability

The integrated annual report is assessed for accuracy and reliability through oversight from multiple functions within the Group.



Approval of this report

The board authorised the release of this report and other elements of the reporting suite on 16 September 2025. The board, which is responsible for the quality and integrity of the reporting suite, including the integrated annual report, approved this report for release to our stakeholders. They concluded that the reporting suite complies with the required frameworks and regulatory requirements.

Exploring this report

Our Group committees

- BARCC** Board audit, risk and compliance committee ("BARCC")
- BSEC** Group board social and ethics committee ("BSEC")
- Remco** Group board remuneration committee ("Remco")
- HR** Group board human resources ("HR") committee
- GIC** Group board investment committee ("GIC")
- GBITC** Group board information technology committee ("GBITC")
- Nomco** Group board nominations committee ("Nomco")
- Exco** Group executive committee ("Exco")
- EMT** Group executive management team ("EMT")

This is an interactive report

This report includes interactive features to enhance your reading experience. Use navigation items and hyperlinks to jump between sections, access additional information or return to the contents page. Click on icons for pop-up definitions or related content. For the best experience, view in a full-feature PDF reader like Adobe Acrobat.

For more information or feedback on this report or any other elements listed above, contact Marlice Horn at investors@capricorn.com.na or +264 (61) 299 1226.

Our material matters

The board and management applied the principle of materiality in determining the content of this report. We considered all matters that could significantly impact the Group's ability to create and preserve value. Read more about our material matters on page 28.



Delivering value to stakeholders



Building a positive employee experience across the employee lifecycle to ensure high engagement that leads to sustainable business performance



Embedding a customer-centric service culture



Positioning ourselves to take advantage of the opportunities emerging from AI, data and digitisation



Conducting business in the right way



Managing our risks well, including increased regulation, cyber and environmental, social and governance ("ESG") risk and opportunities

Our five strategic choices

The AsOne2030 strategy is based on five strategic choices to drive collective value creation and enable our purpose and ambition, which is to be a regionally relevant, sustainable, profitable, thriving organisation.



Choice 1: We will deliberately take strategic action to increase and consolidate the value of the Capricorn Group portfolio.



Choice 2: We will transform our business using data and digital to achieve superior customer experience, lower cost to serve and scalable competitive advantage.



Choice 3: We will integrate sustainability in a manner that will create a business advantage, whilst conserving the environment, increasing our social contribution and maintaining sound governance.



Choice 4: We embrace diversity, equity and inclusivity and embed these into the cultural DNA of the Capricorn Group.



Choice 5: We champion a purpose-driven culture that inspires leadership mindsets of curiosity, collaboration and growth, that leverages talent and embraces DE&I to deliver a meaningful employee experience and sustainable business impact.





Who we are

At Capricorn Group, we improve lives by connecting people, ideas and opportunities through a strong regional network of subsidiaries and associates that deliver innovative and sustainable financial solutions.



What we stand for

Our purpose

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 our Changemaker initiatives

We connect our customers, partners and suppliers with opportunities for growth

We seek innovative ways 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 reimagined

We reimagined the shared culture of the Group, The Capricorn Way, which was first launched in 2017 as “our code to unlocking potential in us individually and collectively”, to inspire a purpose-driven culture and value-based actions that encourage exceptional performance and positive change. With the reimagined version, we refer to The Capricorn Way as “your guide to being Connectors of Positive Change”. Our goal was to retain the intended spirit of The Capricorn Way, but with a refreshed framework for our values of Open, Dedicated and Inspired and the associated behaviours.

Open: We are here to listen, learn and lead together

To **listen** is actively hearing others intending to understand

To **learn** is continuously looking for ways to grow individually and as a team

To **lead** together is fostering leadership and collaboration at all levels

Dedicated: We show up consistently with care and commitment

Consistency is being reliable and taking ownership of our actions

Care is taking pride in our work and prioritising the needs of our customers, colleagues, and community

Commitment is always delivering on our promises

Inspired: We bring passion, presence and possibility to everything we do

Passion is staying motivated by the impact we can make and inspiring others

Presence is being fully engaged and intentional in our contributions

Possibility is starting with what can be and embracing sustainable solutions



Group profile

Capricorn Group is a southern African financial services group with a 43-year track record and operations in Namibia and Botswana. Established in 1982, we have played a key role in Namibia's banking sector, maintaining Namibian ownership and listing on the Namibia Securities Exchange ("NSX") in 2013. We are an aspirational brand in the region.

Our two banking subsidiaries are complemented by our subsidiaries in asset management, unit trust management, microlending and property development. We also have exposure to the African telecommunications sector through our shareholding in Paratus Group Holdings.

Our broad customer base includes individuals, small and medium enterprises ("SMEs") and large corporates. Our value proposition is centred on customers and delivered through a mix of physical and digital channels.

We employ 2,161 people and promote a culture of high performance and responsible conduct. We are committed to sustainable economic development in both Namibia and Botswana.

Credit ratings affirmed by GCR Ratings (2024)

Bank Windhoek Ltd

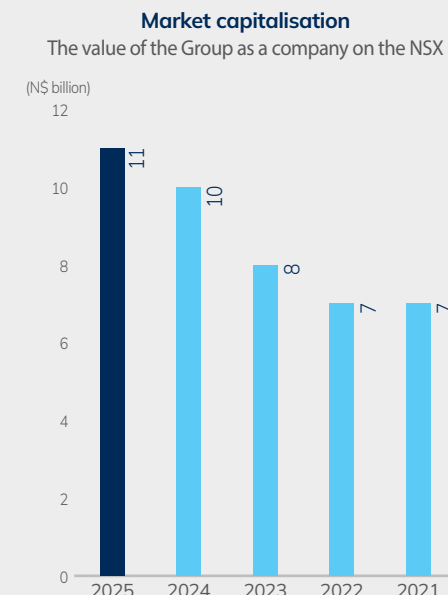
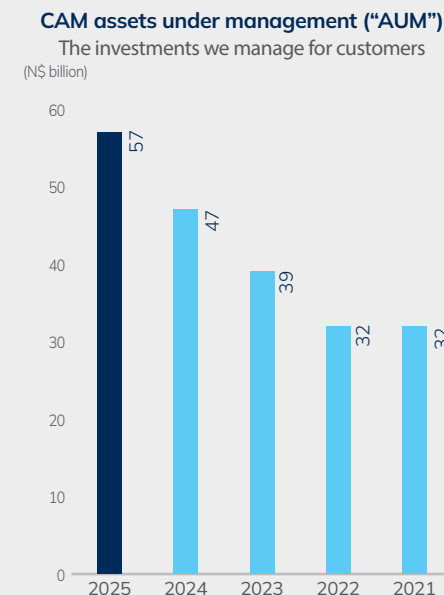
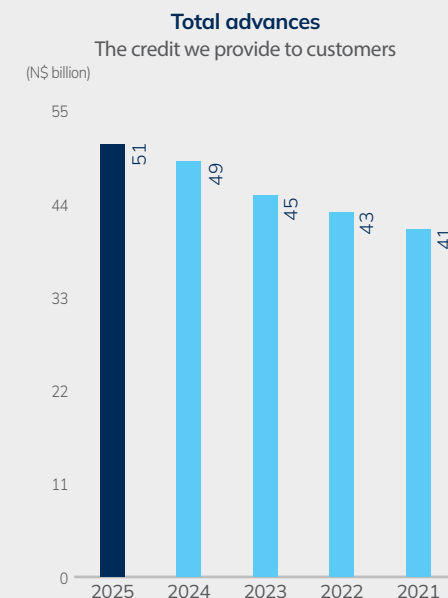
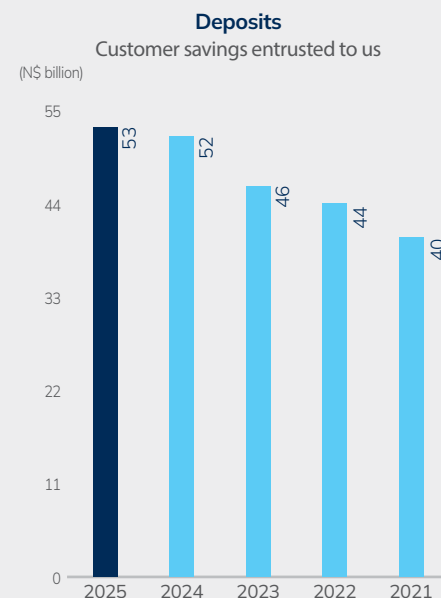
- > Namibian long-term issuer rating: AA_(NA)
- > Namibian short-term issuer rating: A1+_(NA)
- > South African national-scale long-term issuer rating: A_(ZA)

Capricorn Group Limited

- > Namibian long-term issuer rating: AA-_(NA)
- > Namibian short-term issuer rating: A1+_(NA)
- > Outlook: Stable for all ratings.

These ratings confirm the Group's strong and well-established position in the financial services sector.

Capricorn Group in numbers



Our footprint

Namibia

The Group's headquarters are in Windhoek, Namibia. 91% of the Group's profit after tax derives from Namibia.¹

Number of employees (permanent)

1,589

Bank Windhoek
(2024: 1,549)

71

Capricorn Asset Management
("CAM") (2024: 63)

54

Entrepo
(2024: 53)

83

Capricorn Group²
(2024: 68)

1,797

Total Namibia
(2024: 1,689)

Market share in loans and advances

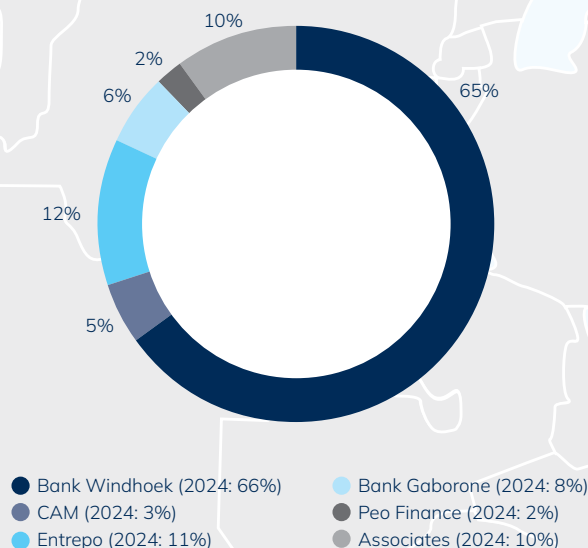
35.0%

Bank Windhoek
(2024: 35.5%)

¹ Based on profit attributable to shareholders.

² In the 2024 report, the Capricorn Group figure represented the total number of employees across the Group, including subsidiaries and associates. In this year's report, Capricorn Group refers only to employees of the Capricorn Group entity (head office, central functions and South Africa). As a result, the 2024 and 2025 Capricorn Group numbers are not directly comparable.

Contribution to Group profit after tax



Botswana

9% of the Group's total comprehensive income attributable to shareholders is derived from Botswana through Capricorn Investment Holdings Botswana ("CIHB").¹

Number of employees

343

Bank Gaborone
(2024: 309)

21

Peo Finance
(2024: 20)

364

Total Botswana
(2024: 329)

Market share in loans and advances

8.5%

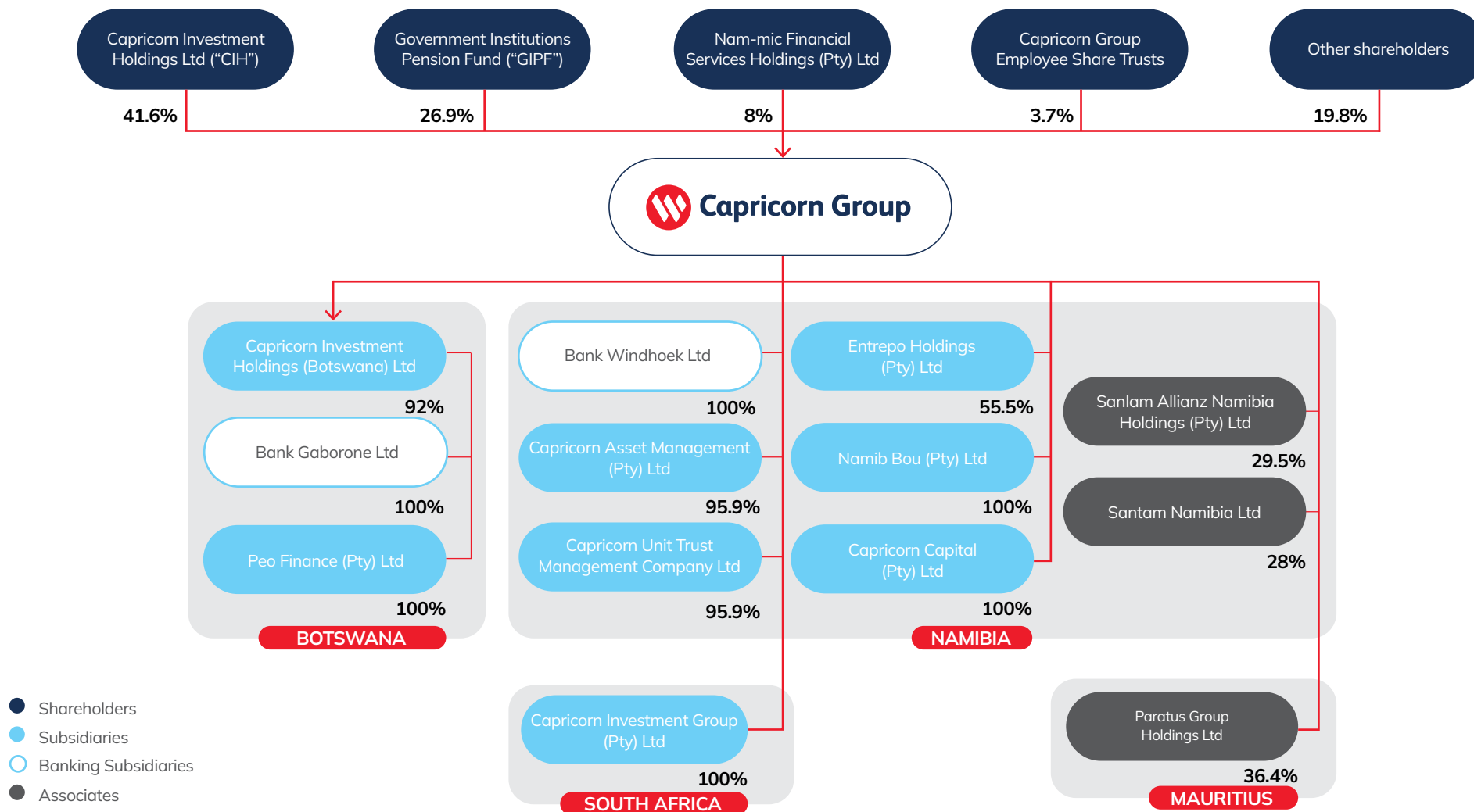
Bank Gaborone
(2024: 8.4%)



Capricorn Group operating subsidiaries and associates

Group structure

as at 30 June 2025





As the Group's flagship brand, Bank Windhoek is the largest Namibian lender and the first commercial bank in southern Africa to issue green bonds. It is also the only Namibian commercial bank that is a member of the Nasdaq Sustainable Bond Network.

Bank Windhoek Limited ("Bank Windhoek") is a registered commercial bank with a 43-year track record. It is licensed by the Bank of Namibia ("BoN"), the national banking regulator, to operate in the Namibian market.

Footprint

Bank Windhoek has an extensive branch network supported by user-friendly, low-cost digital and electronic channels across Namibia. This includes branches, specialist branches, agencies, ATMs, Cash Express ATMs at merchants nationwide (including cash-accepting ATMs), and non-cash self-service kiosks introduced last year to provide accessible, easy-to-use self-help options.

Core capabilities

Bank Windhoek continuously innovates its products and services and uses the latest technology to meet evolving customer needs across all segments. Our offerings include a range of transactional, investment, and lending products, along with digital and electronic banking services. For corporate and business clients, our financial solutions include project finance, structured finance, working capital management, and bespoke investment banking solutions. Treasury services range from money market to foreign currency exchange offerings, and our international banking services cover foreign payments, trade finance, and foreign currency accounts.

Private banking services are delivered through Capricorn Private Wealth, a joint venture between Bank Windhoek and CAM, targeting the affluent market's banking, wealth, insurance, and advanced wealth management needs. Our bancassurance offerings include short-term, life, travel, and commercial insurance and guarantees.

Head office	Windhoek, Namibia
MD	Baronice Hans
Date of establishment	1982
Website	https://www.bankwindhoek.com.na
Number of ATMs	186 (2024: 172)
Number of branches	51 (2024: 53)



Bank Gaborone's commitment to enhancing customer experience has made banking more accessible. From introducing the first Card-2-Card instant payment service in Botswana to introducing Easy-2-Pay (point-of-sale functionality on a cellphone), we have redefined convenience and how our customers engage with us.

Bank Gaborone is a 19-year-old financial services provider in Botswana. It was established to create a bank for Botswana. The Bank of Botswana awarded the bank a banking licence in February 2006, and it commenced full retail banking operations in September 2006.

Footprint

Bank Gaborone has grown to 12 branches and 25 ATMs nationwide. Customers can access many banking services 24 hours a day, every day of the year, through smart, secure, and convenient electronic channels. These include online and mobile banking services, bulk payment services, ATMs and point-of-sale ("POS") devices.

Core capabilities

Talented employees provide excellent customer service in retail, SME, wholesale banking and treasury services, among others. We offer transactional banking, savings and investments, foreign exchange services and other tailor-made financial services.

Head office	Gaborone, Botswana
MD	Olebile Makhupe
Date of establishment	2006
Website	https://www.bankgaborone.co.bw
Number of ATMs	25 (2024: 23)
Number of branches	12 (2024: 12)



Capricorn Asset Management

CAM is Namibia's largest asset manager, with N\$57.1 billion of AUM, an increase of 22.5% from 2024.

CAM was established in 2006 and provides segregated asset management services to institutional investors (which includes pension funds) and manages and administers the Capricorn Unit Trusts. CAM's key offerings are provided under various Namibia Financial Institutions Supervisory Authority ("NAMFISA") registered licences.

Capricorn Unit Trust Management Company ("CUTM") is a registered unit trust management company established in 2000 with the launch of the Capricorn Selekt Fund. CUTM's market share at the end of June 2025 was approximately 37.4%, with 16 unit trusts covering all major asset classes, including cash, bonds, property, equity, and international equities.

Core capabilities

CAM offers a wide range of investment products and services across the risk spectrum to retail, wealth, corporate and institutional investors, including pension funds, insurance companies, and financial intermediaries. The Capricorn Investment Platform is provided under CAM as a registered linked investment service provider ("LISP"). It provides access to the full range of Capricorn Unit Trusts, selected funds from other third-party unit trust managers, and direct access to Namibian government bonds and Treasury Bills. In addition, CAM also provides easy access to Capricorn Online, the digital service platform for viewing and managing investment portfolios.

Unlisted investments

Caliber Capital Trust is a NAMFISA-approved unlisted special purpose vehicle in terms of Regulation 28 of the Pension Funds Act, 24 of 1956. Managed by CAM as the registered unlisted investment manager, the fund has an independent board of trustees and offers exposure to unlisted debt – primarily for Namibian pension funds. It invests in companies aligned with the Harambee Prosperity Plan II and Vision 2030, driving job creation, import replacement, and industrial development. Since inception, it has provided over N\$503 million in aggregated funding.

Head office	Windhoek, Namibia
MD	Tertius Liebenberg
Date of establishment	CUTM 2000 and CAM 2006
Website	https://www.cam.com.na

Entrepo's sensible approach towards responsible lending drives our construction of an innovative and cost-effective solution, making it easier for customers to obtain financial inclusivity.

Entrepo is a focused and innovative financial services group that provides lending and credit protection products to government employees in Namibia. Our business activities are conducted through two separate legal entities, both regulated by NAMFISA: Entrepo Finance, a registered microlender, and Entrepo Life, a registered long-term insurer.

Core capabilities

Entrepo's tailor-made products are simple, clear, competitively priced, and provide comprehensive and suitable benefits to the chosen target market. Entrepo Finance is a responsible lender and accepts loan applications that are considered against clear and unassailable rules regarding affordability and minimum take-home pay. Entrepo Life offers credit protection, including death, disability, funeral and job loss protection benefits.

Head office	Windhoek, Namibia
MD	Leonard Louw
Date of establishment	2014 (Acquired by Capricorn Group in 2018)
Website	https://www.entreponamibia.com/

Peo Finance

Peo Finance is a fast-growing microlender in Botswana, showing strong growth in revenue and customer numbers.

Peo Finance offers loans to central government employees and pensioners. While operating independently, it leverages Bank Gaborone's brand and networks for scaling. Bank Gaborone provides funding for loan book growth and promotes Peo Finance through cross-selling and joint campaigns.

Head office	Gaborone, Botswana
MD	Joachim Klitzke
Date of establishment	2021
Website	https://peofinance.co.bw

More information about our associates is available online:

Paratus Group Holdings Ltd: www.paratus.africa

Sanlam Allianz Namibia Holdings (Pty) Ltd: www.sanlamallianz.com.na

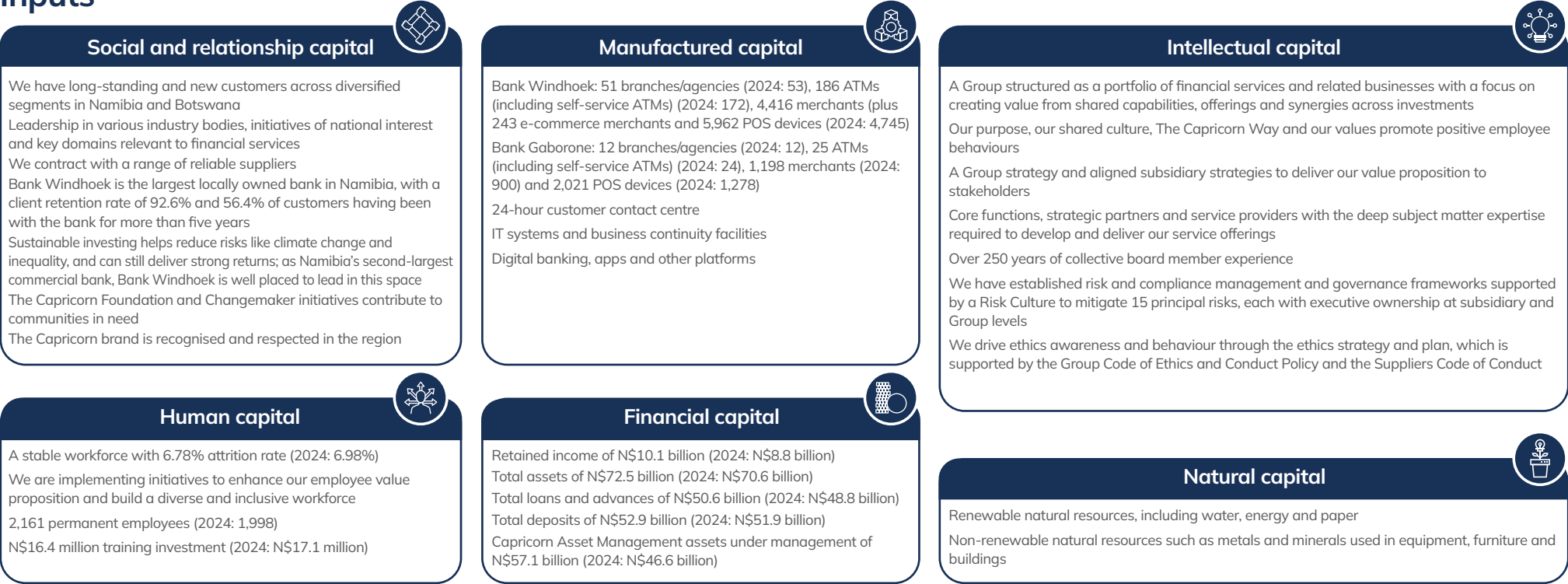
Santam Namibia Ltd: www.santam.na



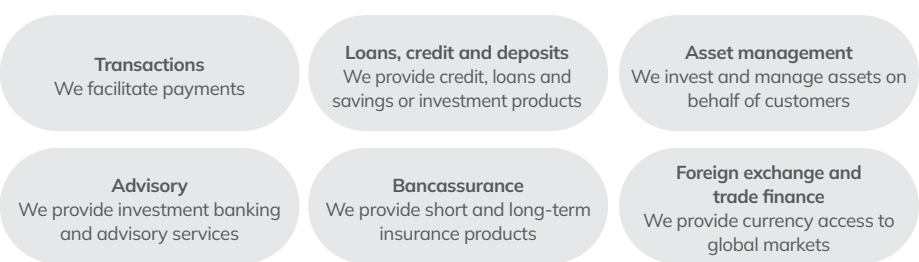
Our business model

Capricorn Group’s business model is designed to create value for stakeholders. We achieve this by consistently delivering quality financial services, products and advice that help our customers thrive.

Inputs



Business activities



Outputs



Outcomes

Social and relationship capital

Our social and relationship capital is built on trust, shaped by our reputation, brand and inclusive stakeholder approach. Our Governance, Ethics and Risk Frameworks support responsible and safe service delivery. Through our Sustainability Integration Programme, we remain relevant in society, while the Capricorn Foundation and the Changemaker platform enable us to create positive community impact.

Read more about our stakeholder approach on page 15, and social performance on page 42.



Manufactured capital

We are well-resourced to meet our future manufactured capital needs. Based on feedback from customers and employees, we refined our new branch design and significantly scaled the branch rollout in 2025.

To support growth, we are expanding our office footprint with a customised development in Windhoek's central business district, which will also house our main Bank Windhoek branch.

Currency depreciation against the US dollar is expected to increase the cost of IT and specialised equipment.

Read more about our new branches on page 39.



Intellectual capital

Knowledge is an increasingly valuable intangible asset in the financial services sector. Our technology investments have led to higher transaction volumes, increased non-interest income and greater customer adoption of our mobile apps. Effective financial crime risk management has kept related losses low.

We will continue building intellectual capital to manage risk and seize opportunities. Our digital transformation is driven by capable leadership and guided by the GBITC. King IV™ principles are fully embedded across all subsidiaries.

Read more about our data and digital progress on page 37.



Human capital

We maintain a positive working environment with high employee engagement. Our annual employee engagement survey results once again exceeded industry benchmarks. To continue attracting, retaining and motivating talent, we will further enhance our employee value proposition and invest in training, development and retention.

Read more about our focus on employees on page 46.



Financial capital

The Group maintains a sound balance sheet with reliable access to funding. Through disciplined capital allocation, we aim to create long-term value and deliver sustainable returns to shareholders. Improved liquidity in Namibia and Botswana supports loan book growth and funding availability.

We are developing diversified income streams to reduce sensitivity to interest rate fluctuations. Newer ventures are expected to contribute significantly to operating profit. In Botswana, increased scale should improve cost efficiency through higher transaction volumes. Liquidity levels in Namibia are projected to remain strong in the short to medium term whilst liquidity levels in Botswana remains subdued.

Read more in our Group FD's report on page 55.



Natural capital

The severe direct and indirect impacts of climate change are increasingly evident in both household and business contexts. These effects are particularly pronounced among our agricultural and fisheries clients, who face elevated exposure to environmental volatility and resource constraints. Through our Sustainability Integration Programme, we are addressing these risks with targeted interventions and by supporting the Nationally Determined Contributions of Namibia and Botswana to reduce carbon emissions and strengthen climate resilience.

The Group Risk Internal Control and Assurance Framework helps identify and manage climate risks. Our Environmental Risk Framework guides the identification and mitigation of environmental risks.

Through Bank Windhoek we fund sustainable development and renewable energy projects. We will continue to advance sustainable finance products and services.

Read more about our sustainability strategic choice on page 40.



Creating shared financial value

The Group's positive financial performance for 2025 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 created of N\$5.7 billion (2024: N\$5.1 billion) as follows:

Employees

N\$1.4 billion

In addition to remuneration, employees receive rewards and recognition, as well as opportunities for career and personal development.

Suppliers

N\$1.1 billion

Suppliers have a market for their products and services, as well as opportunities to expand the range and nature of their contracts with the Group. The Group is committed to procuring goods and services from local suppliers, including SMEs which contributes to socio-economic growth and development.

Retained for future growth

N\$1.2 billion

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

Direct and indirect taxes

N\$1.4 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.

Communities

N\$26.7 million

The Capricorn Foundation is the Group's primary corporate social responsibility ("CSR") vehicle in Namibia and is funded by our subsidiaries. In addition, all subsidiaries run their own CSR initiatives.

Shareholders

N\$621 million

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

Our trade-off decisions in 2025

The Group makes trade-off decisions guided by our purpose, strategic priorities and desired business outcomes. Key trade-offs in 2025 include:

- > We increased our shareholding in CIHB to 92%. Despite short-term operational challenges in Botswana, this investment aims to expand market share and diversify income streams.
- > Technology investments for the #gobeyond digital transformation are phased to fit budget and resources. We prioritise projects, recognising that the costs and change management required are trade-offs against the benefits, meaning not all opportunities can be pursued simultaneously.
- > We allocate time, resources and capital to deepen our understanding of the sustainability landscape, balancing the costs against the long-term benefits of managing risks and capturing opportunities.
- > Our commitment to sustainable finance requires prioritising investments that align with environmental and social goals, even when these may limit short-term returns.

88%

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, Capricorn Unit Trusts distributed a total value of N\$2.9 billion during the 2025 financial year.



Our stakeholders

Effective stakeholder engagement and management are vital to our sustainability and long-term success.

Our stakeholders are those impacted by Capricorn Group's activities and who have an interest in our performance. Through our stakeholder-inclusive approach, we consider their concerns and offer solutions that build support for our activities and growth plans. This helps create and preserve value for all stakeholders. Our interactions are guided by The Capricorn Way and our purpose to be Connectors of Positive Change.

We govern our stakeholder relationships in line with King IV™ principles and the United Nations Global Compact. We also meet regulatory requirements under Basel II, where stakeholder interaction, both formal and informal, is a key element of risk management.

Responsibility for stakeholder management



Stakeholder management matrix

We categorise our key material stakeholders based on their influence and interest in our Group. We evaluate the quality of our relationships to pinpoint opportunities and allocate resources when planning stakeholder events or contributions. We use the matrix below to categorise our key stakeholders.

High	High-power, low-interest stakeholders have a significant influence on the Group but show little interest in it. We aim to keep them satisfied.	High-power, high-interest stakeholders have a great influence on and a significant interest in the Group. We aim to fully engage and satisfy these stakeholders.
	Low-power, low-interest stakeholders have little influence on the Group and little interest in its activities. We monitor them.	Low-power, high-interest stakeholders have little influence but are interested in the Group. We keep them adequately informed.
Low		High

Tools and directives

The **Group Stakeholder Relationship Management Policy** reflects our values and beliefs, supporting management's commitment to creating an enabling business environment. The policy emphasises the importance of responding to evolving stakeholder expectations and promotes open, honest communication to build trust and cooperation.

The **Capricorn Stakeholder Relationship Management Guide** explains why stakeholder relationships are critical to our success. The guide identifies and maps stakeholder groups, sharing tools and templates to capture stakeholder information and engagement activities. This guide also provides for a continuous feedback loop.

Our **stakeholder engagement plans** are developed to proactively respond to material matters and align with the Group's strategy. Entity plans include specific activities, channels and desired outcomes and are submitted to the BSEC quarterly, which reviews and monitors stakeholder issues.



Stakeholder mapping summary

Shareholders



Our 3,747 shareholders hold shares in the entity listed on the NSX. We communicate with shareholders through stock exchange news, results and reports and our AGM, where they vote on resolutions and elect board members. Our shareholder analysis is on page 82.

2

Employees



Capricorn Group has 2,161 permanent employees across Namibia, Botswana and South Africa, who undertake specific work and have set responsibilities in exchange for agreed-upon remuneration. 36% of employees in Namibia belong to trade unions and 50% in Botswana. Read more about our focus on employees on page 46.

2

Customers



Our customers include individuals, businesses, groups and institutions across a range of financial needs, income levels, industries and age groups in Namibia and Botswana. We engage through digital and in-person channels, offering transactional support and financial advice. Call centres manage queries and complaints, with unresolved issues escalated to the Office of the Ombudsman. Our Customer Service Charter sets the service standards we uphold. In 2025, our banking subsidiaries helped customers improve their lives through a range of financial solutions and loans: new home loans (N\$2.2 billion), new vehicle and asset finance (N\$2.1 billion), sustainability loans (N\$112 million), new SME loans (N\$2.6 billion) and new business loans (N\$4.4 billion).

3

Focus areas for 2025

- > Aligning our stakeholder engagement and communication strategy with insights from the 2024 stakeholder audit
- > Rolling out the Group's strategic stakeholder engagement plan, including planned engagements with regulators and state-owned enterprises in partnership with Bank Windhoek
- > Strengthening collaboration between the Group and subsidiaries to maximise the impact of stakeholder engagements

Communities



Communities are groups or networks with a shared agenda, cause or interest, including non-profit organisations. We engage with them through public events and by responding to proposals or requests for support submitted to Group entities and the Capricorn Foundation.

Read more on page 42.

2

Strategic alliance partners



We partner with companies or associates that enable us to share resources to complete a specific, mutually beneficial project. This includes, for example, our associates Sanlam Allianz and Santam, which allows us to offer bancassurance products to our customers.

2

Suppliers



Our supplier base includes individuals or companies providing goods and services. These range from consumables used in branches to complex IT services and software in the banks. Through service-level and non-disclosure agreements and contracts, we ensure high service levels and confidentiality.

3

Media



The media includes journalists, editors and producers who manage the communications channels through which news, entertainment, education, data, or promotional messages are disseminated. We communicate with the media through press releases and interviews. We also host regular media lunches and workshops to build relationships and develop a deeper understanding of our Group.

2

Government and regulators



The Namibian and Botswanan governments define and administer public policy and exercise executive, political and sovereign power through customs, institutions and laws. Government regulators ensure compliance with the provisions of specific acts, such as the Banking Act 13 of 1995. Our primary regulators are NAMFISA, the Bank of Namibia and the Bank of Botswana.

2

Focus areas for 2026

- > Strengthening our stakeholder engagement and communication strategy with the inputs of the dipstick brand audit, which concluded in June 2025
- > Empowering internal capacity on managing stakeholder relationships to ensure that the Group leverages effective stakeholder engagements in support of its strategic intent
- > Leveraging from collaboration between Capricorn Group and its subsidiaries in engaging with key stakeholders

Specific 2025 stakeholder engagement and communication milestones are outlined under the strategic choices presented in the strategy execution section of the strategic direction chapter from page 35.

Relationship quality legend:

- 1 Strong relationship of trust and mutual understanding
- 2 Good-quality, value-adding relationship
- 3 Good relationship but needs to improve to add value



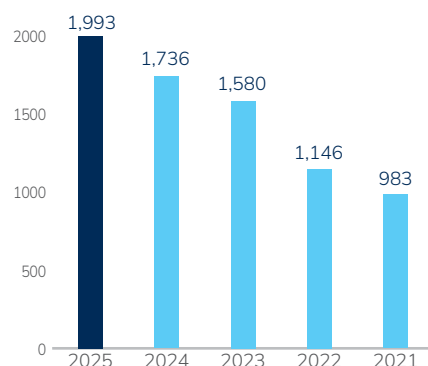
Our investment case

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

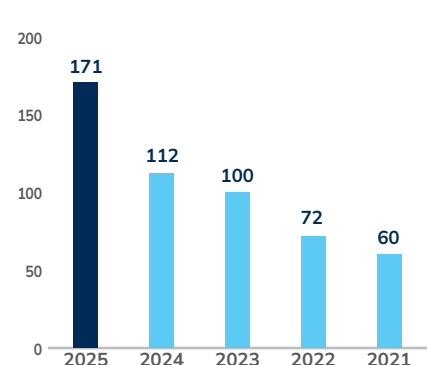
1. Strong and consistent financial performance

We deliver solid profit growth, supported by disciplined capital allocation and a diversified business model. Our performance reflects resilience across economic cycles.

Profit after tax (N\$' millions)



Dividends per share (cents)



2. Diversified portfolio across markets and segments

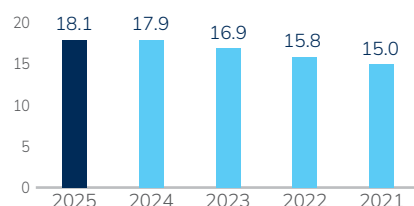
Our operations span Namibia and Botswana, with a balanced presence across retail, corporate, SME and specialised financial services. This diversification supports stable earnings and risk mitigation.

We are well-positioned to capitalise on opportunities in both Namibia and Botswana, including the emerging energy sector.

3. Solid balance sheet and liquidity

We maintain strong capital and liquidity positions, enabling sustainable growth and supporting continued investment in our strategic priorities.

Total risk-based capital ratio (%)



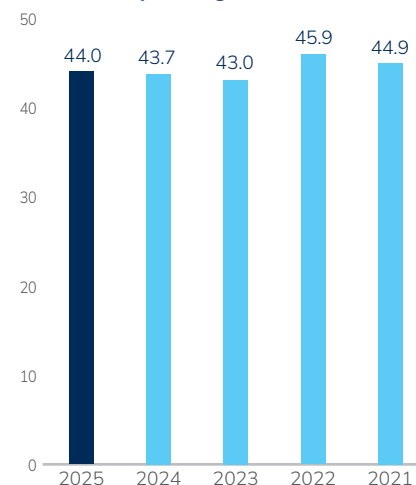
Access to capital

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.

4. Proven ability to innovate and scale

We continue to invest in digital transformation, expanding access and driving customer adoption. Innovation enables growth, efficiency and relevance in evolving markets.

Non-interest income as % of operating income



5. Driven by purpose, committed to sustainable impact

Our clear purpose and sustainability focus guide every strategic decision we make. Through our Group-wide Sustainability Integration Programme, we embed sustainability into our operations, culture, and value chain, creating long-term, measurable value for our clients, communities, and stakeholders.

Our five strategic choices will enable our future success



Deliberate portfolio action to deliver more value as a collective



Data and digital to harness the benefits of AI and other newer technologies to create a superior customer experience, lower cost to serve and create scalable advantage



To integrate sustainability in a manner that creates business advantage, whilst conserving the environment, increasing our social contribution and maintaining sound governance



DE&I to embrace diversity equity and inclusivity and embed these into the cultural DNA of the Capricorn Group



Leadership to Develop the mindsets for effective, adaptable, resilient leadership throughout the enterprise to deliver a meaningful employee experience and sustainable business impact



Five-year review

	2025	2024	2023	2022	2021
Statement of comprehensive income (N\$' millions)					
Total income	5,821	5,229	4,594	4,006	3,731
Operating profit	2,466	2,158	1,914	1,508	1,291
Profit after tax	1,993	1,736	1,580	1,146	983
Total comprehensive income	1,903	1,707	1,617	1,129	877
Earnings per share (cents)	367.3	319.6	292.0	204.9	170.7
Headline earnings per share (cents)	369.7	320.7	300.4	205.4	173.4
Ordinary dividends per share (cents)	135	112	100	72	60
Special dividend per share (cents)	36	–	–	–	–
Statement of financial position					
Total assets	72,522	70,584	63,773	60,440	56,013
Total loans and advances to customers	50,621	48,794	45,397	43,226	40,830
Total deposits	52,899	51,851	45,785	43,647	40,180
Net asset value per share (cents)	2,135	1,896	1,683	1,427	1,294
Performance indicators (%)					
Return on average equity	18.2	17.9	18.7	15.0	13.5
Return on average assets	2.8	2.6	2.5	2.0	1.7
Impairment charges to average gross loans and advances	0.61	0.67	0.51	0.85	1.07
Non-interest income as % of operating income	44.0	43.7	43.0	45.9	44.9
Cost to income ratio	49.5	50.0	51.0	51.1	51.7
Closing share price (cents) at 30 June	2,164	1,930	1,465	1,330	1,300
Price to book ratio at closing price per share	1.0	1.0	0.9	0.9	1.0
Price earnings ratio at closing price per share	5.9	6.0	5.0	6.5	7.6
Capital adequacy (%)					
Total risk-based capital ratio	18.1	17.9	16.9	15.8	15.0
	2025	2024	2023	2022	2021
Number of employees	2,161	1,998	2,226	2,152	2,043
Number of retail banking branches	63	65	67	66	68
Assets under management (N\$ billion)	57.1	46.6	38.6	32.1	31.8



A middle-aged man with grey hair and a beard, wearing a dark blue suit, white shirt, and blue tie, is seated in a brown leather armchair. He is looking directly at the camera with a slight smile. The background is a modern office interior with large windows, glass partitions, and contemporary lighting fixtures. A dark blue curved graphic element is overlaid on the bottom left of the image.

Group chairperson's message

This year tested the strength of institutions and leadership across our region, and I am proud of the way Capricorn Group continued to navigate complexity with resilience, purpose and a clear focus on long-term value.

I am pleased to report that Capricorn Group delivered another year of good performance, building on the strong results achieved in the previous year.

The Group operated in a volatile global environment marked by elections and challenging economic conditions across Africa yet continued to demonstrate resilience and consistent growth.

Namibia and Botswana faced significant political and economic change. In Namibia, the country mourned the unprecedented passing of both its sitting president and its founding president within a year. While the emotional impact was profound, Namibia's constitutional processes ensured leadership continuity. Although the electoral period was not without challenges, the overall political environment remained stable, underscoring the resilience of Namibia's democratic institutions.

Namibia also emerged as a key location for oil exploration following several large offshore discoveries. Estimates suggest reserves in the billions of barrels, potentially positioning Namibia alongside Angola in terms of oil production. While the first production is expected within five years, legal and regulatory clarity remains critical as oil companies and the Namibian government negotiate how to develop these resources. Regulation must support local participation and skills development to ensure that the benefits are widely shared and distributed. As a financial services group, we are monitoring developments closely and have initiated scenario planning to assess the potential implications.

In addition to oil, green hydrogen has drawn significant foreign direct investment. These developments, supported by the Namibia Investment Promotion and Development Board and the Ministry of Mines and Energy, continue to enhance Namibia's standing as a globally attractive investment destination.

Despite the challenging economic conditions, our Botswana subsidiaries have reported acceptable profits. Botswana, a traditionally stable region, has shown resilience amid economic challenges, especially in the diamond sector, which is sensitive to international market fluctuations. Despite government debt being at a manageable 39.7% of GDP, increased pressure on tax revenues necessitates careful monitoring.

Financial and operational delivery

The Group delivered a strong performance, in line with financial and operational targets for 2025, building on the already solid results of 2024.

Recognising that stagnation in a fast-evolving context is a risk in itself, the board and leadership have maintained a deliberate and anticipatory approach to governance and strategy.

Group activities are continuously evaluated and resources are redirected towards areas offering long-term growth potential.

Improving customer service through technology

The #gobeyond programme is designed to improve how we serve customers by reducing reliance on branches for routine transactions. By moving these activities online, we create more opportunity in-branch for deeper conversations, tailored advice and sales support. An improved target enterprise architecture was developed and is being implemented.

Sustainability and responsibility

At Capricorn Group, sustainability is not a short-term initiative; it is a long-term strategic imperative. The Board continues to take a broad and forward-looking view of sustainability, and I commend the work of the Board Social and Ethics Committee (BSEC) in identifying both the opportunities and risks that shape our journey toward sustainable growth. This includes our commitment to sustainable development, regulatory compliance, meaningful stakeholder engagement, and positioning the Group as an employer and strategic partner of choice in a rapidly evolving world.

Diversity remains embedded as a core business strength. It is not treated as a separate initiative but as a fundamental aspect of how we operate. We continue to believe that diversity of perspectives contributes to better decision-making and innovation.

The Group invested N\$27 million (2024: N\$26 million) in corporate social responsibility initiatives through the Capricorn Foundation and subsidiaries. The Foundation celebrated the milestone of five years since its establishment and the positive impact it has made on society, by supporting more than 100 projects across Namibia, with a focus on education, economic advancement, health and support for vulnerable communities.

Governance and board movements

The board remains committed to maintaining strong governance standards. During the year, we responded to regulatory requirements on board tenure and age limits and took proactive steps to ensure effective succession planning.

We bid farewell to three long-serving directors, Gida Nakazibwe-Sekandi, Goms Menetté and Heinrich Mihe Gaomab II, whose insights and dedicated service over the years have been deeply appreciated. Their contributions have helped shape the Group's direction and governance.

We also marked the retirement of Koos Brandt as non-executive director of Bank Windhoek in April 2025. Koos, one of the Bank's founders, served in various leadership roles for over four decades, including as chairperson of Bank Windhoek and as the inaugural chairperson of Capricorn Group. His contribution has been foundational and enduring, and we are grateful for his exceptional leadership and vision.

We welcomed new board members during the year, bringing fresh perspectives and valuable expertise to the Group:

- > Johan Maass, Group Chief Financial Officer, was appointed as Group Financial Director on 22 November 2024
- > Onno Amutenya was appointed as non-executive director on 29 November 2024, replacing Heinrich Mihe Gaomab II
- > Roswitha Gomachas was appointed as non-executive director on 11 December 2024, replacing Goms Menetté

We sincerely thank all outgoing directors for their significant contributions and lasting impact on the Group. We warmly welcome the new directors and look forward to their guidance and support as we continue to strengthen governance and deliver on our strategic objectives.



Bank Gaborone board chairperson steps down

In November 2024, Bank Gaborone bid farewell to Bogolo Joy Kenewendo, who stepped down as board chairperson after serving for four years. Bogolo joined the board as an independent non-executive director in 2020 and was appointed chairperson in 2022 – a proud and historic moment as she became the bank's first female and youngest chairperson.

Her departure marks the next chapter in a distinguished career, as she took up the position of Minister of Minerals and Energy in Botswana. The Capricorn Group board congratulates Bogolo on this prestigious appointment and extends its sincere appreciation for her visionary leadership and dedicated service to Bank Gaborone.

Christo de Vries, previously the lead independent director, was appointed as chairperson of the board, and Nigel Dixon-Warren is now lead independent director of Bank Gaborone.

Leadership transition at Bank Windhoek

We also marked the end of the tenure of the Managing Director of Bank Windhoek in June 2025. Baronice Hans, the Bank's first female and longest-serving MD, has served with distinction since July 2016. Under her leadership, the bank has performed strongly despite challenging economic and social conditions, including the COVID-19 pandemic. The board extends its deep appreciation to her for her exemplary leadership and for building a strong executive team.

To ensure a smooth leadership transition, the board initiated a transparent recruitment process and appointed James Chapman as Managing Director, effective 1 July 2025. With over a decade of experience in executive roles at Bank Windhoek, James brings strong leadership, financial expertise, and a proven track record of delivering growth and driving change. The board is confident in his ability to lead the bank into the future and welcomes Mr. Chapman, whose leadership promises to carry forward the legacy built by those before him.

Acknowledgements

As a Namibian-owned business with limited foreign ownership, we remain committed to delivering long-term value to all stakeholders while contributing meaningfully to the economies of Namibia and Botswana.

I extend my sincere appreciation to Capricorn Group's employees and management teams for delivering another year of strong financial and operational performance in a constrained operating environment.

My gratitude extends to the Group board and Exco for their continued commitment and to all employees across the Group for their dedication to our shared purpose. In particular, David Nuyoma, who was appointed Group CEO in March 2024, has already made a positive impact, particularly in the area of stakeholder relationship management and enhancing collaboration between the Group and its subsidiaries to unlock value.

I also thank the boards and leadership teams of the Group's subsidiaries for their contributions to the Group's success.

Finally, I would like to thank our customers for their continued support and trust in Capricorn Group's ability to be Connectors of Positive Change.



Gerhard Fourie
Group chairperson





Our strategic direction

We track developments that present both risks and opportunities, enabling us to respond with agility and direct the Group's efforts where they can deliver the greatest value.



Strategic context

The Namibian economy is relatively resilient at present, while Botswana and South Africa remain fiscally constrained and economically subdued.

The macroeconomic picture

The financial year kicked off during heightened political activity, globally, regionally and domestically. It took the form of a record number of elections, which led us to call 2024 a “super election year” with profound economic implications. The major trend that became evident over the twelve months was the loss of support for incumbents as trust between electorates and governments reached an all-time low. This resulted in new administrations or coalitions in several jurisdictions, not least of which in the USA, South Africa, Namibia and Botswana.

These new administrations were immediately faced with geoeconomic turbulence in the shape of flare-ups in global international trade frictions that became especially acute in the latter part of the year. At the time of writing, a very fragile Israel-Iran ceasefire is in place and the world awaits the final shape of tariffs on trade.

In Namibia, President Netumbo Nandi-Ndaitwah and in Botswana, President Duma Boko are establishing their respective teams and laying the groundwork for grappling with a host of challenges of foreign and domestic origin.

Borrowing from aerospace lexicon, economies are approaching different types of landings, depending on their trade exposure and policy flexibility. Global growth expectations will continue to be shaved back, due to a sharp deceleration in trade, but a hard landing is not foreseen. In the USA, forward-looking indicators signal a slowdown, but a soft landing is still the base case. Europe and the UK face a greater risk of hard landings, while China's economy is weak and flirting with deflation. South Africa remains grounded, struggling to gain take-off velocity. GDP numbers are soft, and the leading indicator does not hold out much promise.

Namibia registered 3.7% growth in 2024. A rate between 3% and 4% per annum is likely over the next several years, supported by ongoing mining and energy sector developments. The outlook for agriculture has improved, as has manufacturing, where food and

beverage production accounts for two-thirds of activity. Wholesale and retail trade, tourism and transport are on a relatively firm footing. The financial industry continues to heal gradually from bad debts and insurance policy lapses, while Government spending should grow at positive real rates.

Botswana is in the midst of a hard landing. Recovery hinges on a diamond market turnaround, currently a dim prospect. Diamonds normally represent 20% of the economy, 30% of Government revenue, and 80% of exports. Therefore, the crash in the market, among others, due to lab-grown diamonds, is a severe economic challenge. Following a surge in the wake of Covid, diamond prices have halved over the past three years to the lowest levels in 24 years.

Gold was already surging at the start of the year. Over twelve months, it rose by 42%. Recently, it stabilised around \$3,350 amid geopolitical tensions. Platinum staged a late rally, ending the year up 33%. Oil was down 22% for the financial year as a whole. It surged by nearly a quarter when the bombing of Iran started, but has fallen sharply since then, when a ceasefire came into view. Natural gas mirrored oil's movements with volatility in energy showing no sign of abating.

Late in the year, copper surged by 17% to the top of its 18-month trading range between \$9,000 and \$10,000, a positive indicator for global economic conditions. Global grains prices are, generally, down, while South African maize futures have plunged, white by 30% and yellow by 24% year to date. Uranium was down for the year, but staged a late comeback, surging by 17%. There seems to be a positive global sentiment shift in favour of nuclear power, which has regained some stature as a climate-friendly energy source. So much so that Rössing is considering a significant expansion of operations.

Commodities and their relative price movements, a proxy for the terms of trade, play a crucial role in the geographies where we operate, driving prospects for growth, currencies, inflation, and interest rates. The weak US dollar lifted the Namibian dollar. It appreciated by 6% year-to-date, supported by a solid South African balance of payments and favourable terms of trade. We expect USD to reach 19.50 by year-end 2025 and 20.00 by the end of 2026. The USD, which has traded between \$1.06 and \$1.22 per EUR over the past ten years, is currently at \$1.16, down by 12%, having lost some of its “safe haven” shine. We do not foresee changes to the NAD fixed exchange rate regime for the foreseeable future.

The recent surge in oil shifted inflation expectations. The combination of the USD oil price and exchange rate movements will determine much of what can be expected from fuel prices, which in turn have a significant inflation impact. Inflation in South

Africa, Namibia, and Botswana is likely to converge at around 4.5% by end-2025. It may drift higher in 2026. In the USA, inflation is sticky at 2.4%, as measured by both consumer inflation and the PCE deflator. The latter is a key Fed metric. Oil, grains, and Chinese deflation are key to the inflation outlook and, therefore, interest rates.

In the fiscal policy domain, overall debt dynamics remain troubling. High indebtedness translates into heavy interest bills and a lack of fiscal manoeuvrability. The USA downgrade by Moody's again highlighted the risks of large structural deficits, rising interest costs and an unsustainable debt-to-GDP ratio. The Namibian trajectory is promising, in that the debt-to-GDP ratio is set to decline. However, funding pressures persist, with maturities, most notably the Eurobond, making this year especially tricky to navigate. Botswana's position is more precarious. Fortunately, the starting fiscal position is healthier than most other countries. However, with diamond revenue falling away precipitously and a shallow capital market, borrowing is problematic in its present malaise. South Africa's fiscal spiral continues, but we do not foresee defaults.

The BoN is close to, or at the end of its cutting cycle. The MPCs of both BoN and the Bank of Botswana (“BoB”) are likely to hold rates steady for an extended period – through the course of 2026, inflation trends will determine for how long. Elsewhere, we expect the Fed and the SARB to lower rates, reaching their lows over the course of the next year. The SARB has proposed a new, tighter, inflation targeting framework, which is the subject of intense research and debate, because it holds profound implications for monetary policy in SA and Namibia. The RSA Minister of Finance is expected to make an announcement in this regard in the February 2026 Budget.

The demand for credit from households and businesses in Namibia and South Africa has been slow for several years now, growing, on average, with low single-digit rates of 3% and 4% per annum respectively, over the past five years. The interest rate-cutting cycle, which is now close to ending, will take more time to have a positive effect. In Botswana, credit growth tended to be higher, averaging around 7% per annum over the past five years. The recent acceleration is probably due to distress borrowing, while money supply growth has stalled.

Floris Bergh

Chief economist

Capricorn Asset Management





The political landscape

Leadership transitions in Namibia, Botswana and South Africa marked a period of political change:

- > Namibia inaugurated its first female president, Netumbo Nandi-Ndaitwah, following a peaceful election. Her administration has prioritised job creation and education, while responding to growing public expectations around governance and accountability.
- > In Botswana, the election of opposition leader Duma Boko signalled a historic shift. His policy platform focuses on economic diversification, renewable energy and expanded digital access.
- > South Africa formed a Government of National Unity after the ANC lost its majority for the first time since 1994. The coalition faces pressure to implement structural reforms in energy, logistics and fiscal management, while maintaining stability.

Across the region, these leadership changes are accompanied by rising public demand for transparency, economic opportunity and improved service delivery, factors that will shape regulatory direction and policy priorities.

Advancing financial inclusion

In Namibia and Botswana, financial inclusion remains a national priority. Many individuals and small businesses, particularly in rural areas, still lack access to affordable and suitable financial services.

In 2025, governments and financial institutions expanded efforts to close this gap through mobile banking and digital platforms, bringing more people into the formal financial system. At the same time, regulators increased their focus on consumer protection to guard against unfair practices and over-indebtedness.¹

Emerging technologies and innovation

The use of artificial intelligence (“AI”) and machine learning (“ML”) in financial services continued to grow, supporting fraud detection, credit scoring, risk modelling, customer segmentation and personalised engagement. These tools are improving internal efficiency and transforming client-facing services.

Generative AI has become increasingly embedded across various platforms, prompting a rise in regulatory and ethical considerations. Financial institutions, including Capricorn Group, are engaging more actively with policymakers to ensure the responsible and transparent use of AI, while addressing cybersecurity and data privacy risks.

¹ <http://www.gsma.com/mobilemoney>

Regulatory developments

Namibia

Greylisting and regulatory compliance

Namibia was greylisted by the Financial Action Task Force ("FATF") in February 2024. Since then, the country has updated anti-money laundering and counter-financing of terrorism frameworks.

Capricorn Group adapted internal policies and controls in response to evolving requirements. Our anti-money laundering framework aligns with FATF recommendations. We also contribute to regulatory consultations.

Financial stability and macroprudential reforms

The BoN's April 2025 Financial Stability Report¹ confirmed the resilience of the financial system. It highlighted improved bank asset quality, strong performance by non-bank financial institutions and a stable payments infrastructure.

Following industry consultation, the BoN plans to introduce a countercyclical capital buffer later in 2025 to further support financial stability.

Modernising payments and financial inclusion

The BoN continued to implement reforms under its 2025-2027 strategic plan² to expand financial inclusion, strengthen information security and modernise the national payments system.

In 2025, it launched an instant payment project to enable real-time, low-cost transactions on all devices, including non-smartphones, which broadens access for rural and informal sectors.

In May, it mandated migration to ISO 20022 messaging standards to improve interoperability and support cross-border low-value electronic payments.

For Capricorn Group, these changes required several IT projects with tight deadlines.

Sustainability and climate-related risk

The Bank of Namibia (BoN) recognises the material risks that climate change poses to the financial system and the broader economy. As an active member of the Network for Greening the Financial System (NGFS), BoN has taken a leadership role in advancing sustainable finance and climate risk management in Namibia. It has established a dedicated sustainability function to coordinate climate-related risk mitigation efforts across the financial sector and has published climate-related financial risk and disclosure guidelines, along with statutory return requirements, to assess the Namibian economy's exposure to climate-related risks and opportunities.

BoN is also strengthening its stress-testing frameworks, embedding sustainability into prudential operations, and advancing the integration of climate risk into financial decision-making. Sustainability, alongside inclusion and resilience, is central to this evolving regulatory approach.

Government Payroll Deduction Management System

The Namibian Ministry of Finance announced that it had concluded a review of the Government Payroll Deduction Management System (PDMS) and will be engaging key stakeholders on the outcomes. As Entrepo and BW Finance rely on the PDMS for loan collections, this development introduces uncertainty regarding the future of the mechanism and could affect the risk profile and business model of the respective subsidiaries.

Botswana

Banking Act and implementation readiness

The Banking Act, 2023, is not yet in force, as draft regulations are still under review by the industry.

The Act will introduce operational changes affecting daily banking activities.

Bank Gaborone has conducted gap analyses and initiated a compliance risk management plan to prepare for the expected requirements.

Data protection reform

The Data Protection Act, 2024, came into effect on 14 January 2025, replacing the 2018 Act.

It introduces new compliance requirements, including data protection impact assessments, 72-hour breach notifications, enhanced data subject rights and mandatory data protection officers.

The Information and Data Protection Commission now has expanded enforcement powers, including the authority to conduct searches and seizures and oversees codes.

Fintech and digital inclusion

Botswana is promoting fintech-bank partnerships to advance digital financial services. While infrastructure constraints persist, particularly in rural areas, regulatory frameworks for cybersecurity, licensing and fintech regulatory test environments are being strengthened.

Bank Gaborone has conducted legislative gap analyses, engaged with stakeholders and developed compliance monitoring plans in response.

Trends shaping our world of work

- > Difficult financial conditions include a high cost of living, high levels of indebtedness and the need to support many dependents.
- > Digital transformation and the emergence of AI and automation are causing employees anxiety and fear of job losses. Digital transformation must be accompanied by change management.
- > There is a heightened demand for skills in data and digital, compliance and financial risk management.
- > An underperforming education system that does not prepare young people for work results in high youth unemployment.
- > Businesses are increasingly involved in supporting the holistic well-being of their employees, including their mental, physical and financial well-being.
- > Sustainability is increasingly becoming a defining value for younger employees, who seek more than just a job, they want to be part of an organisation that actively contributes to societal progress and environmental wellbeing.

¹ <https://www.bon.com.na/getattachment/b86b9261-9c34-4e12-a67e-e1732ebdd094/aspx>

² https://www.bon.com.na/getattachment/Home/BoN_Strategy_Advert.pdf.aspx?lang=en-ZA



Risk management

In a dynamic environment where risk and opportunity are closely linked our risk management approach helps us to navigate uncertainty, while our material matters reflect the most significant issues shaping our strategy and reporting.

Our enterprise risk management approach is guided by the Group Risk, Internal Control and Assurance Framework ("GRICAF"), which is aligned with our strategic choices and informs our risk priorities and capabilities.

We regularly assess the adequacy of our frameworks through internal and independent reviews. In 2025, we completed a review of our market, credit and operational risk frameworks under Basel. An internal audit of operational risk practices informed formal improvement plans. Following an independent ethics assessment by The Ethics Institute in 2024, which found no material adverse findings, we implemented the recommended improvements in 2025. We conducted an independent assessment of our fraud risk management framework and defined prioritised action plans in response to recommendations. We also assessed our compliance practices against the Generally Accepted Compliance Practice as defined by the Compliance Institute of Southern Africa and issued internal standards.

To strengthen risk culture across the Group, we offer a voluntary eight- to nine-month certification programme. In 2025, 46 employees from Namibia and Botswana graduated as Capricorn Group-certified risk culture builders.

Combined assurance

Internal audit, compliance and management assurance functions provide second- and third-line oversight under the Group's combined assurance model. Non-compliance is addressed through formal issue remediation. The compliance monitoring plan, now in its fourth year, continues to expand and is delivered as a shared service across the Group.

Responding to evolving risks

Capricorn Group is well-positioned to respond to evolving risks and rising regulatory demands in Namibia and Botswana. Our enterprise risk management systems support the board in defining risk appetite and evaluating risks linked to investment decisions and portfolio changes. This enables responsible capital allocation, timely exits and ongoing oversight of our risk profile, including capital and regulatory implications. Transparency is actively cultivated through aggregated risk reporting to the Group BARCC, through formal subsidiary and group governance structures, supported by enterprise-wide reporting standards and clearly defined oversight responsibility at the Group risk committee and ERM functions.

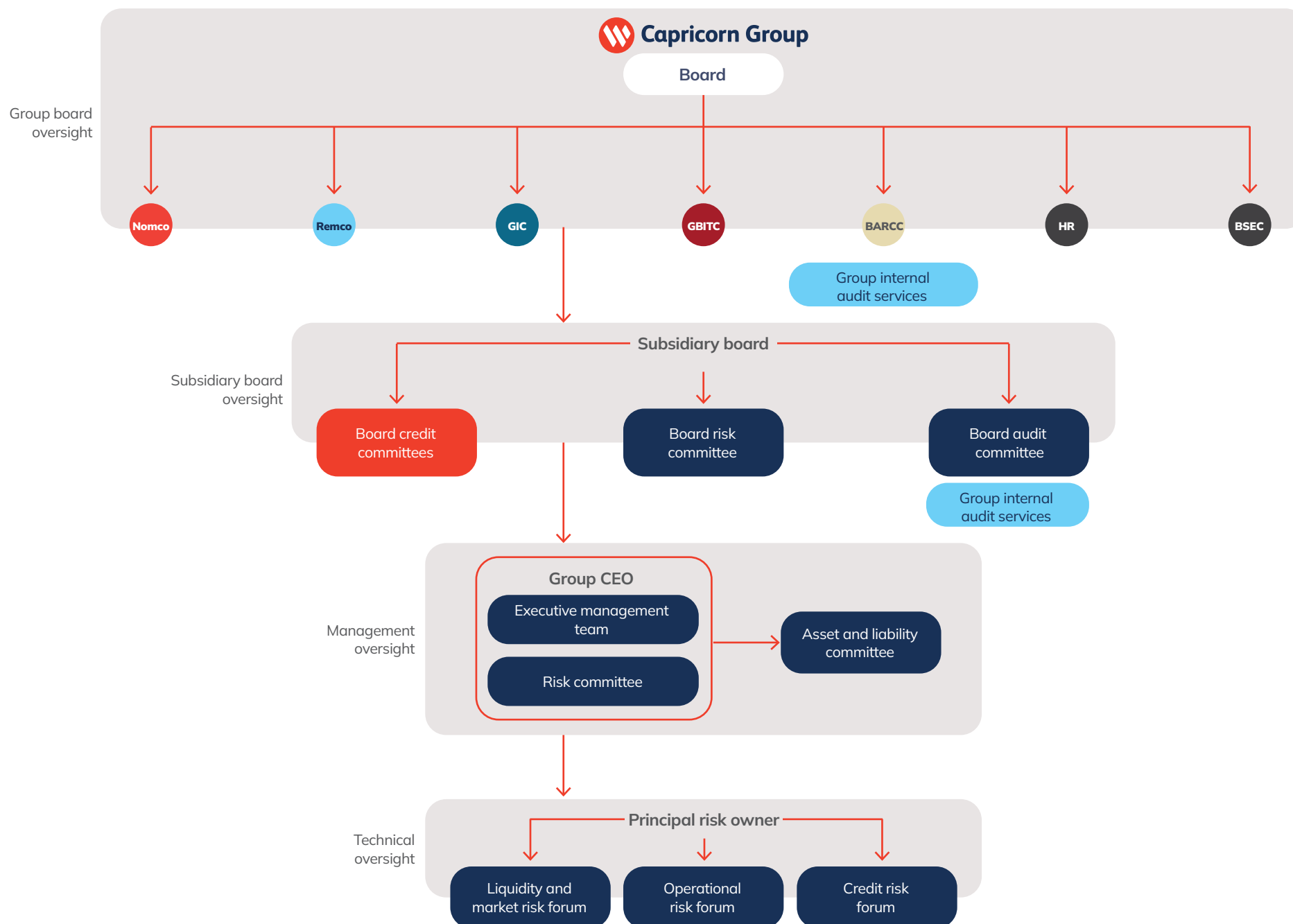
BARCC oversees group-wide compliance with key legislation, supported by continuous monitoring of the regulatory environment (see page 25). Cyber risk remains a priority, and we continue to strengthen our defences against threats such as phishing, malware, ransomware and denial-of-service attacks. We have also developed an Environmental Risk Management Framework to address both physical and transition climate-related risks. See page 41.

Our principal risk categories for 2025

Capital	Finance and tax	Operations
Compliance	Financial crime	People
Credit	Legal	Reputation
Cyber	Liquidity	Strategic
Environmental	Market	Technology

Read more about strategic risk and how we mitigate this in the 2025 risk report, available online.

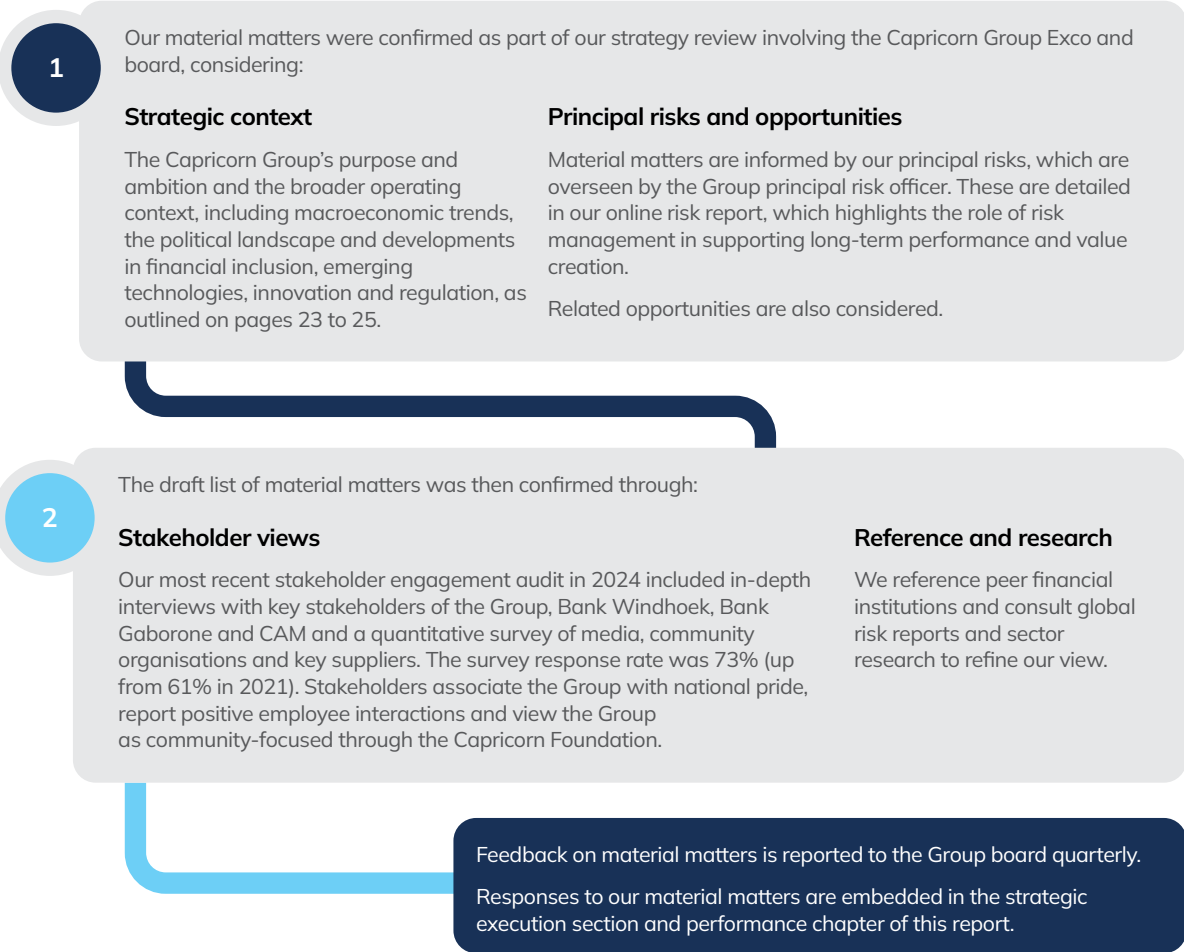




Material matters

Our material matters shape our strategy and guide the selection of material information for this report. We review them annually to reflect shifts in the operating environment and stakeholder expectations.

Determining our material matters



Our material matters for 2024 – 2025

	Delivering value to stakeholders
	Managing our risks well, including increased regulation, cyber and ESG risk and opportunities
	Conducting business in the right way
	Fostering a positive employee experience across the employee lifecycle to ensure high engagement that leads to sustainable business performance
	Position ourselves to take advantage of the opportunities emerging from AI, data and digitisation
	Embedding a customer-centric service culture








Delivering value to stakeholders

We create long-term value by delivering on our brand promise of being Connectors of Positive Change.

This shapes how we engage with stakeholders and balance the needs of customers, employees, shareholders, regulators, government and society. Across Namibia and Botswana, our inclusive financial services model enables us to deepen relationships and broaden access to financial solutions. Our material matters and strategy are informed by these relationships and designed to support sustainable, responsible growth.

Our ability to meet evolving stakeholder expectations is supported by the development and application of core competitive capabilities, disciplined execution, deep local insight and strong capital and liquidity levels.

Board committee oversight	Timeframe	Strategic response	Read more
Board, BSEC	Short, medium and long term	    	Our stakeholders, page 15 Our investment case, page 17 Performance for 2025, page 51

Outlook

We expect to build on our track record of stakeholder value delivery as we execute our AsOne 2030 strategy. Our diversified operations, strong funding position and trusted relationships place us in a solid position to navigate change, capture emerging opportunities and sustain earnings momentum.



Managing our risks well, including increased regulation, cyber and ESG risk

A disciplined and forward-looking approach to risk is central to how we operate and create value in a dynamic environment.

As risks grow more complex and interconnected, we rely on clearly defined risk capacity, appetite and tolerance levels to guide sound decision-making and protect long-term value.

Our Risk Management Framework is aligned with our strategic objectives and supported by data, technology and insights. We embed controls within our core processes and apply consistent standards across all risk types, informed by regulatory requirements and industry best practice.

Board committee oversight	Timeframe	Strategic response	Read more
BARCC	Short, medium and long term	   	Risk and compliance, page 26 2025 risk report, available online

Outlook

We expect the risk landscape to become increasingly complex and fast-moving. To remain resilient, we will continue strengthening our risk management capabilities, with a focus on emerging risks, enhanced data use and evolving regulatory expectations.





Conducting business in the right way

We uphold high ethical standards and promote a culture of integrity, supported by clear policies and visible leadership.

Our stakeholders, particularly shareholders and employees, expect responsible leadership, fair conduct and ethical decision-making.

We cultivate a culture of openness and psychological safety through our Code of Ethics and Conduct. Ethics champions, including senior leaders, help drive this culture across the Group. Progress is reviewed quarterly by the BSEC to ensure accountability, consistency and continuous improvement. This ethical culture supports trust in our brands and strengthens our licence to operate across diverse markets.

Board committee oversight	Timeframe	Strategic response	Read more
BSEC	Short, medium and long term	  	BSEC report, page 69

Outlook

We expect growing scrutiny of ethical conduct and governance standards. In response, we will continue to evolve our culture to ensure it supports responsible leadership, informed decision-making and long-term stakeholder trust.



Fostering a positive employee experience across the employee lifecycle to ensure high engagement that leads to sustainable business performance

We have created a constructive working environment with high levels of employee engagement and a strong track record of attracting, developing and retaining talent in a scarce skills market.

Retaining adaptable, highly skilled people is essential to our long-term value creation and competitiveness, particularly given the small pool of specialised talent in Namibia and Botswana and growing competition for these skills across the region.

Our people strategy is guided by The Capricorn Way, which supports individual and collective growth. We invest in leadership, culture and performance to ensure our people are equipped to deliver on our strategic objectives.

Board committee oversight	Timeframe	Strategic response	Read more
HR committee, Remco	Short and medium term	   	Our stakeholders, page 15 Focus: Employees, page 46

Outlook

Talent is expected to remain scarce in the short, medium and long term, with competition for critical skills likely to intensify. In response, we are enhancing our employee value proposition and increasing investment in training, development and retention. Leadership development and DE&I are key strategic priorities within this focus area.





Positioning ourselves to take advantage of the opportunities emerging from AI, data and digitisation

We are harnessing the potential of data and digital technologies, such as AI, to modernise our systems and build scalable competitive advantages that enhance efficiency and improve the customer experience.

This is central to how we differentiate ourselves in a rapidly evolving environment. Our ability to adopt and deploy these technologies will determine how effectively we meet customer needs, improve performance and create long-term value.

Recent innovations, such as advanced data analytics and expanded self-service capabilities, have enabled us to reduce cost-to-serve while enhancing convenience. As use of these tools expands, we engage with policymakers to promote their responsible, transparent application and address related regulatory, cybersecurity and data privacy risks.

Board committee oversight	Timeframe	Strategic response	Read more
GBITC	Short, medium and long term	  	#gobeyond, page 38

Outlook

We are testing applications of data and AI and have started integrating them into our operations. We expect adoption to accelerate as these technologies mature and demonstrate clear value.



Embedding a customer-centric service culture

Our differentiation lies in a distinctive service offering and customer experience, supported by a strong customer-centric culture and strategy.

As expectations grow more sophisticated, customers across all segments seek financial services that are safe, reliable and convenient and that adapt to their evolving needs.

We aim to provide a seamless and intuitive experience across all channels while supporting our customers' financial well-being. To do so, we segment our customer base to better understand their specific needs and tailor our approach accordingly. We develop targeted value propositions for specific groups, such as high-income earners and small businesses and tailor our engagement strategies to each market segment. We develop targeted value propositions for key markets, such as salaried individuals, SMEs and rural customers, through our multi-brand, multi-country approach.

Board committee oversight	Timeframe	Strategic response	Read more
BSEC, GBITC	Short and medium term	  	Focus: Customers, page 39 #gobeyond, page 38

Outlook

We can attract new customers and expand our market share by providing better customer service and enhancing our offering. Compared to Namibia, our operations in Botswana have a stronger opportunity to grow market share.



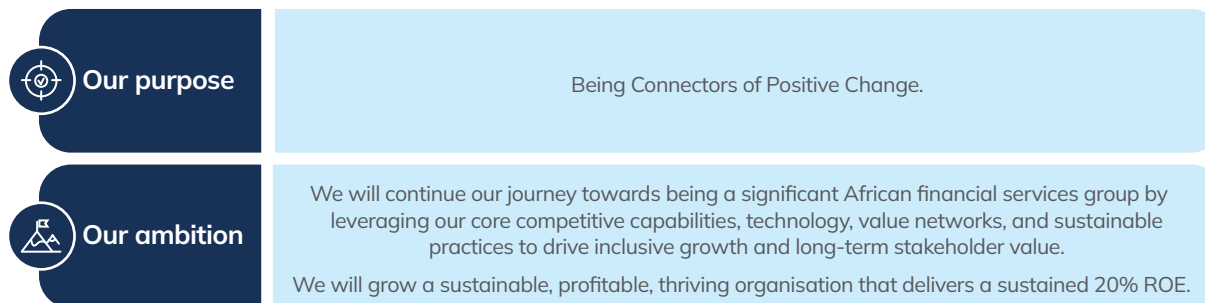
Strategy overview

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.

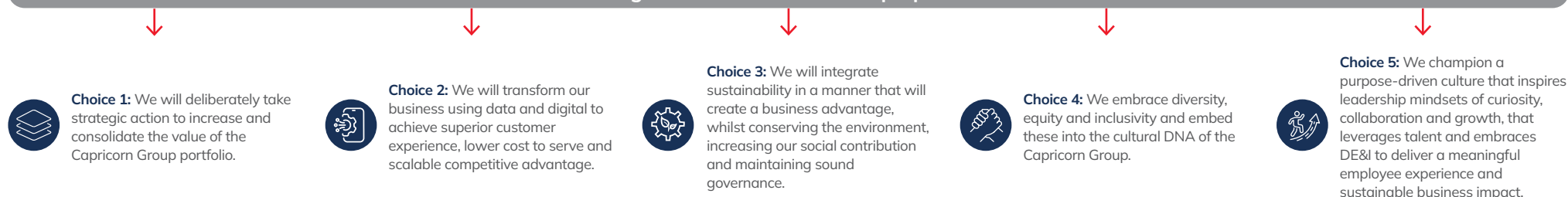
Our strategy snapshot



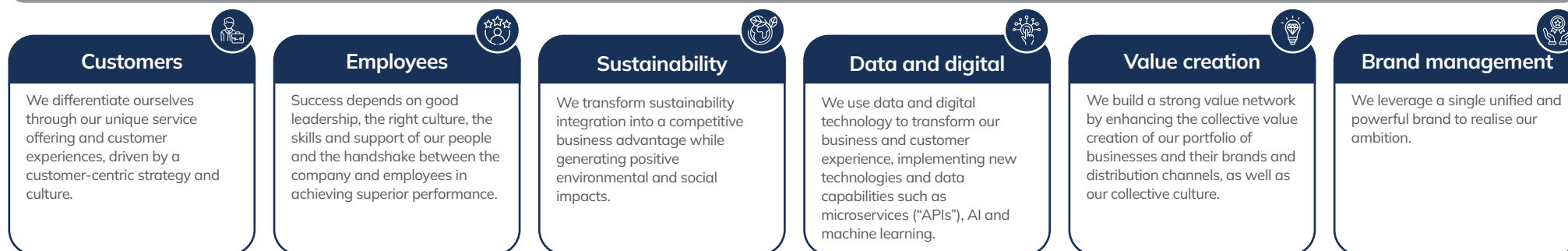
We believe in the power of collective value creation.



Our five strategic choices will enable our purpose and ambition



Our focus

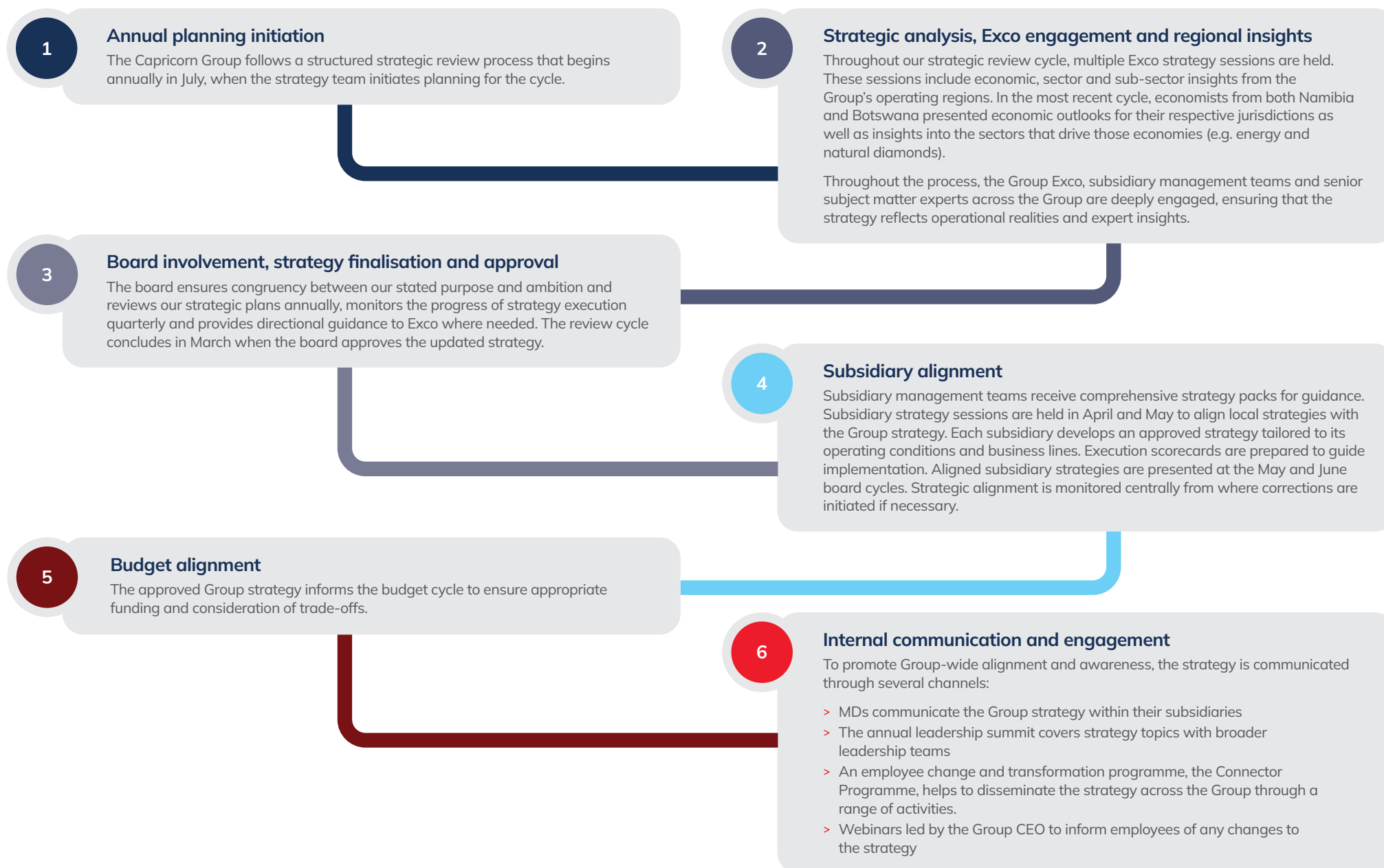


Our enabling themes

We have identified enabling themes that support our strategy. These are the conditions for our strategy to succeed.



Developing our strategy



Strategy execution



Choice 1: Deliberate portfolio action for growth and value creation

We aim to deliberately draw on the ecosystem we deliver to the market and our stakeholders by responding to opportunities as a unified collective.

The Group has established strong individual businesses, many of which are market leaders in their respective environments. Our structure offers clear advantages: it allows us to compete for a greater share of customers' wallets through a diverse offering, shared knowledge and resources, and reduce costs.

This strategy aims to leverage our structure as a portfolio of financial services and related businesses, while carefully managing potential risks. We will focus on unlocking synergies between entities, with due consideration for customer privacy and regulatory requirements. Central to this strategic choice are three key objectives:

- > We will drive growth in our existing businesses
- > We will evolve our offering of products and services around the needs of our shared customers
- > We will explore new and innovative options for enterprise-wide growth and long-term sustainability

The business outcomes we seek

- > Increased value unlocked for shareholders through the deliberate management of our corporate portfolio
- > Enhanced competitiveness through a diverse, integrated offering to customers
- > Long-term sustainability through continuous strategic innovation and business development

Pulling on these levers

- > Responding to our shared customer needs
- > Harnessing the potential benefits from synergies in the group
- > Communicating the value that we create for shareholders

Key results we are tracking

The key results that the Group is tracking are not disclosed here due to their confidential nature

Progress in 2025

- > Net promoter score reduced slightly by 2% to 44% (2024: 46%), a positive result relative to benchmarks
- > Dipstick brand audit launched to test perceptions and loyalty to the Capricorn brand
- > Ambition statement around group-wide growth refined and quantified
- > Growth opportunities in current markets explored





Deliberate portfolio action for growth and value creation strategic milestones

Award recognition for banking excellence

In November 2024, Capricorn Group and Bank Windhoek were recognised for outstanding performance in the PSG Wealth Namibia Banking Review Report. We stood out for our strong financial performance, sustainable growth strategies and effective navigation of a dynamic banking environment.

This recognition affirms our ability to respond to market opportunities as a unified Group. It also highlights how our shared strengths, particularly in digital growth, customer service and credit risk management, continue to position us as leaders in Namibia's banking sector.

Strengthening regional ties

In November 2024, Capricorn Group hosted His Excellency Phemelo Mbi Rankoro, Botswana's High Commissioner to Namibia, to explore cross-border collaboration opportunities. The visit reaffirmed our commitment to regional integration as a driver of commercial growth and long-term relevance.

Through Bank Gaborone and Peo Finance, Capricorn Group is well-positioned in Botswana to support local economic development while expanding our customer base and product reach. This regional presence enables the Group to unlock operational synergies and share capabilities across markets to meet diverse customer needs.

Engaging with the Namibian agricultural sector

Agriculture plays a central role in Namibia's economic stability and long-term food security, making it a key strategic focus for Bank Windhoek.

At the fifth annual Agriculture Series in November 2024, titled Cultivate Change: Strategies for a Resilient Agricultural Future, Bank Windhoek engaged with customers on pressing challenges such as drought resilience, dryland farming and conservation. These discussions inform tailored financial solutions and enhance the bank's offering to a critical segment of the market.

In addition, collaboration with industry bodies, such as the Namibia Agricultural Union, ensures the bank remains responsive to sectoral needs while aligning with national policy direction.

Driving innovation and growth in Namibian cleantech

In January 2025, Capricorn Group joined a panel to support Namibian cleantech entrepreneurs in securing early-stage funding. The event equipped startups with practical fundraising guidance, mentorship opportunities and access to tailored financing solutions, including sustainability-linked loans and credit guarantees.

By supporting this platform for innovation and collaboration, we help grow the cleantech ecosystem, enabling entrepreneurs to build viable, environmentally focused businesses. For Capricorn Group, it reinforces our commitment to strategic innovation and sustainable growth, thereby creating long-term value for our stakeholders.



Choice 2: Data and digital

We aim to reduce our cost-to-serve while delivering superior, personalised experiences for both customers and employees. This will be enabled by replicable and scalable technology that provides Capricorn Group with a competitive advantage that can be leveraged across the enterprise.

Improving our digital and data capabilities has been a strategic focus for several years. We are working towards a future where simple customer interactions are seamless and enabled by technology, without the need to visit a branch. For more complex and tailored customer needs, our human, relationship-driven customer service will remain important and our employees will be equipped with the tools to offer better advice and a high-touch experience at scale.

The business outcomes we seek

- > Improved customer and employee experience
- > Reduced cost to serve customers
- > An increased number of customers, contribution per customer and share of wallet
- > Replicability and scalability of our technology stack

Pulling on these levers

- > Omni-channel solutions for sales and service activities
- > Incentivising customers to migrate to the most appropriate channels

Key results we are tracking

- > Cost-per-volume transaction targets
- > Revenue growth targets
- > Value proposition differentiation and shared deployment of digital solutions across Bank Windhoek and Bank Gaborone as measured by the number of shared solutions

Progress in 2025

- > Hybrid-cloud modern data infrastructure released
- > Branch back-office functions centralised to improve efficiency
- > New branch model refined and implemented across 14 branches
- > 79 self-service, cash-accepting devices rolled out in Namibia and Botswana
- > 56% of deposits under N\$5,000 now processed via cash-accepting ATMs
- > Biometric authentication introduced for digital channels
- > AI (machine learning models) deployed to reduce credit risk and improve customer retention by identifying early customer churn
- > Multiple enhancements made to Bank Windhoek and Bank Gaborone mobile apps
- > Bank Windhoek: 36% increase in mobile app transaction volumes
- > Bank Gaborone: 25% increase in digital transaction volumes
- > Monthly paper usage reduced by 35,000 to 40,000 pages through paperless processes
- > Renovated branches achieved up to 50% energy savings through implementing solar and energy-efficient infrastructure

Future strategic priorities

- > Deeper integration of AI to enhance customer experience and reduce costs
- > Strengthen cybersecurity and fraud prevention measures
- > Deliver seamless and frictionless digital experiences across key journeys
- > Promote financial well-being using behavioural nudges
- > Participate in the national Instant Payment Programme for account and wallet interoperability



Data and digital implementation overview

Transforming cash services

Individuals and SMEs may not be charged for cash deposits, which were previously offered only at branches via labour-intensive processes. We improved this by modernising cash handling:

- > 79 cash-accepting ATMs deployed
- > 64% of deposits under N\$5,000 migrated to these ATMs
- > 56% of total cash deposits now made at ATMs
- > 52% of cash transactions occur outside normal banking hours

Improving customer service through technology

The #gobeyond programme enhances customer value by shifting high-volume, low-value transactions to digital channels. This frees up branch capacity for meaningful advice and relationship-building. The programme also focuses on digitising routine enquiries and developing tools to support better sales engagement.

#gobeyond phase two focus areas (2024 – 2026)

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 enhancing the new modern data infrastructure 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.

How enterprise risk management supports successful execution

We embed efficient and secure control frameworks in business processes and systems. Using data, analytics and scenario testing, including financial analytics, we support informed, forward-looking decisions. We continue to strengthen our cyber risk capabilities alongside our technology investments and evolve analytics from descriptive to predictive and prescriptive.



Data and digital strategic milestones

Reached physical branch channel objectives

The physical footprint remains a key distribution channel for Bank Windhoek and the Namibian communities, especially in the most densely populated regions of Northern Namibia. It was here that Bank Windhoek focused its efforts on transforming those branches, incorporating new modern designs and technology to enhance the customer experience. The extensive redesign and renovation of 11 branches was an ambitious goal for not just the infrastructure and technical teams, but also for the branch employees, who never missed a single day in servicing their customers during this process.

The introduction of 24-hour accessible self-service areas at these branches ensures banking services are extended beyond normal banking hours. This includes non-cash services, such as bank statements and account confirmation letters.

iBank for personal and business customers launches

In our endeavour to provide customers with more choices for conducting their banking and to ensure consistent digital channel interactions, Bank Windhoek launched its redesigned iBank platform in 2025. This channel brings a host of improved user experience and security features, with the same banking functionality as the Mobile App.

iBank users can now also leverage the enhanced biometric security deployed on the Mobile App channel, which helps protect our customers across digital channels.

Mobile App becoming the pivotal digital channel for customers

Monthly active Mobile App users shot up by 40% in 2025, establishing it as a pivotal digital channel for banking customers. This is partly due to the rich range of services available, but also due to the enhanced security bolstered by advanced biometric authentication using machine learning algorithms that test for liveliness, in addition to image matching.

Customer surveys also support this trend where customers have expressed Mobile App as being their preferred channel for banking interactions.

Strengthening trust through media collaboration

Digitisation enables seamless, technology-driven customer interactions, but also increases the risk of fraudulent activity. To protect customers, the Group prioritises clear and proactive communication. By leveraging trusted media platforms, the Group extends the reach of financial education, improving customer confidence and digital adoption. This enhances the customer experience while supporting the long-term scalability of omni-channel service models that are cost-effective and aligned with changing customer behaviour.

In November 2024, Capricorn Group hosted over 80 media professionals at our annual year-end engagement. This event reinforces the Group's recognition of the media as a key partner in shaping public understanding and strengthening trust in financial services.

Group CEO David Nuyoma acknowledged the media's role in building an informed society and highlighted the success of collaborative campaigns like "Your Bank Would Never", which educates the public on financial scams. These efforts protect customers and encourage safer digital engagement.

Surpassed 350,000 pages saved by deploying new digital customer onboarding solutions

A critical aspect of our digital transformation is to enhance the employee experience, which we believe will ultimately lead to a more positive customer experience. We have redesigned and digitised our entire customer onboarding process to ensure a more seamless experience and prevent customers from having to provide documents multiple times. This new process also removes the need to move physical documents between branches and head office, which not only drastically reduces turnaround times for account verification, but also reduces paper significantly.

The paper saving realised in 2025 was in excess of 350,000 pages. This adds to both a more efficient back office and a more sustainable organisation.

Deployed the first on-cash, feature-rich, self-service kiosks country wide

As a first for Namibia, Bank Windhoek has deployed 39 non-cash self-service kiosks nationwide to bring banking services to communities. These devices operate 24 hours and deliver critical bank services outside of normal bank hours. These devices enable customers to adjust their card limits, obtain bank statements or account confirmation letters, and provide notice for their deposit accounts. Bank Windhoek is continually enhancing this channel with additional services as we recognise these devices as a critical part of our distribution channels.





Choice 3: Sustainability

We integrate sustainability to build business advantages while protecting the environment, increasing our social impact and maintaining strong governance. We aim to show the tangible impact of commercial sustainability opportunities across the Group's portfolio, in service of our shared customers.

Capricorn Group has identified sustainability as a strategic theme and growth driver since 2014. It became a formal Group priority in 2023, leading to the launch of a Group-wide sustainability integration programme. The programme is led by the Group's sustainability function and supported by a steering committee and entity-specific working groups. This structure enables close collaboration among sustainability champions, the Capricorn Foundation and key stakeholders, ensuring a consistent and coordinated approach across all operations.

The business

outcomes we seek

Position Capricorn Group for a distinct and sustainable competitive advantage by leveraging shared capabilities and building a recognised reputation as a leader in sustainability-driven innovation and impact.

Pulling on these levers

- > Engage deeply with stakeholder priorities to uncover commercial opportunities and ensure the Group remains relevant and trusted in society
- > Proactively align with emerging market trends and regulatory expectations to stay ahead of compliance requirements and industry shifts
- > Strengthen risk management practices to build resilience and support long-term value creation

Key results we are tracking

We track our results against the Sustainability Integration Programme focus areas:

- > Environmental risk management
- > Sustainability opportunities
- > Decarbonisation
- > Own environmental footprint
- > Shared infrastructure

Progress in 2025

- > Environmental Risk Management Framework implemented, with entity-specific roadmaps and sectoral risk heatmap
- > Bank Windhoek completed financed emissions assessment of its loan book and physical risk exposure
- > Group-wide value chain and gap analysis completed to inform internal sustainability reporting
- > Scope 1–3 emissions baselines established, reduction plans under way
- > Climate change training delivered via KnowBe4 to enhance awareness and capacity
- > 4R recycling initiative rolled out in Windhoek buildings, cutting general waste by 25% and increasing recyclables by 37%
- > Minimum ESG data infrastructure in place to support IFRS S1 and S2-aligned reporting
- > Revised CSR policy now aligned to three priority SDGs and eight SDG targets
- > Social impact projects delivered through Capricorn Foundation using new impact measurement framework
- > Bank Windhoek facilitated N\$112 million in sustainability loans, supporting projects in renewable energy, clean transportation, education, and irrigation. These initiatives contributed to building climate resilience, reducing emissions through avoidance, and improving access to education Bank Gaborone pledged BWP300 million to the Citizen Enterprise Empowerment Programme, supporting 60 SMEs and creating 1,025 jobs

Future strategic priorities

- > Refine Capricorn Foundation's strategy to focus on fewer, high-impact SDG-aligned initiatives
- > Strengthen collaboration across sustainability projects for shared impact and learning
- > Deepen stakeholder engagement and storytelling to maintain sustainability thought leadership
- > Improve impact measurement and launch Group-wide SDG-aligned sustainability reporting
- > Establish Capricorn Foundation Botswana as a vehicle for social investment and SDG delivery
- > Advance sustainability reporting roadmap and prepare for IFRS S1 and S2 and climate risk disclosures in Namibia

This strategic focus advances environmental sustainability and social responsibility in a way that meaningfully contributes to the well-being of broader society, while upholding sound governance practices that ultimately create business advantages within the context of our operations.

Our responsibilities to employees are addressed separately under Choice 4: DE&I (page 45), Choice 5: Leadership (page 48) and our strategic focus on employees (page 46).

Sustainability implementation overview

Sustainability governance and accountability

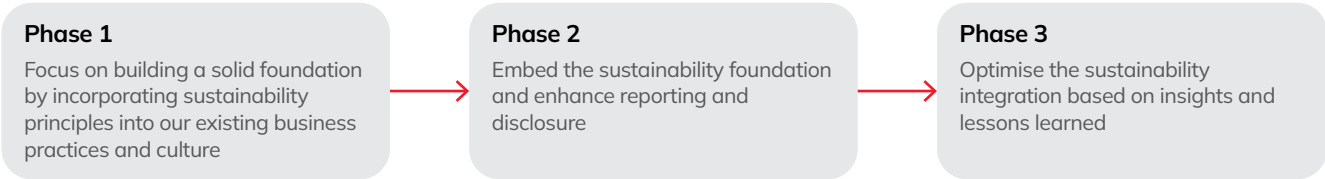
Capricorn Group’s sustainability governance model is designed to ensure strategic alignment, disciplined execution, and enterprise-wide accountability. Oversight resides with the Capricorn Group Board, which is supported by dedicated board committees and the Group Sustainability Steering Committee. These structures provide strategic direction, monitor progress, and ensure that sustainability remains embedded in decision-making at the highest levels.

Execution is driven by the Group Sustainability Office, which coordinates implementation across all subsidiaries. Each entity is responsible for adopting relevant sustainability-related frameworks and tailoring relevant policies to their operational context, ensuring consistency with Group-wide objectives.

Our governance practices are aligned with the principles of King IV, reinforcing our commitment to transparency, ethical leadership, and inclusive stakeholder engagement. This integrated approach ensures that sustainability is not only a strategic priority but also a shared responsibility across the Group. Refer to the BSEC report on page 69 and the 2025 governance report, available online.

The Sustainability Integration Programme

The Group’s Sustainability Integration Programme is a three-phase, multi-year initiative to embed sustainability into our core operations. The objectives and results we intend to achieve include:



Sustainability Integration Programme focus areas

Environmental risk management	Identifying, measuring, and managing environmental risks and incorporating these risks into the risk management framework
Decarbonisation	Prepare to support the achievement of national and global climate change objectives through lending and investment portfolio decisions by positioning for potential regulation and mandatory disclosures
Sustainability opportunities	Identifying and pursuing potential opportunities arising from climate adaptation, mitigation, transitioning to a green economy and other sustainability areas
Own environmental footprint	Cultivating a sustainability-oriented culture through formal internal programmes to reduce our environmental impact, focusing on rethink, reduce, reuse and recycle initiatives
Shared infrastructure	Creating an enabling environment to collect, analyse and report quality ESG-related data and information according to industry best practice

Environmental sustainability

As expectations grow for large institutions to take a clear position on climate change and environmental sustainability, financial institutions have a vital role in addressing the complex and interconnected environmental challenges we face.

While Capricorn Group’s direct environmental impact is limited, our lending activities can have indirect effects if not properly managed.

No customers of Bank Windhoek were identified as being at risk of material breaches of environmental laws or regulations.

The Group Environmental Risk Management Framework

In 2024, Capricorn Group developed a Group Environmental Risk Management Framework, which was approved by the BARCC. Once fully implemented, the framework will strengthen our ability to identify, assess, measure, mitigate and monitor material environmental risks, including both physical and transition risks. It is applicable across key dimensions, including client, supplier, transaction, product and operations, and is supported by a high-level implementation roadmap tailored to each entity.



Building better societies

In line with our brand promise of being Connectors of Positive Change, Capricorn Group is committed to building more equal and prosperous societies.

Driving economic development in Namibia

Capricorn Group actively supports Namibia's national development agenda through initiatives aligned with the latest National Development Plan and key sustainable development priorities. Bank Windhoek plays a pivotal role by promoting strong governance, ethical leadership, and inclusive economic growth. Its contributions span commercial offerings, renewable energy financing, and community investment. The Bank also collaborates with government through the Brand Namibia initiative, helping to elevate the country's global profile and support local enterprise development. Since its launch, Capricorn Asset Management's Caliber Capital Trust fund has provided aggregated funding of N\$503 million to local companies, supporting job creation, industrial development and import replacement.

Supporting inclusive growth in Botswana

Bank Gaborone contributes to sustainable economic development by financing citizen-owned businesses and supporting the Economic Inclusion Act of 2021. The bank plays a key role in the Citizen Economic Empowerment Programme at Debswana and Morupule, promoting local supply chain inclusion and job creation. It also supports SMEs and offers mentoring to promote financial inclusion and national savings.

Capricorn Foundation and CSR

Established in 2020, the Capricorn Foundation has become a leading force in Namibia's non-profit sector, fostering collaboration with government and civil society. As the Group's primary CSR vehicle, it leads social impact initiatives, complemented by our internal Changemaker programme that engages employees in community support.

Refer to the 2025 social value report, available online, for more detail.

Contributing to the SDGs

As a purpose-driven financial services group, Capricorn Group recognises that every business decision influences people, communities, and the environment. We are committed to creating value that extends beyond our operations, driving systemic, long-term impact in the communities and environments where we operate.

To guide this commitment, we have aligned our sustainability strategy with the United Nations Sustainable Development Goals (SDGs), focusing on areas where we can make the most meaningful and measurable difference through our business activities, partnerships, and social investments.

In 2020, we identified eight priority SDGs for inclusion in our Corporate Social Responsibility Policy. In 2023, we engaged with a United Nations accredited consultant to help us through the process to refine this focus to three primary SDGs:



The selection of these SDGs confirms our commitment to addressing major local challenges that closely align with Capricorn Group's purpose, operational values and capabilities. Across the Group and subsidiaries, we are enhancing our focus and impact by prioritising three SDGs and eight targets.

We have taken a structured approach to identify specific targets for each SDG, benchmarking them against leading banks and financial services groups. The Capricorn Foundation board, the BSEC and the Group board approved these targets in 2024. A comprehensive data management process was established to ensure accurate impact reporting, facilitate informed decision-making and drive systemic change.

The 2025 Social Value Report provides more details about these SDGs and our progress against 2030 through our CSR initiatives. Below is an extract of the targets that the Capricorn Foundation has committed to achieve by 2030.



SDG 2: Zero hunger

End hunger, achieve food security and improved nutrition and promote sustainable agriculture

Our commitment

Capricorn Group is committed to improving food security and promoting sustainable agriculture, focusing on vulnerable communities. By 2030, we aim to increase access to nutritious food for 10,000 households and double the productivity of 500 small-scale farmers through sustainable practices.

Selected priority targets

Target 2.1

By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round.

Objectives

Contribute to the eradication of hunger in infants and school-going children, especially those in malnourished hotspots and promote a self-sufficiency ecosystem for vulnerable communities primarily through agriculture.

Selected targets

Support 1,000 sustainable backyard/community gardens with training and income potential.
Reach 5,000 people in malnutrition hotspots with nutrition support.
Provide food assistance to 5,000 individuals via schools, orphanages and centres.

Target 2.3

By 2030, double the agricultural productivity and incomes of small-scale food producers.

Objectives

To enhance agricultural productivity by supporting agri partnership training programmes and projects, including female farmers.

Selected target

Train and support 30 small-scale farmers, including women.



SDG 4: Quality education

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Our commitment

We aim to improve access to inclusive, quality education at all levels, especially in underserved areas, by investing in early childhood development, teacher training and vocational skills.

Selected priority targets

Target 4.2

By 2030, ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education.

Objectives

Increase the number of children under six with access to quality early childhood development ("ECD") and provide comprehensive training programmes for ECD teachers.

Selected targets

Establish 30 ECD centres and support 500 ECD teachers and 50,000 children with materials and training.

Target 4.4

By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.

Objectives

Increase the number of youth and adults in skills development initiatives.

Selected targets

Train 1,000 youth in hospitality and vocational skills; support 80 entrepreneurs and SMEs through training and mentorship.

Target 4.5

By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations.

Objectives

To support learners through coding and STEM lessons, numeracy and literacy, as part of extra classes.

Selected targets

Improve education outcomes through after-school programmes, STEM, coding and TV-based learning for 10,000 learners and 500 teachers.



SDG 8: Decent work and economic growth

Promote sustained, inclusive and sustainable economic growth, full and productive Employment and decent work for all

Our commitment

Capricorn Group promotes inclusive economic growth by investing in skills development, innovation and sustainable livelihoods, particularly for women and youth.

Selected priority targets

Target 8.3

Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation and encourage the formalisation and growth of micro-, small- and medium-sized enterprises, including through access to financial services.

Objective

Empower and train women and youth in rural communities that promote sustainable livelihoods.

Selected targets

Empower 1,000 rural artisans, especially San communities, through craft and business training.
Provide 50 individuals with training and employment opportunities in the financial sector.



Sustainability strategic milestones

Five years of positive change

2025 marks five years of the Capricorn Foundation. In February 2025, the Capricorn Foundation celebrated this milestone, which reflects the Group's commitment to being Connectors of Positive Change. Working collaboratively with stakeholders, the Foundation continues to tackle systemic challenges and help build a better future for Namibia. Since its launch, the Foundation has invested over N\$41 million in over 100 projects and programmes. Highlights include:

- > N\$16.4 million in education, improving early childhood development, enhancing facilities and reaching 300,000 learners with learning materials
- > N\$6.7 million in economic advancement, supporting entrepreneurs, artisans and job seekers through skills development and coaching and building a desert-based economy in the town of Maltehohe
- > N\$4.6 million in health, including life-saving medical equipment and COVID-19 relief as well as essential cardiac equipment and supporting initiatives to address gender-based violence
- > N\$11.0 million in vulnerability programmes to address poverty and malnutrition and to improve food security
- > N\$3.0 million in sustainability, with solar water projects, community gardens and other environmental initiatives
- > Support for vulnerable communities, delivering 500,000 meals, upgrading care facilities and assisting over 2,000 survivors of abuse

Advancing women in sport

Capricorn Group continues to champion women's participation in sport through our sponsorship of the Capricorn Eagles, Namibia's national women's cricket team and the national women's under-19 team. We also support youth development through the annual Capricorn Schools Netball League to promote opportunities for young women across the country.

Changemakers in 2025

This year, hundreds of employees took part in Capricorn Group's Changemaker initiatives, working with local communities and corporate collaborators to support vulnerable groups across Namibia. Highlights included donating school supplies and laptops, distributing nearly 2,500 sanitary packs to address period poverty and providing gifts and essentials to orphans and the elderly during the festive season.

More details are available in the 2025 social value report, published online.

Rethinking waste at Capricorn Group

In 2025, Capricorn Group launched its 4R Campaign (Rethink, Reduce, Reuse, Recycle), in partnership with Rent-A-Drum, marking a bold step toward embedding environmental responsibility into our workplace culture.

More than a recycling initiative, the campaign serves as a strategic lever within the Group Sustainability Integration Programme, designed to reduce our environmental footprint while building a culture of conscious consumption and operational efficiency. By raising awareness about waste management and landfill pollution, the campaign encourages employees to rethink everyday habits and take ownership of their environmental impact.

Early results since the official rollout in January 2025 show average improvements across Windhoek-based buildings:

- > An average 25% reduction in general waste
- > An average 37% increase in recyclable waste
- > Enhanced visibility of sustainability in daily operations

Through internal competitions, interactive tools, and regular updates, the campaign has sparked active engagement across the Group, transforming waste reduction into a shared mission. It also supports broader goals, improving emissions data, optimising resource use and driving cost savings, while reinforcing our commitment to sustainability as a business advantage.

Capricorn Group at COP29 – financing a sustainable future

At COP29 in Baku, Azerbaijan, we reinforced our commitment to climate action and stakeholder engagement by donating N\$500,000 to support Namibia's participation under the "Powered by Nature" pavilion.

Known as the "Finance COP", the summit marked a global shift toward increased climate funding. We strengthened ties with global stakeholders and engaged in high-level discussions on sustainable finance, carbon markets and Namibia's green industrialisation ambitions. Our participation included panel discussions, the launch of the Investment Mobilisation Collaboration Alliance and the Global NDC Partnership. The Capricorn Foundation showcased its "Just Transition to the Future" challenge, reflecting our commitment to inclusive, community-driven solutions.

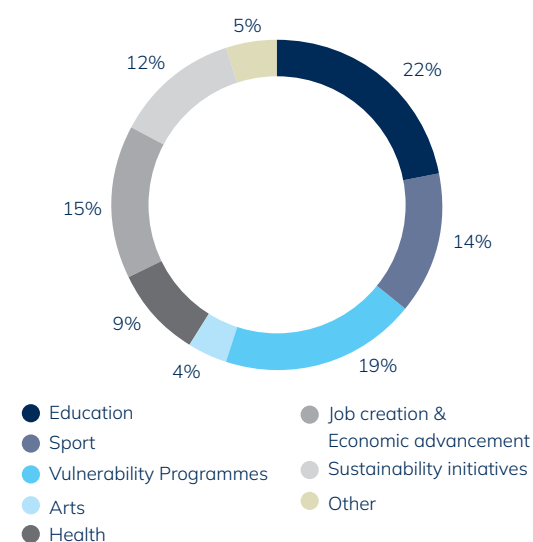
Our CSR contribution for 2025

In 2025, the Capricorn Group and its entities in Namibia and Botswana, including the Capricorn Foundation, invested N\$26.7 million (2024: N\$25.8 million) in CSR activities. This represents 1.3% of profit after tax and is in line with the Group's CSR policy guideline of 1% of profit after tax.

All Namibian subsidiaries contribute funds to the Foundation. The Foundation is well funded with 0.85% of net profit after tax contribution from Bank Windhoek and CAM and a 0.55% of net profit after tax contribution from Entrepo. Subsidiaries apply the remainder of their net profit after tax to their own signature CSR activities.

This is a consolidated view of the CSR activities of the Capricorn Foundation, Capricorn Group, Bank Windhoek, Bank Gaborone, CAM and Entrepo. Each entity has specific CSR focus areas.

For more details regarding Capricorn Foundation and other Group CSR initiatives and achievements, view our 2025 social value report, available online.





Choice 4: DE&I

We are committed to achieving our DE&I goals across the Group so that workforce diversity drives the success of our portfolio of businesses.

We strive to build a workplace that reflects the demographics of the countries where we operate, helping us attract top talent. DE&I encompasses not only race and gender, but also age, perspectives, and differing abilities. Inclusivity promotes empathy, awareness, collaboration, and a psychologically safe environment.

From an equity perspective, several policies promote fairer treatment, including those relating to performance reviews, reward practices and learning and development spend. Our key goals are to:

- > Implement and execute transformation initiatives focused on race, gender, ability and age
- > Promote equitable practices and inclusion for both customers and employees
- > Ensure no one feels left behind at work

The Group has prioritised transformation targets for several years and actively incorporates them into recruitment.

The business outcomes we seek

- > A unified people experience across entities and geographies
- > Engaged, collaborative and sustainable culture with digital ways of competing at the core
- > Continue to thrive financially while improving society

Pulling on these levers

- > Ensure sufficient representation across the different domains of diversity
- > Use data, employee feedback, our stated corporate culture aspirations and our leadership mindset framework to inform our actions and initiatives

Key results we are tracking

- > (Regrettable) attrition rates among employees within the domains of diversity relative to those not within those domains
- > Performance, reward, and training spend rates among staff within the domains of diversity relative to those not within those domains
- > "Inclusion" indicators in our employee feedback surveys and engagements
- > Diversity of new hires going forward

Progress in 2025

- > DE&I survey conducted to assess understanding and identify improvement areas
- > Continuous access to online learning modules and refreshed conversation cards rolled out across the Group
- > Capricorn Group, Bank Windhoek and CAM met targets set by the Employment Equity Commissioner
- > Commenced production of a storytelling video series aimed at fostering inclusion
- > Initiated tailored interventions in response to survey outcomes

Future strategic priorities

- > Improve diversity in senior leadership, particularly for women and previously disadvantaged groups
- > Continue to enable leaders and managers with tools to be inclusive leaders
- > Continue to educate, create awareness, and support community programs to further DE&I objectives
- > Support internal diverse talent pipelines with a robust mentorship programme

Through diversity and inclusion, we are building a culture that empowers our people and strengthens our performance.



DE&I implementation overview

Group workforce profile

We monitor our workforce profile as we work towards our diversity goals. Our voluntary and involuntary turnover rate for employees is 7%.

Capricorn Group employee profile	Permanent employees	% male	% female	% permanent of total employees	% contract	Total 2025	Total 2024	Total 2023
Namibia	1,788	38%	62%	86%	14%	2,077	1,979	1,883
Botswana	364	64%	36%	91%	9%	397	341	334
South Africa	9	36%	64%	82%	18%	11	38	9
Total	2,161	38%	62%	87%	13%	2,485	2,358	2,226

Group indicator	2025	2024	2023
Female permanent employees	62%	64%	63%
Racially disadvantaged permanent employees*	80%	80%	78%
Women in senior management	37%	38%	38%
Women in middle management	61%	60%	59%
Racially disadvantaged employees in senior management*	36%	33%	33%
Racially disadvantaged employees in middle management*	73%	72%	71%
Non-Namibian workforce*	2%	2%	2%
New employees aged <24 (%)	9%	19%	5%
New employees aged 25 – 35	62%	62%	67%
New employees aged 36 – 45	19%	12%	20%
New employees aged 46 – 55	10%	7%	8%
Employee turnover annualised	7%	7%	7%
Training hours Bank Windhoek, CAM and Namib Bou (hours)	90,064	144,248	132,089
Training hours Bank Gaborone (hours)	2,589	12,821	12,127
Total investment in training (N\$'million)	16.4	17.1	14.9
Diversity score from the Namibia Preferential Procurement Corporation (%)*	98.8	98.8	98.8

* Namibia only indicator.

We continue to emphasise diversity in terms of race and gender through our recruitment, talent development and retention strategies. We have a disability strategy to promote the appointment of disabled employees. In 2025, we appointed one person living with a disability and had two internal employees listing disabilities.

Human rights

Human rights are protected by the constitutions of both Namibia and Botswana. Capricorn Group is committed to upholding these rights and complying with the laws of every country in which we operate. Our internal policies and procedures are designed to protect employee rights and identify and address any violations.

We also expect our suppliers to meet high standards. The Group's Suppliers' Code of Conduct, enforced by our procurement teams, includes supplier due diligence processes that cover human rights, labour and ethics.

Labour

Capricorn Group does not employ forced, migratory, or child labour. Our labour practices, guided by internal rules and jurisdiction-specific regulations, uphold workers' rights. Employees have the legal right to organise through unions and we provide mechanisms for reporting labour-related violations anonymously. Reported cases are handled through independent, formal processes, supported by a structured grievance procedure.

Labour matters are overseen by the HR committee, which is responsible for the Group's labour policies and frameworks. All new employees are introduced to these policies during induction and updates are communicated to all employees as needed.

Employee wellness

Wellness is a key element of our human capital strategy, recognising the link between employee well-being, engagement and business performance. We take an integrated approach to employee wellness—addressing mental, physical, social and financial well-being. Our wellness offering includes webinars, motivational content and facilitated sessions. Ergonomic principles are applied in the workplace to support comfort and long-term health.

In 2025, we introduced free dread disease cover for employees to support their financial and health security. We also launched a wellness app that supports employees while also providing data to health professionals for targeted wellness interventions.

Group employee wellness services

Mental wellbeing	Physical wellbeing	Social and financial wellbeing
We refer mental health matters to psychologists, counsellors and psychiatrists.	A general practitioner and nurse visit the head office weekly and offer flu vaccines, vitamin injections, family planning advice and medical consultations.	Coaches and specialised trainers offer life coaching and team wellness engagement sessions, while financial experts provide financial wellness coaching and advice.



DE&I strategic milestones

Embedding equity into remuneration practices

Capricorn Group has long integrated equity analysis into its remuneration processes, ensuring fair and consistent pay across roles and levels. In 2025, we refined our Remuneration Policy to provide greater transparency around promotions and market benchmarking. A key advancement was the introduction of salary “notches”, offering clear progression between minimum, midpoint and maximum salary ranges. These changes strengthen our ability to deliver equitable reward outcomes across the Group.

Advancing inclusion through neurodiversity awareness

In 2025, we expanded our DE&I focus to include neurodiversity, recognising the value of diverse cognitive styles in the workplace. We introduced leadership training to support neurodiverse team members and adapted recruitment practices to remove unintentional barriers for candidates with ADHD, dyslexia and similar conditions. These efforts reflect our belief that inclusion means creating spaces where all individuals can thrive, regardless of how they think or process information.

Embedding inclusion through employee insights

We completed a DE&I-specific survey across the Group to assess understanding of key concepts, identify positive trends and highlight areas of concern. Insights from the survey informed our DE&I programme objectives and business unit plans. The inclusion score was 7.2, exceeding the industry benchmark.

Insights from the 2025 communication audit

The 2025 internal communication audit helped us better understand how employees across the Group experience communication. Feedback highlighted the need for more regular, clear updates on strategy and performance and for messaging that reflects the roles, locations and needs of a diverse workforce.

While email and in-person meetings remain preferred, employees also value visual and interactive formats that make information more accessible. These insights are guiding how we connect across entities by using data to shape more inclusive, consistent communication and support a stronger, more unified culture.





Choice 5: Leadership

We champion a purpose-driven culture that inspires leadership mindsets of curiosity, collaboration, and growth.
We leverage talent and embrace DE&I to deliver a meaningful employee experience and sustainable business impact.
We are developing and leading a portfolio of individually and collectively competitive businesses with strong team members.

We recognise the power of cultivating leadership mindsets and creating collaboration platforms throughout the Group. This requires building an understanding of leadership mindsets and how they contribute to effective strategy execution. While the Group's overarching practices guide and govern the initiatives, operating units ensure that they are locally relevant and supportive of entity goals.

The business outcomes we seek

- > A unified people experience across entities and geographies
- > Continue to thrive financially while improving society

Pulling on these levers

- > Developing leadership mindsets that support Group strategy creation and execution
- > Increase collaboration internally and externally
- > Continued learning to secure new capabilities and mindsets

Key results we are tracking

- > A variety of leadership and cultural development indicators and artefacts

Progress in 2025

- > Leadership mindsets identified per entity to establish a baseline for future development
- > Organisational Culture, The Capricorn Way reimagined and enhanced
- > 76 employees participated in focus groups across entities to provide input on The Capricorn Way
- > EMT sessions were conducted with 40 representatives from all entities to share The Capricorn Way reimagined outcomes

Future strategic priorities

- > Roll out leadership development programme designed to equip leaders with the skills, mindset, and tools needed to lead effectively in our rapidly changing environment
- > Pilot AI tools in HR, starting with a policy navigation chatbot

Leadership implementation overview

Building a high-performing, people-centred organisation

At Capricorn Group, our people strategy is anchored in four integrated focus areas: attracting and acquiring talent, optimising talent deployment, developing talent, and retaining talent. These are supported by targeted programmes and policies aligned to the Group's strategic objectives and informed by the broader business landscape.

Attracting and attaining talent

Employer brand and recruitment

We continue to strengthen our employer brand, particularly to attract scarce skills in middle and senior management. Our total rewards philosophy, and emphasis on professional growth support this goal.

Strategic partnerships

To address critical skill shortages, particularly in IT, financial risk, and data, we have partnered with external service providers across borders and enhanced capacity within our South African talent team.

Young talent pipeline

Our Young Talent Programme nurtures future leaders, with initiatives such as the Emerging Bankers Programme, aimed at recruiting and developing school leavers in remote areas. The Capricorn Foundation contributed N\$1 million towards this initiative.

Optimising and developing talent

Talent planning and deployment

We conduct regular talent reviews, succession planning, and workforce planning to ensure we deploy the right talent in the right roles. Data-driven insights and assessments guide gap analyses and targeted development.

Development and learning

We support employee growth through functional and leadership development, mentoring, and coaching. Programmes include career conversations, a high-potential programme. Internal bursaries are also available to support formal learning.

Leadership development

Leadership capability is central to business performance. We promote a human-centric approach to leadership, balancing results with empathy and self-awareness. Our leadership development support includes:

- > 20 employees participated in a coaching programme that enables leaders to use everyday conversations as coaching moments, supported by internal coaches
- > Retaining talent and strengthening engagement

Employee engagement

We measure and respond to employee sentiment through our annual engagement survey. Since implementation, results have consistently exceeded benchmarks, reflecting improved engagement levels across the Group.

Strengthening culture and performance

The Capricorn Way reimagined

The Capricorn Way, launched in 2017, is our cultural guide, uniting our purpose, values and behaviours into a shared philosophy that defines how we think, act and lead as a Group. In 2025, we reimagined The Capricorn Way to better reflect our business strategy, growth ambitions and a more human-centred approach, while staying true to its original spirit.

In a world of shifting priorities and rising expectations, how we show up matters. The Capricorn Way anchors our daily actions in our purpose of being Connectors of Positive Change and in the values that guide us: Open. Dedicated. Inspired.

The refreshed framework clarifies these values and their associated behaviours, shaping how we work, lead and grow together (see page 6).

Performance management

Our performance management system remains robust and well-integrated. It includes twice-yearly formal reviews, 360-degree feedback, consistency checks, and continuous feedback cycles. Upcoming enhancements include new HR system modules to support integration and ease of use.

Retention and rewards

Our Remuneration Policy ensures fair and equitable pay, supported by regular equity analyses. In 2025, we introduced salary notches to create clarity around salary progression. Employees received an average 6% annual increase in Namibia and 5% in Botswana.

Being a human-centric leader requires having a genuine intention to help team members succeed and find fulfilment at work.



Leadership strategic milestones

Leadership development

A key strategic focus in 2025 was the development of leadership mindsets. Research highlights that while skills and competencies are essential, sustainable leadership effectiveness is rooted in mindset, beliefs, behaviour and interpersonal relationships.

Mindset workshops and engagements were held with each entity Executive Management Team across the Group to determine and agree upon a set of mindsets relevant to the needs of each entity. In total, 38 executive leaders formed part of this process. The identification of these mindsets contributes to the creation of a common language around what “good” and effective leadership looks like in an organisation and directly impacts the bottom line.

Leadership Development Programme

We are in the process of designing a comprehensive, partially externally facilitated Leadership Development Programme. Capability building will be designed with leadership mindsets as a critical component. It will look different for each entity incorporating what their needs and development areas are. The programme has been specifically designed to equip our chosen leaders with the skills and tools needed to lead effectively in our rapidly changing environment. Through a combination of personalised coaching, workshops, mentorship opportunities and action learning projects, their leadership capabilities will be enhanced while contributing to Capricorn’s strategic objectives and organisational culture, The Capricorn Way.

Leadership Summit

In September 2024, a conference brought together line managers from Namibia and Botswana to discuss the Group’s strategic priorities. All subsidiaries, including Bank Gaborone, participated. The event strengthened relationships and collaboration while ensuring leadership was fully aligned with the Group’s strategic direction.

Building a connected culture

The Connector Programme promotes a unified people experience and strategic leadership across Capricorn Group. In 2025, 94 Connectors from Namibia and Botswana were inducted at the annual conference. Through reflection, storytelling and open dialogue, the programme encourages collaboration, strengthens culture and supports leadership development. It also helps us track key leadership and culture indicators across the Group.

Listening through the Employee Engagement survey

In 2025, 1,768 employees participated in the annual engagement survey, achieving a response rate of 90%. The self-assessment measures employee engagement through commitment levels and willingness to go beyond expectations. The overall engagement score was 84% (2024: 84%), with 55% of employees fully engaged, representing a 2% increase since last year, and 29% semi-engaged. Results have remained consistently strong since the survey began in 2017, offering valuable insights to guide employee experience efforts.

Connecting through the MyCapricorn app

The MyCapricorn app continues to be a key employee engagement tool across all entities. In 2025, 1,954 employees, representing 80% of the workforce, were registered, with an average of 493 active users per month. The app provides access to communications, wellness podcasts, leadership resources and the Digital Academy. Accessible via laptops, tablets and smartphones, the app is zero-rated in Namibia to ensure broad accessibility.

Rewarding our employees for living The Capricorn Way

We recognise and reward employees who embody The Capricorn Way. Using the Sparkfolios platform, we acknowledge positive behaviours and impact across the Group. The “Thank You” module allows for non-monetary recognition of values-driven behaviour, while exceptional performance is rewarded monetary.

Leadership Awards

Capricorn Group hosts an annual Leadership Awards event to celebrate individuals who live The Capricorn Way and act as Connectors of Positive Change by adding value at work and making an impact in their communities.

The event includes around 60 awards across individual, departmental and cross-functional categories. Each entity recognises exceptional performance, with winners selected through a combination of nominations and performance-based criteria.

These awards reinforce our values, promote a culture of appreciation, boost morale and support employee growth.





Performance for 2025

Capricorn Group delivered resilient performance in 2025, driven by disciplined strategic investment and a focus on customer relevance. Despite a challenging macroeconomic environment, the Group grew core earnings and improved returns.





Group CEO's report

My first full year as Group CEO has been one of purposeful execution, strong momentum and meaningful progress towards our ambition to be Connectors of Positive Change.



Capricorn Group's strong financial performance has enabled meaningful value creation, benefitting stakeholders and contributing to the socio-economic development of Namibia and Botswana. These outcomes reflect our disciplined execution of strategy, focus on customer relevance and unwavering commitment to our purpose.

I am pleased to report that my first full year as Group CEO has been both positive and rewarding. The Group achieved strong growth and together, we have made a tangible difference in the lives of our communities, reinforcing our purpose and role as Connectors of Positive Change.

We also marked the fifth anniversary of the Capricorn Foundation, an important milestone that reflects our sustained commitment to meaningful impact. Through the Foundation, we have thus far supported over 100 projects across Namibia, focusing on education, health, economic advancement and vulnerable communities.

Monetary policy remains steady amid global volatility

The central banks of Namibia and Botswana have maintained prudent monetary policy to counter inflationary pressures and protect local currencies in volatile global markets affected by geopolitical tensions.

The BoN kept its repo rate unchanged at 6.75% in June 2025, following multiple rate cuts earlier in the financial year. Inflation stood at 3.7% in June 2025, with projections for 2025 and 2026 at 3.9% and 4.3%, respectively.

Private sector credit extension ("PSCE") in Namibia grew by 5.3% year-on-year in March 2025, the highest since March 2020. This growth was driven by increased lending to individuals and corporations, reflecting improved economic activity.

The Bank of Botswana maintained its Monetary Policy Rate ("MoPR") at 1.9% in June 2025, following a 0.25% reduction at the start of the year. Inflation was 1.9% in May 2025, with projections for 2025 and 2026 at 4.2% and 4.5%, respectively.

Private sector credit extension in Botswana grew by 5.0% year-on-year in March 2025, the strongest expansion since March 2020. This growth was underpinned by robust growth in corporate credit, while household credit showed a slight uptick. The data suggests that overall credit appetite is gradually recovering, supported by more confident business borrowing patterns and sustained instalment credit demand.

Strong financial results demonstrate resilience and strategic alignment

The Group delivered a pleasing 14.3% increase in operating profit and an improved return on equity of 18.2%. These results reaffirm Capricorn Group's position as a leading financial services provider in the region. All subsidiaries contributed positively to the performance, despite a challenging macroeconomic backdrop.

Income growth in our banking operations was supported by increased transactional activity, enabled by continued investment in digital transformation.

A detailed breakdown of our financial performance is available in the Group FD's report on page 55.

Subsidiary and associate highlights

Bank Windhoek

Bank Windhoek delivered a net profit after tax of N\$1.4 billion (2024: N\$1.3 billion), reflecting a strong 11.9% increase. Supported by an improving macroeconomic environment, the bank responded strategically by aligning pricing with policy shifts, strengthening credit risk management and enhancing digital services. Its focus on long-term value drivers – including growth, customer experience, talent, sustainability and governance – continues to position it as a trusted market leader.

The leadership transition at Bank Windhoek, as detailed by the chairperson on page 21, marked the close of a significant chapter and the start of an exciting new one. Thanks to careful planning and a strong internal talent pipeline, the transition was seamless.

Bank Gaborone

Bank Gaborone's profit after tax increased by 2.0% to BWP95 million (2024: BWP93 million (restated)), reflecting its resilience and agility in a challenging economic environment. The bank pursued growth through ecosystem banking, expanding financial inclusion via strategic partnerships. Operational efficiencies were achieved through automation, digital enhancements and improved turnaround times, contributing to sustained customer acquisition and engagement.

Capricorn Asset Management

CAM achieved a net profit after tax of N\$108 million (2024: N\$88 million). The business plays a pivotal role in the Group's strategic drive toward portfolio optimisation. By identifying growth opportunities and delivering shared customer value, CAM made a meaningful contribution to Group performance. In alignment with the Group's digital strategy, it advanced its data capabilities to improve service personalisation and deepen client relationships. CAM also progressed its sustainability agenda through active exploration of responsible investment in Namibia.

Entrepo

Entrepo reported a profit after tax of N\$263 million (2024: N\$199 million), delivering a resilient performance despite limited market expansion. The business remains well-positioned for future growth, while continuing to manage pressure on interest margins. Its disciplined execution and operational focus support long-term value creation.

Peo Finance

Peo Finance recorded a profit after tax of BWP29 million (2024: BWP28 million), underscoring its continued growth in Botswana's microlending market. Focused on government employees and pensioners, the business is scaling responsibly, with plans to diversify into new segments. Investments in digital tools to support pre-assessment and due diligence reinforce its commitment to sound credit practices and sustainable expansion.

Paratus Group

Paratus advanced its regional expansion strategy, strengthening infrastructure and service delivery across Africa. Key milestones included the completion of the east-west fibre route from Swakopmund to Maputo and the launch of operations in Kenya, Tanzania, Eswatini and Zambia. Paratus Botswana introduced Starlink services, while Paratus Zambia launched the Zadara AI Sovereign Cloud and new home internet offerings. These developments support the Group's ambition to drive digital transformation and connectivity across the continent.



Sanlam Namibia and Santam Namibia

Following Namibia's entry into the Sanlam/Allianz Africa joint venture in July 2024, Sanlam Namibia, now known as Sanlam Allianz Namibia focused on optimising its product mix and strengthening distribution capabilities. Santam Namibia delivered robust growth and profitability, introduced alternative risk transfer solutions and refined risk cover structures to better serve evolving client needs.

Strategy execution driving performance

Capricorn Group's strong financial performance in 2025 reflects decisive execution across each of our five strategic choices. These choices continue to shape how we build resilience, unlock growth and create long-term value in a dynamic environment.

We sharpened our portfolio approach to drive alignment across the Group, enabling more coordinated growth and more efficient use of capital. Strategic expansion included new products and tailored services, helping us grow our customer base across key markets.

Our ongoing investment in data and digital capabilities enhanced both customer and employee experiences, supported by a major shift towards self-service across our redesigned branch network. These changes also contributed to a lower cost to serve our customers. Cyber resilience remained a key priority, with strengthened controls and proactive responses implemented in light of rising threats across the region.

Our Sustainability Integration Programme delivered tangible progress across environmental and social dimensions, while unlocking new commercial opportunities aligned with our long-term strategic objectives. Beyond environmental considerations, we also advanced our commitment to diversity, equity, and inclusion by embedding more equitable practices across the Group. This reinforces that sustainability is not only about reducing environmental impact, but also about building a more resilient, responsible, and opportunity-driven organisation, one that integrates sustainability into the core of our operations and governance to create lasting value.

Finally, we continued to build leadership capability across the Group, recognising that the right mindset and execution excellence are vital to achieving our strategic goals.

These strategic choices are making the Group more agile, competitive and purpose-led and better equipped to deliver sustainable value for all stakeholders.

A committed and engaged workforce

The dedication and agility of our employees also enabled the Group's performance. We benefit from strong executive leadership at both Group and subsidiary levels, supported by a healthy organisational culture. The 2025 employee engagement survey reflected high levels of employee engagement and a strong sense of connection to our brand. We are particularly proud of our Net Promoter Score of +25 %, which we track as an indicator of our employee value proposition and employer brand strength.

Looking ahead with confidence

Capricorn Group creates more value as a united entity than as individual businesses.

In a world shaped by geopolitical uncertainty and economic volatility, Namibia's energy discovery potentially offers real promise. We are proud to contribute to these conversations and support initiatives aligned with sustainable development.

Our strategic choices have positioned the Group to remain agile, resilient and impactful. We take our responsibility to support inclusive growth and build lasting value in the communities we serve seriously.

We recognise the risks that accompany digital progress and continue to build customer awareness of cybersecurity threats, ensuring that our digital future is underpinned by trust and security.

Our operating environment will continue to evolve, but we are confident that our strategy, strong leadership and engaged teams position us well to respond to uncertainty and realise new opportunities. We are focused on strengthening collaboration across the Group, improving service delivery through digital and data-led capabilities, and pursuing growth in areas aligned with our ambition.

A note of thanks

This past year has been a fulfilling professional experience. I am deeply grateful for the warm welcome I received across the Group and the smooth leadership transition. The achievements of the past year would not have been possible without the dedication of our employees, the support of their families and the strength of our collective resolve.

I would also like to thank the board for its steady leadership and strategic guidance, as well as the executive and subsidiary teams for their commitment to our shared purpose.

To our customers, partners, suppliers and all stakeholders, thank you for your continued trust and collaboration. We remain committed to delivering sustainable value, driving positive change and building a future defined by resilience, innovation and shared success.

Let us make positive change together.



David Nuyoma
Group CEO



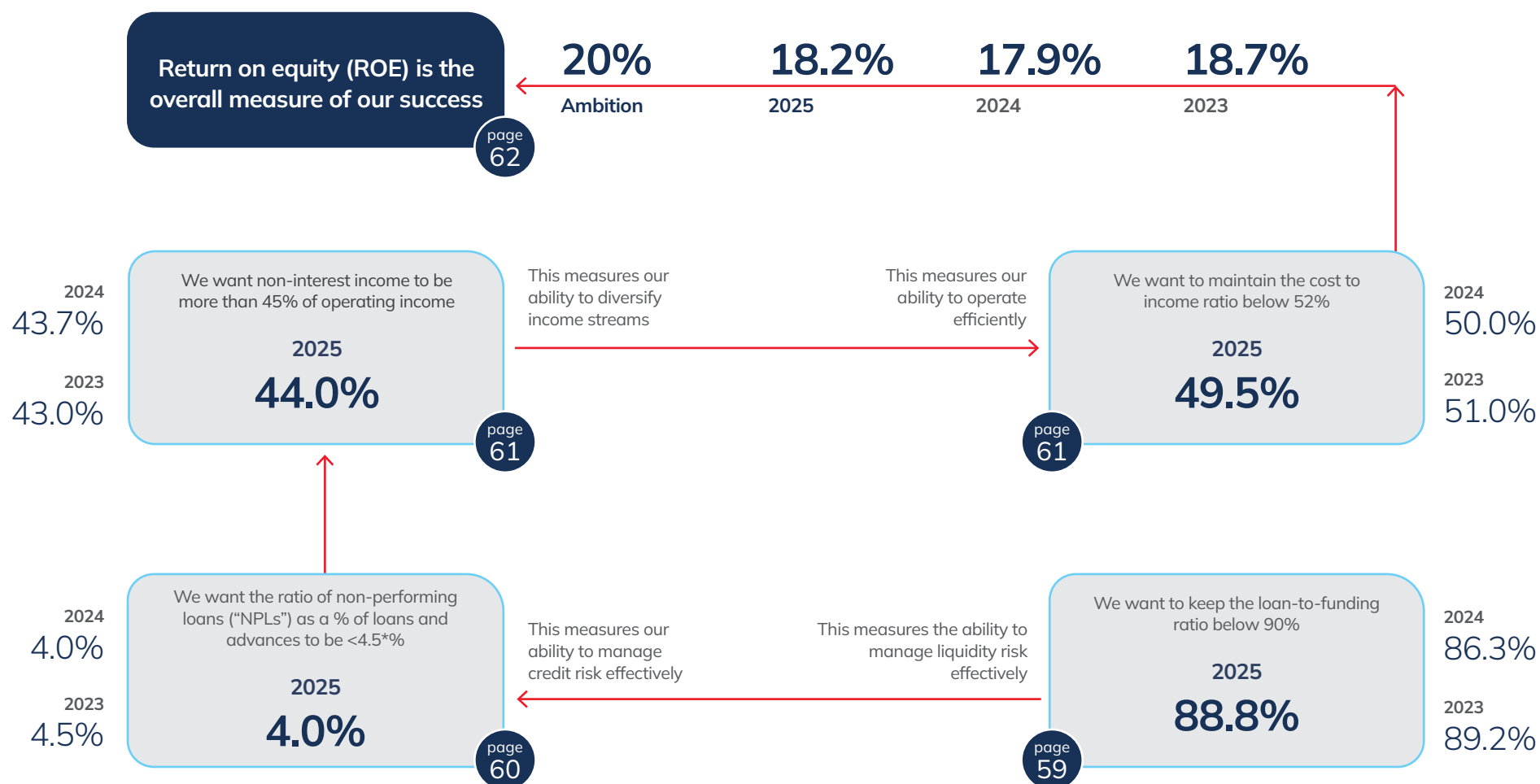


Group Financial Director's report

Capricorn Group delivered strong results and meaningful progress in 2025, guided by clear strategic choices, agile execution and a commitment to creating lasting impact for all stakeholders.



Capricorn Group delivered another year of strong financial performance in 2025. Prudent capital allocation, disciplined strategic execution and investment in digital and data capabilities supported growth in core earnings and improved returns to shareholders. Our performance across key indicators demonstrates the strength of our business model and the resilience of our teams.



* Excluding interest in suspense



Strong financial performance in a persistently challenging environment

Capricorn Group delivered a solid financial performance in 2025, marked by growth in profit after tax and an improved return on equity. 2025 was characterised by a lower interest rate environment. However, profitability benefitted from loan book growth, lower impairment charges and increased transaction volumes.

These results were achieved despite difficult operating conditions. Businesses and consumers remained under financial pressure, with subdued economic growth despite lower interest rates. Although inflation moderated in Namibia and Botswana, the cost of living remained high.

Economic conditions diverged across our markets in 2025, resulting in a contrasting credit risk landscape. In Namibia, improved economic stability contributed to reduced impairment charges, while in Botswana, impairment charges rose significantly, driven largely by the impact of falling diamond prices on the macro-economy. Overall, impairment charges decreased to N\$315 million in 2025 (2024: N\$328 million). The Group maintained prudent provisions for expected credit losses.

Net interest income increased to N\$3.4 billion (2024: N\$3.1 billion), on the back of loan book growth of 3.7% (2024: 7.5%) and effective cost-of-funding management which compensated for the impact of lower interest rates.

Non-interest income grew to N\$2.4 billion (2024: N\$2.1 billion), driven by higher transaction-based fee volumes, particularly from digital channels. In addition, increased assets under management supported strong growth in asset management fees at CAM, while the net insurance service result increased by 17.8% on the back of new business inflows.

Operating expenses rose to N\$3.0 billion (2024: N\$2.7 billion), largely due to higher variable banking costs linked to greater transaction and trading volumes. Variable operational banking expenses increased by 22.7%, in line with transactional income growth. Excluding these, expense growth was 9.6%, mainly due to increased employee and technology costs.

The Group maintained a strong liquidity position, with liquid assets rising to N\$18.7 billion (2024: N\$18.5 billion). These exceeded minimum regulatory requirements by 182% in Namibia and 81% in Botswana respectively.

Salient financial performance of our subsidiaries

Bank Windhoek

Bank Windhoek's profit after tax for the year increased by 11.9%, supported by growth in both net interest income and non-interest income and a reduction in credit impairment losses.

Net interest income grew by 8.0%, supported by 2.0% gross loan book growth (2024: 4.6%). The bank prudently managed its cost of funding, resulting in net interest margin improvements despite a lower interest rate environment. Interest expense was 7.9% lower, mainly driven by reductions in the repo rate and prudent cost of funding management.

The balance sheet remains strong, with a capital adequacy ratio of 18.2% (2024: 17.3%), well above the 12.5% minimum regulatory requirement. Total assets grew, driven by a 2.5% increase in net loans and advances to N\$38.4 billion (2024: N\$37.5 billion), primarily in instalment finance and mortgages. Funding increased by 2.2% (2024: 5.7%), with contributions from current accounts, foreign currency deposits and demand deposits. Strong liquid asset positions and prudent credit loss provisioning continue to underpin balance sheet resilience.

Non-interest income rose due to higher client transaction volumes, especially in EasyWallet and card usage, and improved trading and forex income.

Operating expenses increased by 13.5%, primarily from higher personnel and technology costs. This resulted in an increase of the cost-to-income ratio to 49.1% (2024: 47.4%).

8.0%

Increase in net interest income
(2024: 9.9%)

10.9%

Growth in non-interest income
(2024: 17.4%)

11.4%

Increase in operating profit
(2024: 13.8%)

35.0%

Market share in loans and advances
(2024: 35.5%)

42.2%

Decrease in impairment charges
(2024: 21.5% increase)

8.4%

Increase in liquid assets
(2024: 23.7%)

11.3%

Decrease in non-performing loans (including interest in suspense) (2024: 4.1%)

5.24%

Net interest margin
(2024: 4.94%)

Bank Gaborone

Bank Gaborone's net interest income increased by 13.8% due to continued loan growth despite a deteriorating net interest margin. The bank's margins came under pressure in the second half of the financial year due to constrained market liquidity conditions. Nevertheless, lower interest rates during the first part of this financial year contributed to an overall reduction of 1.8% in interest expense. An effective cost of funding strategy remains in place to manage interest expense.

13.8%

Increase in net interest income
(2024: 40.8%)

30.8%

Growth in non-interest income
(2024: 8.6%)

2.8%

Increase in operating profit
(2024: 26.6%)

8.5%

Market share in loans and advances
(2024: 8.4%)

108.5%

Increase in impairment charges
(2024: 362.0%)

29.1%

Decrease in liquid assets
(2024: 15.6% increase)

40.2%

Increase in non-performing loans
(2024: 9.7%)

4.29%

Net interest margin
(2024: 5.12%)



Capricorn Asset Management

CAM delivered a strong financial performance, with net profit after tax growing by 22.0%, driven by growth in assets under management. Return on equity was 101%, and the business maintained its consistent dividend payout ratio of 90%.

CAM increased its unit trust market share from 34.6% to 37.4%, reaffirming its position as Namibia's leading asset manager. The broader unit trust industry also recorded year-on-year growth of 18.0%.

The Minister of Finance announced the introduction of a dividend tax in 2026. While implementation details are still pending, potential impacts include pressure on returns and reduced competitiveness of local products relative to regional offerings.

AUM
N\$57.1 billion
(2024: N\$46.6 billion)

AUM growth
22.5%
(2024: 20.7%)

Operating profit increased by
22.5%
(2024: 16.7%)

Entrepo

Entrepo delivered solid results across all its key performance indicators during a period of strong growth in its chosen target market.

Profit after tax increased by 31.9% to N\$263 million, resulting in an improved ROE of 33.0%.

As a result of strong new business inflows, the loan book grew by 22.7% and was funded by Entrepo's new fit-for-purpose funding structure and financing terms.

Income from lending increased by 43.6% to N\$183.0 million due to further improvement in interest rate margins in addition to loan book growth. Income from insurance increased by a steady 18.5% to N\$186 million in the IFRS17 environment, where most of the new premiums are now reserved upfront and released on a stable basis as policies mature.

Operating expenses increased by 7.6% to N\$75 million, resulting in the cost-to-income-ratio decreasing further to an unparalleled low level of 21.7%.

Loan book grew by 22.7% to
N\$2.2 billion
(2024: N\$1.8 billion)

Profit after tax increased to
N\$263 million
(2024: N\$199 million)

Impairment charge decreased to
N\$22 million
(2024: N\$24 million)

External funding as a % of loan book
44.7%
(2024: 40.6%)

Insurance service result increased to
N\$186 million
(2024: N\$157 million)

Claims decreased to
N\$28 million
(2024: N\$34 million)

Peo Finance

Peo delivered year-on-year growth in profit after tax of 1.8% despite a challenging operating environment. The company remains committed to the prudent expansion of its loan book, particularly in light of elevated credit risk in Botswana, where the economy is currently experiencing negative GDP growth and liquidity constraints.

Loan book grew by 8.6% to
BWP473 million
(2024: BWP 436 million)

Net interest income increased to
BWP54 million
(2024: BWP48 million)

Profit after tax increased to
BWP29 million
(2024: BWP28 million)

Contribution from associates

The combined income from associates increased by 8.0% (2024: 7.0%).

Sanlam Allianz Namibia

Sanlam Allianz Namibia delivered solid top-line growth, with annual premium equivalent increasing by 41.0%, driven by a strong agency channel and bancassurance performance. Profit after tax increased by 28.3%, despite negative mortality experience and lower investment profits. Unit trust inflows also remained weak, with turnaround strategies yet to deliver the expected results.

Santam Namibia

Santam Namibia delivered an excellent year of growth and profitability, with gross written premium increasing by 14.6%, driven by strong performance in both the specialised and personal lines portfolios. Notably, heavy haulage claims declined due to fewer hijacking incidents.

Paratus Group

Paratus Group delivered robust performance during the reporting period, achieving a 91.7% year-on-year increase in profit from continuing operations. This strong growth was partially offset by a loss from discontinued operations, of which Capricorn's share amounted to N\$15 million. With the successful divestiture of the discontinued operation, Paratus is well-positioned to enhance profitability in future periods.



Protecting our balance sheet and ensuring adequate liquidity

We prioritise sufficient liquidity over short-term profit maximisation. Management and the board of directors continue to regard this trade-off as fundamental to long-term sustainability.

In 2025, Namibia continued to benefit from favourable liquidity conditions, supported by positive investor sentiment and stable foreign direct investment. In contrast, Botswana experienced a marked deterioration in market liquidity stemming from subdued diamond prices.

Consolidated income statement

Item	2025 (N\$' millions)	2024 (N\$' millions)	% Change
Interest and similar income	6,786	6,675	1.7
Interest and similar expenses	(3,387)	(3,587)	(5.6)
Net interest income	3,399	3,088	10.1
Credit impairment losses	(315)	(328)	(4.0)
Net interest income after credit impairments	3,084	2,760	11.7
Non-interest income	2,422	2,141	13.1
Operating income	5,506	4,901	12.3
Operating expenses	(3,040)	(2,743)	10.8
Operating profit	2,466	2,158	14.3
Share of associates' results after tax	211	195	8.2
Profit before tax	2,677	2,353	13.8
Income tax expense	(684)	(617)	10.9
Profit after tax	1,993	1,736	14.8

Reducing our cost of funding

The Group actively manages its funding base to reduce concentration risk and maintain access to diversified sources. Our loan-to-funding ratio, one of our key liquidity metrics, remained below our target threshold of 90%. In 2025, the ratio was 88.8%, as funding growth again outpaced loan book growth.

Despite the low-interest rate environment, improved liquidity in Namibia supported stronger net interest margins. We also advanced our strategy to reduce reliance on longer-dated, higher-cost funding in anticipation of the expected rate cuts.

Total funding increased by 0.7% (2024: 10.9%), largely from local deposit growth. We continue to optimise our maturity profile to ensure sustainable liquidity and cost efficiency, while also targeting high-deposit sectors and deploying POS devices to grow current account deposits.

A strong liquidity position

	Regulatory requirement	Liquid assets	Surplus liquid assets	Surplus after buffer portfolio	Absolute liquidity surplus
Bank Windhoek (N\$ million)	4,395	6,782	2,387	7,191	7,991
Bank Gaborone (BWP million)	786	1,200	414	414	639

The Group has N\$1.0 billion in liquid assets in South Africa, in addition to the banks' liquidity buffers, serving as contingency funding for the two banking subsidiaries. When these committed contingency facilities are included, Bank Windhoek and Bank Gaborone have available liquidity buffers of N\$7.9 billion and BWP639 million, providing safety margins of 182% and 81% above regulatory minimums.

Capital adequacy

Institution	Required minimum ratio (%)	Actual ratio (%)
Bank Windhoek	12.5	18.2
Bank Gaborone	12.5	15.0

Ratio Type	Minimum Requirement (%)	Capricorn Group (%)
Tier 1 leverage ratio	6.0	13.8
Tier 1 risk-based capital ratio	7.0	17.5
Total risk-weighted capital	12.5	18.1

The Group ended the year with a strong capital position. The total risk-based capital adequacy ratio was 18.1% (2024: 17.9%), well above the minimum regulatory requirement of 12.5%. No additional capital raising is anticipated in the near term, and we retain access to capital through our NSX listing and shareholders of reference.



Protecting asset quality

As financial pressure in Namibia eased slightly, but elevated in Botswana, we recorded marginally lower NPLs and impairments.

Loans and advances

Gross loans and advances increased by 3.6% to N\$52.5 billion. This performance was primarily driven by growth in term loans, mortgages and installment finance.

	2025	2024	2023	2022	2021
Bank Windhoek (N\$'million)	39,810	39,038	37,325	36,549	34,899
Bank Gaborone (BWP'million)	7,688	6,863	5,868	5,317	4,967
Entrepo (N\$'million)	2,188	1,805	1,532	1,416	1,428
Peo Finance (BWP'million)	491	448	391	180	–

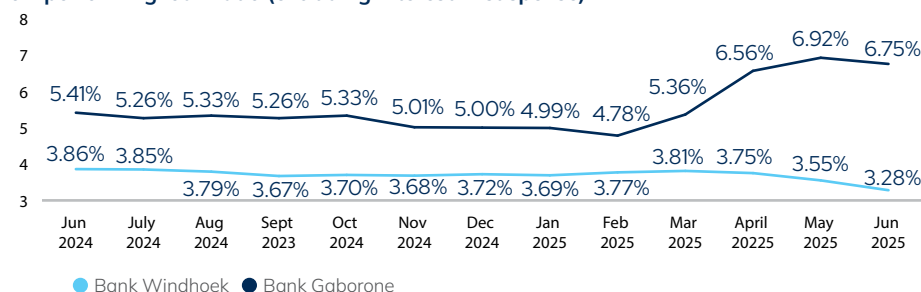
Bank Windhoek's loan book is well-diversified across various sectors to spread credit risk. Bank Gaborone's sector diversification continued to improve in 2025.

New measures introduced to reduce NPLs

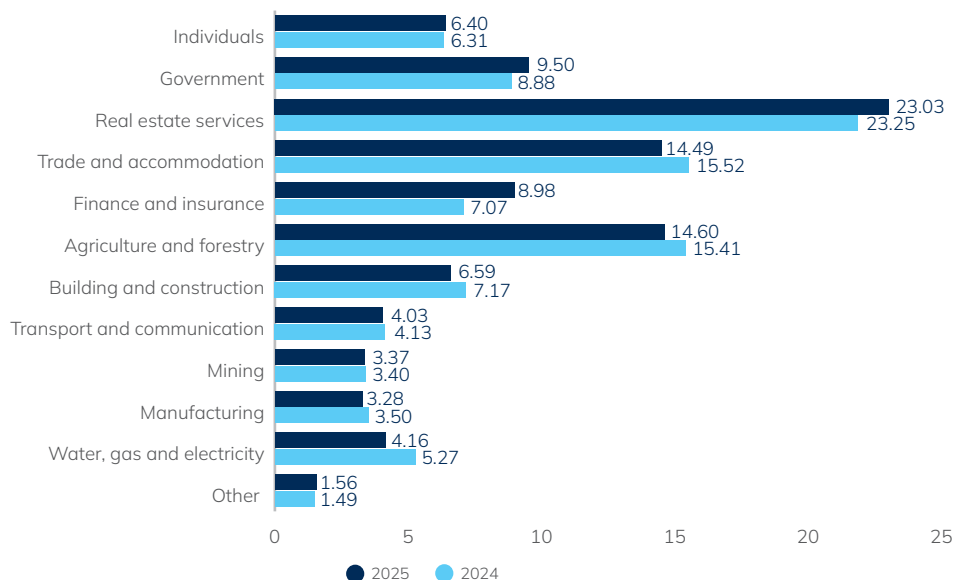
In 2025, the Group's NPLs excluding interest in suspense increased to N\$2.1 billion (2024: N\$2.0 billion), resulting in the NPL ratio, excluding interest in suspense, remaining at 4.0% (2024: 4.0%). This ratio remains below Namibia's industry average and reflects our prudent approach to credit risk management. We anticipate further improvement in NPLs in the more favourable interest rate environment in Namibia, despite the constrained economic conditions in Botswana. Both banks continue to enhance their credit management processes, including pre-legal, credit assessment and collections.

Our loan loss rate decreased to 0.61% (2024: 0.67%) and remains in line with industry norms. Consistent with market practice, this rate includes additional impairment on interest recognised on the net carrying value of NPLs as required by IFRS 9.

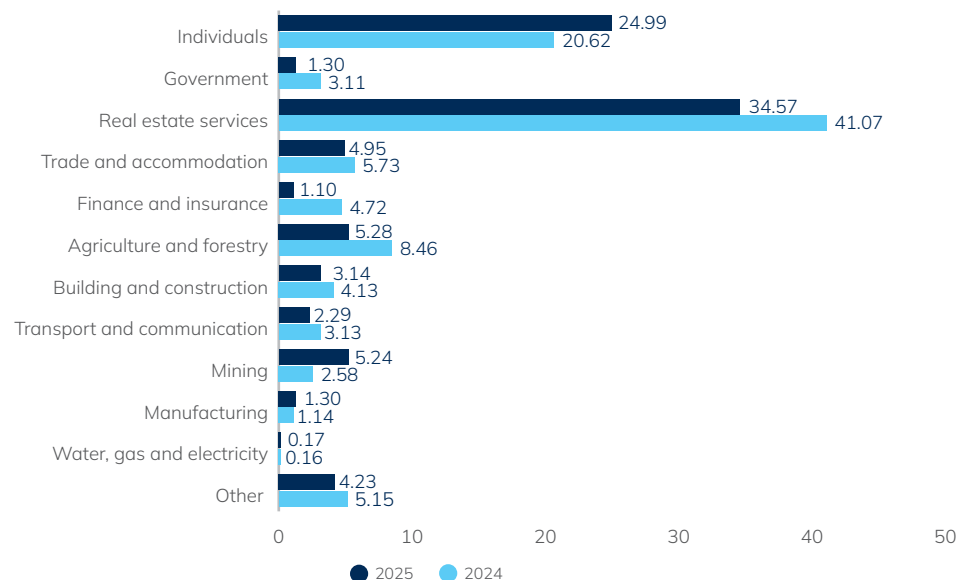
Non-performing loan ratio (excluding interest in suspense)



Bank Windhoek loan portfolio per sector (%)



Bank Gaborone's loan portfolio per sector (%)



A track record of quality earnings

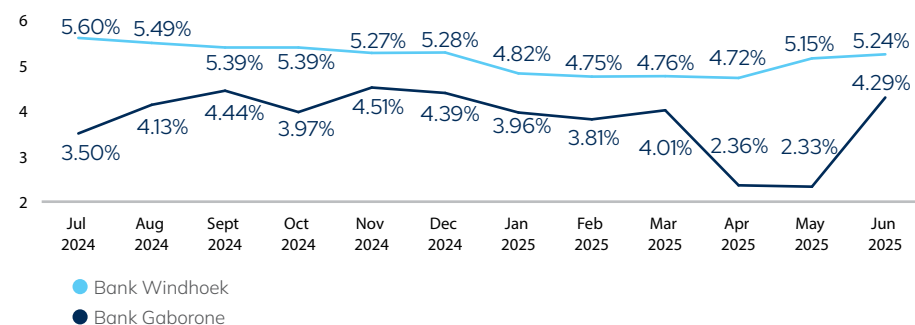
We maintain our earnings quality through stringent credit management, growth in non-interest income and disciplined expense control.

Net interest income

Net interest income benefited from solid loan book growth across the Group, despite varied market conditions impacting margins and funding costs in different regions. Interest expenses increased moderately, reflecting both deposit growth and prudent management of funding costs. Impairment charges remained well controlled, underpinning the Group's resilient earnings performance.

N\$'million	June 2025	June 2024	June 2023	June 2022
Interest and similar income	6,786	6,675	5,626	4,187
Interest and similar expenses	(3,387)	(3,587)	(2,908)	(1,850)
Net interest income	3,399	3,088	2,718	2,337
Impairment charges	(315)	(328)	(236)	(367)
Net interest income after loan impairment charges	3,084	2,760	2,482	1,970

Net interest margin trends



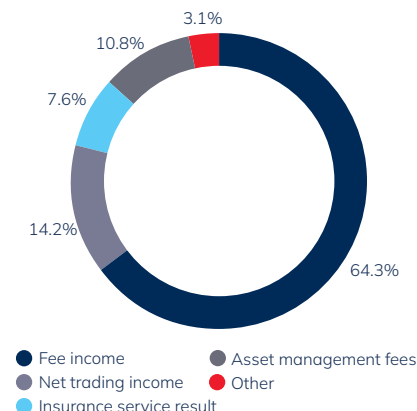
Non-interest income

Non-interest income increased by 13.1% to N\$2.4 billion (2024: N\$2.1 billion), driven by our diversified revenue streams.

Diversification of non-interest income

%	2025	2024	2023	2022
Fee income	64.3	67.7	68.3	68.3
Net trading income	14.2	12.6	11.3	12.6
Insurance service result	7.6	7.3	6.8	6.8
Asset management fees	10.8	9.9	9.9	9.9
Other	3.1	2.5	3.7	2.4

Diversification of non-interest income



Managing our operating expenses

Operating expenses increased by 10.8% to N\$3.0 billion (2024: N\$2.7 billion). This includes a 22.7% increase in variable operational banking expenses directly linked to increased transaction volumes. Excluding operational banking expenses, overall expense growth was contained at 9.6%.

People-related costs remain our largest expense category. Above-inflation increase in total staff cost reflect recruitment and investments in the skills pool critical for future growth. Our cost-to-income ratio improved to 49.5% (2024: 50.0%), well below our threshold of 52%. Despite currency depreciation impacting US dollar-based IT expenses, continued investment in infrastructure and technology will position the Group for long-term success.

Notes to operational costs (N\$'million)	2025	2024	2023
Employee costs	1,723	1,555	1,380
Property expenses (including depreciation)	297	275	264
Technology	267	220	180
Operational banking expenses	315	257	209
Other expenses	438	436	410

Cost-to-income ratio (%)

	2025	2024	2023
Ratio	49.5	50.0	51.0

Our cost to income ratio is aligned with industry standards. When calculating the cost-to-income ratio, banking and related fees and commission expenses are treated as a reduction in non-interest income rather than operating expenses.



Continued growth in operating profit

Operating profit increased by 14.3% to N\$2.5 billion (2024: N\$2.2 billion).

N\$'million	2025	2024	2023	2022	2021
Operating profit	2,466	2,158	1,914	1,508	1,291
Share of profit from associates	211	195	182	68	104
Profit before income tax	2,677	2,353	2,096	1,576	1,395
Profit from continuing operations	1,993	1,736	1,580	1,146	1,024
Loss from discontinued operation	–	–	–	–	(41)
Profit after tax	1,993	1,736	1,580	1,146	983

ROE gains for 2025

We monitor ROE to measure how effectively we generate returns for shareholders. Enhancing ROE remains a priority, with continued efforts to diversify income streams, improve subsidiary synergies, and invest in digital transformation for long-term value creation.

Capricorn Group achieved an ROE of 18.2% (2024: 17.9%), supported by income growth, reduced impairment charges, a favourable funding mix, and strong loan book growth.

Diversified profit attributable to shareholders

Entity	2025	2024	2023	2022	2021
Bank Windhoek	70%	70%	76%	72%	67%
Cavmont Bank	–	–	–	–	(4%)
CIH (Botswana)	7%	9%	7%	6%	6%
CAM and CUTM	5%	4%	5%	6%	7%
Associates	11%	11%	4%	6%	11%
Entrepo	7%	6%	8%	10%	13%

Ensuring attractive shareholder returns

The Group declared a final ordinary dividend of 74 cents per share. Together with the interim ordinary dividend of 61 cents per share, this represents a total ordinary dividend of 135 cents per share for the 2025 financial year, a 20.5% increase year-on-year (2024: 112 cents).

In addition to the ordinary dividend, the Group declared a special dividend of 36 cents per share, reflecting the strength of the Group's financial position and its commitment to delivering enhanced value to shareholders. Including the special dividend, the total dividend for the year amounts to 171 cents per share.

As a result, the dividend payout ratio increased to 44.5% (2024: 33.4%), largely driven by sound financial performance and a prudent approach to capital and liquidity management. The Group continues to balance dividend distributions with capital retention to support future strategic growth and diversification initiatives.

At the 2022, 2023 and 2024 AGMs, shareholders approved a special resolution authorising the company to buy back shares. The purpose of the share repurchase scheme is to improve the liquidity in the Namibian listed equity market and create an opportunity for smaller shareholders to trade their shares and realise value. Since January 2023, the Group has repurchased and cancelled 799,048 shares at a total cost of N\$12.1 million (N\$15.14 per share).

Dividend payment details

Last day to trade cum dividend: 3 October 2025

First day to trade ex-dividend: 6 October 2025

Record date: 10 October 2025

Payment date: 24 October 2025



Johan Maass
Group Financial Director





Governing for value creation

Strong governance is the foundation of Capricorn Group's success, with the board and committees providing ethical leadership, strategic oversight and disciplined decision-making in line with The Capricorn Way.



Governance overview

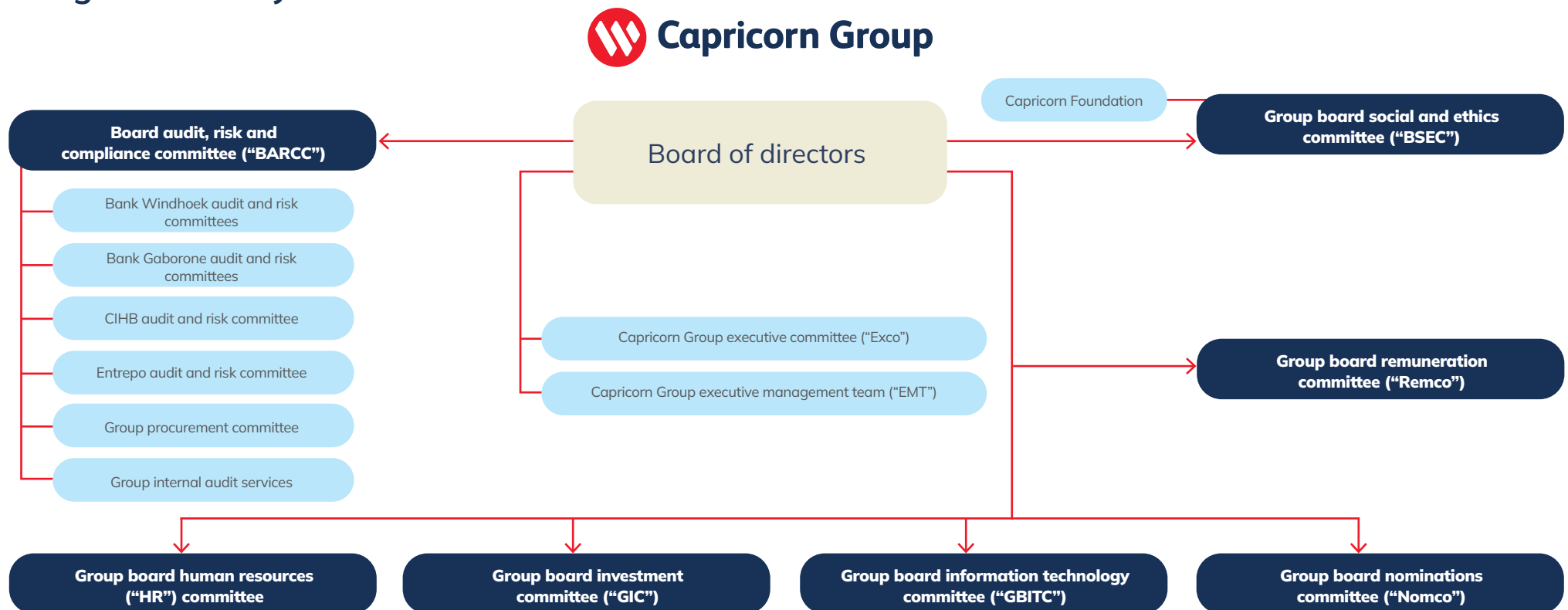
The board and its committees are responsible for ethical leadership and sound corporate governance. We support the principles of transparency, discipline, independence, accountability, fairness and social conscience.

We recognise that leadership tone is set from the top. Embedding The Capricorn Way helps entrench an ethical culture based on shared values, protecting stakeholder interests and long-term sustainability. 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

More detailed information about the Group's practices can be found in the 2025 governance report available online.

Our governance system



Roles of board committees

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.

<div>BARCC</div> <div>6</div> <p>3 non-executive members, all are independent.</p> <p>Oversees risk management, including risk appetite and compliance. Responsibilities include:</p> <ul style="list-style-type: none">> Reviewing internal risk reports and escalating any material concerns to the board> Reviewing the adequacy and effectiveness of the Group's risk management frameworks and policies> Monitoring and recommending to the board the Group's risk appetite as part of the entity's risk capacity, appetite and tolerance ("RCAT") statement> Monitoring compliance with any legal, regulatory and ethical expectations related to risk> Reviewing the results of environmental risk stress testing and scenario analysis and assessing the appropriateness of actions proposed in response	<div>BSEC</div> <div>5</div> <p>5 members, of whom 2 are non-executive, incl. 1 independent.</p> <p>Oversees the Group's sustainability strategy, environmental, social and governance philosophy, good corporate citizenship and ethics. Responsibilities include:</p> <ul style="list-style-type: none">> Considering and approving the Group sustainability strategy, corporate citizenship and ethics framework> Promoting equality, preventing unfair discrimination and reducing corruption> Monitoring social and economic development activities> Monitoring environmental, health and public safety matters> Monitoring consumer relationships and public relations> Monitoring compliance with human rights conventions and ethical conduct internally and externally	<div>Remco</div> <div>12</div> <p>3 non-executive members, all are independent.</p> <p>Provides oversight of the Group's remuneration framework and executive talent management. Responsibilities include:</p> <ul style="list-style-type: none">> Reviewing the Group's remuneration philosophy, principles and frameworks> Reviewing and recommending directors' fees to the board> Overseeing executive incentive schemes, including short- and long-term incentives> Overseeing executive succession and talent development	
<div>HR</div> <div>4</div> <p>6 members, of whom 3 are non-executive, incl. 2 independent.</p> <p>The HR committee oversees employee-related policies and practices across the Group. Responsibilities include:</p> <ul style="list-style-type: none">> Reviewing and approving human resources policies> Overseeing the remuneration of non-management employees> Monitoring recruitment and employment equity> Monitoring performance management frameworks> Monitoring workplace health and safety	<div>GIC</div> <div>4</div> <p>6 members, of whom 3 are non-executive, incl. 2 independent.</p> <p>Provides oversight for Group investment activities. Responsibilities include:</p> <ul style="list-style-type: none">> Reviewing and approving prospective investments and disinvestments above an agreed threshold> Monitoring the performance of existing investments> Reviewing and recommending investment strategies to the board	<div>GBITC</div> <div>4</div> <p>10 members, of whom 4 are non-executive, incl. 2 independent.</p> <p>Oversees Group IT governance and risk management. Responsibilities include:</p> <ul style="list-style-type: none">> Reviewing the Group IT strategy, policies and governance frameworks> Overseeing the Group IT reference architecture> Monitoring IT risk and compliance, including cybersecurity> Reviewing significant IT outsourcing and strategic IT projects> Overseeing the stability and resilience of IT systems and infrastructure> Serving as the board IT committee for the Group, Bank Gaborone and CAM	<div>Nomco</div> <div>4</div> <p>3 members, of whom 2 are independent non-executives.</p> <p>Oversees board composition, nominations and succession planning. Responsibilities include:</p> <ul style="list-style-type: none">> Reviewing and recommending the appointment of directors> Monitoring board composition and skills> Overseeing succession planning for the board and key roles> Reviewing the performance and effectiveness of directors> Ensuring a formal and transparent director nomination process

Number of meetings per annum.



Meeting attendance

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 and the Group board and its committees are carried out effectively. Board and committee members as at 30 June 2025 and their attendance at these committees' meetings during the year are as follows:

Director	Category	Board	BARCC	Group board HR committee	Group board Remco	Group board Nomco	Group board investment committee	BSEC	GBITC
	Meetings held	7	6	4	12	4	4	5	4
O Amutenya	Non-executive	4							2
J W Brandt	Non-executive	7					4		
E Fahl	Independent non-executive	6		4					
D G Fourie	Independent non-executive chairperson	7		4	12	4	4		
R M M Gomachas	Non-executive	3						1	
D T Kali	Independent non-executive	6			12			4	
J Maass	Group financial director	4					4		4
D Nuyoma	Group CEO and executive director	7		4			4	5	4
M J Prinsloo	Non-executive	7		1					4
D J Reyneke	Independent non-executive	7	6						4
E Solomon	Independent non-executive	7	6						4
J J Swanepoel	Independent non-executive	7	6		12	4	4		

Board leadership, composition and diversity

Capricorn Group has a unitary board with 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.

Status

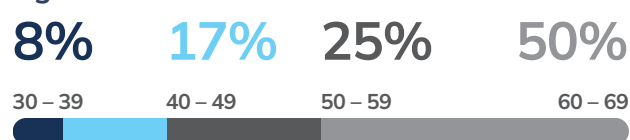


Tenure



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

Age



Gender



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

Race



The board aims for a PDI ratio of 50%.



Summary board member profiles

Full board member profiles are available in the governance report.



Daniel Gerhardus Fourie (67)
BCom (Hons), CA(SA), CA(Nam)

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

Remco Nomco (Chair) GIC HR



Daniel Teodor Kali (56)
BA, MPhil

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

Remco (Chair) BSEC (Chair)



David Nuyoma (62)
BA (Hons), MA

Group CEO and executive director
Appointed to the board in 2024

HR (Chair) GIC BSEC GBTIC



Johannes Jacobus Swanepoel (65)
BCom (Hons) (Accounting), CA(SA), CA(Nam)

Independent non-executive director
Appointed to the board in 1999

Remco Nomco GIC BARCC



Erna Solomon (63)
BSc (Ed), BSc (Hons), MSc, Global Executive Development Programme

Independent non-executive director
Appointed to the board in 2019

BARCC GBTIC (Chair)



Jacobus Wynand Brandt (44)
BCom

Non-executive director
Appointed to the board in 2024

GIC (Chair)





Elize Fahl (65)
Certificates in Human Resources
Management, Management
Development Programme

Independent non-executive director
Appointed to the board in 2021

● HR



**Roswitha Mildred Melina
Gomachas (43)**
B.Juris, LLB, LLM

Non-executive director
Appointed to the board in 2024

● BSEC



**Marthinus Johannes
Prinsloo (54)**
BCompt (Hons), CA(SA), Cert.Dir.

Non-executive director
Appointed to the board in 2013

● GBTC ● HR



Dirk Johannes Reyneke (63)
BCom, BCompt (Hons), CA(SA),
NDip in Advanced Banking

Independent non-executive director
Appointed to the board in 2017

● BARCC (Chair) ● GBTC



Onno Amutenya (57)
BA (Computer Science),
Diploma in Financial Economics,
MSc (Financial Economics)

Non-executive director
Appointed to the board in 2024

● GBTC



Johan Maass (38)
BCom (Hons), CA (Nam)

Group Financial Director
Appointed to the board in 2024

● GBTC ● GIC



A man with glasses, wearing a dark suit, white shirt, and a red patterned tie, is seated in a brown leather armchair. He is looking directly at the camera with a serious expression. The background is a modern office interior with large windows, glass partitions, and contemporary lighting. A dark blue diagonal shape is overlaid on the bottom left of the image, containing the section header and a short paragraph.

Board social and ethics committee report

Capricorn Group delivered strong results and meaningful progress in 2025, guided by clear strategic choices, agile execution and a commitment to creating lasting impact for all stakeholders.



The BSEC plays a strategic role in guiding Capricorn Group's commitment to ethical leadership, responsible business practices, and meaningful social impact. In 2025, we were encouraged by the Group's growing maturity in sustainability integration and its strong ethical foundation. Through the Capricorn Foundation and subsidiary-led CSR initiatives, the Group continues to contribute to a more inclusive and sustainable society, demonstrating that sustainability and ethics are not only governance imperatives but also key drivers of long-term value creation.

BSEC focus areas for 2025

A key focus was reassessing the BSEC's role in embedding ethics and sustainability at subsidiary level. While the committee provides Group-level oversight, we emphasised that individual businesses must take ownership of these matters. We engaged with subsidiaries and made our expectations for future reporting in this regard clear.

Other areas of focus included:

- > Maintaining and enhancing the Group's ethics programme
- > Monitoring the implementation of the Sustainability Integration Programme
- > Adopting a roadmap to pro-actively position the Group for future sustainability reporting and disclosure requirements such as IFRS S1 and S2
- > Supporting the shaping of a sustainability-oriented culture through own environmental footprint initiatives, training and awareness creation
- > Approving the Group Environmental Risk Management Framework
- > Refining the Group's approach to the UN SDGs, selecting three priority goals aligned with our purpose, values and business strategy
- > Supporting the Capricorn Foundation's efforts and impact
- > Overseeing stakeholder engagement plans at Group and subsidiary level

Promoting an ethical culture

The Group continues to strengthen its ethical culture through the Code of Ethics and Conduct and the behaviours outlined in The Capricorn Way (see page 6). Several supplementary policies and procedures support lawful behaviour and organisational integrity by providing direction and guardrails that align with sound practices.

Ethics sponsors, including the Group CEO, subsidiary managing directors and ethics coordinators/ethics champions, lead the ethics strategy. Progress is reviewed quarterly by the BSEC to ensure accountability and continuous improvement. An "Ask Us" line is available for employees to request additional information on ethics.

In the 2024 financial year, an independent assessment by The Ethics Institute found no material adverse findings. The Group has implemented the recommended improvements arising from this review in 2025.

Communication

Ethics training and communication remain key focus areas. Completion rates for the Group's three-module online ethics course are closely monitored, while regular internal communication reinforces ethical conduct across the organisation.

Fraud and corruption

The Group maintains a risk and control environment to prevent and prevent and detect fraud and has no appetite for corruption or matters which affect the trust and reputation of the Group, in line with King IV and applicable laws, including Namibia's Anti-Corruption Act (No. 8 of 2003). No cases of corruption or bribery were reported or investigated in 2025.

In its qualitative risk appetite statement, our board has formally stated that it has no appetite for unethical conduct. The BSEC oversees ethics at the Group and reviews the outcomes of matters reported through our confidential whistleblowing line and management ethics reports.

Hotline

The Group's confidential ethics hotline is available to all employees for reporting unethical behaviour. A summary of reports is submitted to the BSEC as part of its quarterly ethics updates. Building trust in this whistleblowing mechanism remains a priority.

Gifts

The Code discourages the acceptance of gifts, with clear guidance for exceptional cases where refusal would be culturally inappropriate. In such instances, gifts are donated to the Capricorn Foundation.

Financial crime

The BSEC recognises the growing threat of financial crime, particularly in the financial services sector. While legal protections are in place, the committee emphasised the need to consider the Group's broader ethical responsibilities.

Our safeguards cannot merely serve as internal protection, they must be uncompromisingly robust, designed to protect both the organisation and the customers who place their trust in us.

The committee commended management for strengthening safeguards through collaboration with industry peers, continued customer education and proactive monitoring of vulnerable accounts.




Diversity, equity and inclusion


The committee is satisfied with the Group's approach to DE&I as outlined from page 45. Capricorn Group is committed to creating a workforce where everyone feels equally valued and no one is excluded based on race, culture or background.


The Group conducted its annual DE&I survey to assess employee sentiment and guide future focus areas. The survey, which concluded in November 2024, achieved a 44% participation rate, slightly lower than the previous year.

The inclusivity and equity Net Promoter Score ("NPS") rose significantly from -1 to +7, reflecting increased employee advocacy.

Key findings:

 Organisational belonging: Positive sentiment increased, indicating stronger inclusion and a sense of community.

 Workplace fairness: Scores remained stable, showing ongoing efforts to ensure fair treatment.

 Mutual support, equitable treatment and confidence in human capital: These areas saw slight decreases, highlighting the need to strengthen peer support, equity and psychological safety.

Actions to address findings:

- > Capricorn Group hosted DE&I workshops in February 2025
- > Initiatives to enhance leadership diversity will focus on improving the representation of diverse talent
- > Measures to strengthen psychological safety will aim to improve employee experiences and promote a respectful, inclusive culture

Advancing environmental and social responsibility

At Capricorn Group, we recognise that trust in financial services is built not only on performance, but on how well we reflect the values and priorities of the societies we serve. To us, that means demonstrating a clear and credible commitment to both environmental and social responsibility.

Through our Sustainability Integration Programme, we are embedding these principles into the core of our business, supporting national development priorities, contributing to the Group's priority Sustainable Development Goals (SDGs), and enabling a just transition to a more inclusive, low-carbon and climate-resilient economy.

Our approach goes beyond compliance. It is about creating long-term, systemic impact in the communities and environments where we operate, through responsible lending, inclusive growth, ethical governance, and a culture of sustainability that is lived across all levels of the organisation.

Environmental impact

The Group launched a Group-wide 4R recycling campaign to promote responsible waste management and reduce environmental impact. This initiative is complemented by ongoing monitoring of electricity, paper, and water consumption to improve resource efficiency and support a culture of sustainability.

Performance measurement and reporting

Measuring and reporting sustainability performance remains a focus. The Group is investing in data quality and internal capabilities to support the provision of complete, accurate and credible non-financial disclosures.

With mandatory sustainability reporting expected soon, the Group has adopted a phased approach aligned with international standards. The approved Sustainability Framework reflects this alignment. As internal capacity develops, reporting is expected to mature accordingly, enabling the Group to meet both regulatory and stakeholder expectations.

Contributing to society

Capricorn Foundation

The fifth anniversary of the Capricorn Foundation, celebrated in February 2025, was both a milestone and an opportunity to share the positive impact that the Foundation has made in communities across Namibia. The Foundation focuses on high-impact, long-term projects and also provides support for short-term interventions, such as responses to drought-related food insecurity.

The Capricorn Foundation continues to live up to its purpose of improving lives by being Connectors of Positive Change.

Corporate social responsibility

Beyond the Capricorn Foundation, the Group's CSR efforts contribute to broader societal impact. SDG champions in the Group and subsidiaries play a role in aligning the Group's objectives, strategy and actions across all relevant SDG targets, including those linked to CSR.

Further detail on the Capricorn Foundation and the Group's CSR initiatives is available in the 2025 social value report, published online.



Looking ahead

In 2026, the Board Social and Ethics Committee (BSEC) will continue to play a pivotal role in guiding and overseeing the execution of the Group's sustainability integration programme. As the Group deepens its commitment to sustainability, the BSEC will focus on the following strategic priorities:

> **Driving measurable impact against the SDGs**

Monitor and evaluate the Group's and the Capricorn Foundation's performance against the eight priority SDG targets, ensuring that initiatives deliver tangible, systemic benefits to communities and the environment

> **Embedding sustainability into the DNA of the business**

Champion the integration of sustainability as a core business practice across all subsidiaries, shifting from programme-based execution to enterprise-wide behavioural and cultural adoption

> **Strengthening governance and disclosure readiness**

Oversee the continued alignment of Group policies, frameworks, and reporting practices with evolving local, regional, and global sustainability disclosure standards, including IFRS S1 and S2 and Bank of Namibia climate risk and disclosure guidelines

The committee sees steady growth potential for Capricorn Group as it continues to act in the best interests of society and to connect people for positive change.



Daniel Kali
BSEC chairperson

Guidance on where to find more information relating to BSEC oversight themes

The Foundation

Choice 3: Sustainability from page 40
Our 2025 social value report, available online

Ethics and anti-corruption

Material matters: Conducting business in the right way on page 30

Equality and the prevention of unfair discrimination

Choice 4 DE&I from page 45

Social and economic development activities

Choice 3: Sustainability from page 40
Our 2025 social value report, available online

Environment

Choice 3: Sustainability from page 40
Our 2025 social value report, available online

Equality and the prevention of unfair discrimination

Material matters: Embedding a customer-centric service culture on page 31
Choice 1: Deliberate portfolio action from page 35



Remuneration Report

Our approach to remuneration supports our strategy by attracting, retaining and rewarding the talent needed to deliver long-term value.



This section of the integrated report presents a comprehensive overview of our remuneration practices and policy, which are designed to attract, motivate, and retain the talent necessary to achieve our strategic objectives and create long-term value for our stakeholders.

Our remuneration framework is aligned with principles of fairness, competitiveness, and performance. It reflects our commitment to responsible corporate governance and is structured to support our organisation's sustainable growth. We aim to provide transparency into how our remuneration aligns with our business strategy, performance constructs, and the interests of our stakeholders.

The report provides detail on the components of our remuneration packages, including fixed remuneration, variable incentives, benefits and long-term incentive plans. Each element is carefully calibrated to support our strategic objectives while adhering to market standards and regulatory requirements.

We further highlight human capital practices and how they relate to the Group's remuneration practices. It will include a future view of initiatives planned within the people space, specifically related to remuneration.

This report aims to demonstrate how remuneration practices contribute to the organisation's strategic objectives to drive employee engagement and ensure alignment with our corporate values and stakeholder expectations.

The remuneration report outlines our organisational alignment with remuneration practices and the connection between the human capital strategy and remuneration and reward. It describes our remuneration philosophy and approach and is broken down into the following parts:

- > Part one: Organisational alignment to remuneration practices
- > Part two: Remuneration governance.
- > Part three: Overview of the Group Remuneration Policy.
- > Part three: Future considerations for human capital and remuneration practices.

Part one: Organisational alignment to remuneration practices

We reimaged The Capricorn Way (launched in 2017) to better resonate with our people and inspire a purpose-driven culture and value-based actions, while retaining its original spirit. The refreshed framework sharpens the values of Open, Dedicated and Inspired, and their associated behaviours (see page 6).

As the cultural foundation of the Group, The Capricorn Way connects all entities through a shared purpose, Being Connectors of Positive Change, and guides how we work, lead and engage within our teams and society. This review ensured our culture remains aligned to our strategy, people practices and long-term vision.

The Group's holistic reward philosophy is comprehensive, encompassing both monetary and non-monetary elements.

It is underpinned by a total reward framework and supporting remuneration practices.

We incorporate King IV principles in our remuneration framework, which ensures that we balance risk optimisation while aligning with our strategy, policies and procedures. Providing fair and responsible remuneration is a crucial principle that our Group continues to embrace. The Remuneration Policy is regularly reviewed to ensure its effectiveness, competitiveness and compliance with regulatory requirements.

Remuneration and reward practices are central to ensuring that talent is attracted and retained, productivity is measured and rewarded, and our employer brand is valued, ultimately leading to engaged employees.

The key focus areas of the Group's remuneration practices

Talent investment

We ensure fair and competitive remuneration to attract high-quality talent. We continued to improve our understanding of market pay practices for executives and specialised skills by completing a detailed and targeted benchmarking exercise. Further work was completed to understand the attraction and retention of talent by considering a holistic employee value proposition approach. Further refinement of this will be completed during the next financial year.

Motivation and productivity

Remuneration packages are linked to performance. An effective remuneration model encourages productivity, enhances performance, and fosters talent retention. The model is informed by group, business unit, and individual performance data and is further supported by talent and equity information.

Brand reputation

Our reward philosophy is an element of our employee value proposition ("EVP") supported by our strong brand. With the enhancement of The Capricorn Way, the EVP and brand will be closely aligned and integrated, both from an internal and external perspective.

Employee engagement

Engaged employees are more productive, which impacts business performance. Since the implementation of the Mirror survey in 2017, employee engagement levels have continued to improve. Read more on page 46.



The human capital strategy and link to remuneration and reward

Apart from the abovementioned elements, we ensure that our human capital strategy is fit for purpose and central to our Group strategy. Acknowledging that human capital practices are part of a larger ecosystem is important. Remuneration and reward practices are essential anchoring points. These practices are embedded in the human capital strategy of the organisation. The following highlights the key strategic human capital focus areas related to remuneration practices for the past year:

Strategy: Business and individual performance

Understanding the organisation's new strategic direction and focus areas is key for each employee. We continue to ensure that employees understand the strategic choices, how they translate into objectives and their role in accomplishing the set targets. The success of this is evident in the feedback from the employee engagement survey. We continue to foster a strong connection between business and individual performance objectives, which has been a priority as part of the strategy execution. This involves evaluating individuals' financial and non-financial contributions and setting targets for each employee based on the strategic objectives.

We continue to embed robust practices to drive performance. Performance objectives are aligned with the Group and business unit strategic initiatives and business plans. Consistency checks are performed to enhance fairness and to ensure contracted objectives are achieved. Performance is centred around achieving business objectives and fostering the organisation's values. The overall performance rating of an individual is influenced by measuring behaviour through a 360-degree process. The values, as captured in the revised The Capricorn Way, will form the centre of how behaviour is measured.

Read more about our strategy on page 32.

Customer

We are committed to excellent customer experiences. This implies maintaining and enhancing good service, relationships, and experiences with internal customers, external customers and suppliers.

Company

We drive operational excellence and create sustainable returns for all stakeholders.

Colleague

Being connectors of positive change demonstrates how we behave as leaders, employees, and colleagues.

Citizenship

We positively impact our communities and drive collaboration in whatever we do.

Conduct

We conduct our business sustainably and responsibly. We ensure that we embrace ethical practices and foster a risk culture.

Diversity, Equity and Inclusion ("DE&I")

We are progressing well with the embedding of DE&I principles into our organisational DNA. As part of this journey, we provide all employees with equal opportunities and fair remuneration. Our approach involves incorporating DE&I into our people practices, emphasising that this is not a programme but an integral part of our culture. We promote equitable remuneration practices, review equity as part of performance and talent data, and provide all employees with robust learning and development opportunities. By enhancing these practices, we aim to attract and retain a diverse workforce, enhance employee engagement and foster a more inclusive and productive work environment.

As part of our people practices, we scrutinised remuneration data, including salary adjustments, promotions, and turnover, through an equity lens to ensure alignment with strategic objectives. Share awards to management participants in 2026 will reflect our commitment to increased diversity together with other talent considerations.

Our DE&I progress is assessed through our annual engagement survey and a dedicated DE&I survey. In 2025, both our diversity and inclusivity scores improved. More detail around the DE&I survey can be found on page 45.

Talent investment approach

As our talent investment strategy evolves, we strive to consistently apply it throughout the employee lifecycle to ensure a positive employee experience. This integration involves connecting talent management with remuneration practices. Our Talent Investment Framework is designed to identify high-potential individuals.

We assess individuals based on five main attributes: attitude, judgement, drive, influence and ambition, in conjunction with their performance. This comprehensive evaluation allows us to develop effective talent retention and development strategies, encompassing both monetary and non-monetary incentives.

This process is well-embedded in the organisation, and the talent strategy will evolve as the organisation matures to ensure that it remains relevant. To support our talent investment process, management's share awards in 2026 will reflect a holistic talent assessment of participants based on their performance, potential (including succession planning), key skills and diversity objectives.

Market relevance

We must ensure that the Group remains relevant from a market pay parity perspective. The Group regularly conducts a benchmarking exercise to assess our remuneration competitiveness. This includes financial and non-financial services industry pay points across the region. The data informs fixed, and variable pay adjustments and ensures that practices remain fair and competitive. These practices inform our remuneration philosophy and approach and, in turn, guide policy formation.



Part two: Remuneration governance

Our policies and practices adhere to regional benchmarks and align with the expectations of all stakeholders. The Group Board Remuneration Committee ("Remco") utilises Bowmans, an independent and objective consultancy, to annually review and advise the Group on remuneration practices and principles. Operating guidelines define appropriate performance conditions for all reward elements, including fixed remuneration, short-term incentives ("STI"), and long-term incentives ("LTI").

The Group takes a total reward approach when reviewing individual remuneration. This implies that the mix between total guaranteed pay ("TGP"), STI, and LTI is adequately positioned relative to the benchmark data.

Remco governs remuneration. The governance chapter on page 65 discusses the committee's roles and responsibilities.

Remco focus areas for 2025

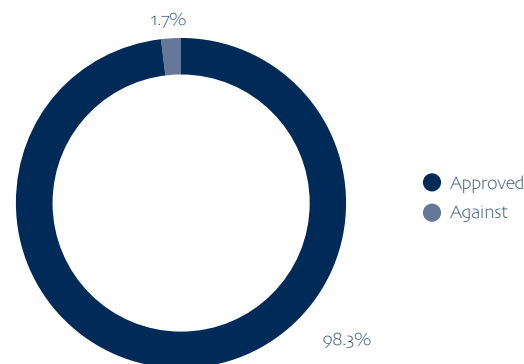
Remco confirms that all stipulated duties have been completed and that it adhered to its terms of reference for the year ending 30 June 2025. The main actions and suggestions of Remco included:

- > The Remuneration Policy's elements, including the STI and LTI operating guidelines and how these awards are allocated, were consistently applied. The total rewards approach ensured that the practices were fit-for-purpose and adjusted based on market movements to ensure fair and equitable remuneration to support retention
- > The continued review of the succession across the Group, which profiles both internal and external talent. The aim is to have a talent map that ensures bench strength and will enable us to track internal and external talent, grow and develop internal talent and mitigate risk should vacancies arise
- > Ongoing support of the DE&I programme and acknowledging the importance of effective remuneration and reward practices to support DE&I. This is further enhanced with a specific focus on equitable pay practices across all employee groups. This annual review is completed across the Group
- > Remco provided oversight for the MD: Bank Windhoek recruitment process
- > Several key subsidiary executives were appointed during 2024 and 2025 with the involvement and approval of Remco. These appointments were essential to ensure the delivery of the Group's strategy
- > A strategic review of the overall group remuneration policy was conducted in the context of regional and global remuneration developments, and the following principles were adopted as a basis for enhancements to the remuneration policy in 2026. The focus areas for 2026 will include:
 - A simplification of the job grading and banding policy and pay scales within the group to align with regional best practice
 - The introduction of deferred short-term incentives (Deferred Performance Shares) to replace retention share awards for senior management, which are fully aligned to performance
 - Including dividends in share awards to better align management with shareholders, with a commensurate reduction in award levels so that this change is accounting cost neutral

Non-binding advisory vote

At the AGM on 30 October 2024, shareholders were requested to cast a non-binding advisory vote on the Remuneration Policy and the remuneration of the non-executive directors for the 2025 financial year.

Remuneration Policy voting results (% of issued share)



The voting results indicate support for the Remuneration Policy. Therefore, no major changes were made to the policy.

Part three of this report reflects the policy implementation for the financial year, allowing shareholders to observe how the Group's stated policies translate into actual outcomes for senior management and executives. As in previous years, shareholders will be requested to cast a non-binding advisory vote at the forthcoming AGM on the Remuneration Policy contained in part three of this report.

Part three: Group Remuneration Policy

The Group's remuneration philosophy ensures that all employees are rewarded fairly and appropriately. In determining remuneration, Remco and the HR Committee consider relevant market benchmarks while ensuring that sufficient emphasis is placed on pay for performance.

Our human capital practices are supported by a comprehensive remuneration philosophy summarised in our Remuneration Policy. The policy is reviewed biennially to ensure it remains relevant and market-related.

All Group entities have consistently applied the policy, with country and sector-specific adjustments where required. We aim to give stakeholders an understanding of how our practices translate into policy and actual outcomes for executives and senior management.

There were no remuneration policy adjustments that can be noted for 2025. The following remuneration guiding principles can be noted.

Remuneration guiding principles

The Group's guiding principles for managing remuneration are as follows:

Total reward: The Group takes a total reward approach to reviewing individual remuneration. This implies that the TGP, STI, and LTI mix is adequately positioned relative to the benchmark data, as highlighted in part one of this report.

Pay for performance: Fair pay as it relates to performance is the cornerstone of the remuneration philosophy. All remuneration practices are structured to clearly differentiate between individuals based on performance.

Variable pay: The variable pay component of total reward aligns with seniority (organisational level) as the ability to impact business results increases in relation to the level of seniority. This is reflected in the higher quantum of STI and LTI opportunities at more senior levels compared to junior employees. Benchmark data is obtained on a regular basis, and subsequently, the STI and LTI operating guidelines are updated to reflect market movements relative to variable pay at all levels of the organisations. Variable pay takes performance and talent data into consideration.

Risk Culture: Reward plans are structured to discourage excessive risk-taking. Being aware of risks is critical for all employees and is contained in each employee's performance contract. The reward philosophy encourages risk management within the risk appetite set by the board through key risk indicators, policies and procedures. The policy, consequently, provides for malus and clawback pertaining to these risk elements.

Consistency and fairness: The reward philosophy provides a framework that encourages consistency, allows for differentiation where it is fair, rational, and explicable and applies an equity lens to the process. Benchmarking is performed annually using consistent and recognised methodologies to inform remuneration decisions.

Communication and transparency: The remuneration philosophy, policy, practices, and processes for determining individual pay levels are transparent and communicated to all employees. Further work is underway to ensure a thorough understanding of pay practices, as this has been highlighted as a priority.

Malus and clawback: Where defined events occur, redress against remuneration is provided through either malus (pre-vesting forfeiture) or clawback (post-vesting forfeiture). Malus and clawback provisions and their application are captured in the Remuneration Policy and executed by Remco. In 2025, no instances of malus or clawback were instituted.

The above principles are implemented through various elements of pay to ensure a holistic total reward approach.



Total reward view: Elements of pay

The table below provides an overview of the elements of pay applicable to Group employees.

Element	Detail	Commentary for 2025
Fixed remuneration (basic salary or TGP)	This is reviewed annually based on performance against contracted output, and we use benchmark data to ensure market-aligned pay. On the senior and executive levels, the Group focuses on a pay progression model where talent is also considered in determining an individual's fixed pay position. The Group focuses on paying between 80%-120% of the compensation of the market, calculated at the midpoint of the pay range per job level. The pay range of job levels is adjusted yearly based on external market movements and the consumer price inflation index. Employees can structure a portion of their basic pay to suit their circumstances.	Annual remuneration adjustments are affected on 1 September every year, and a rigorous process is applied to determine the quantum of individual increases and variable pay components. During this process, remuneration structures and pay ranges are evaluated and adjusted where necessary relative to market movements. The Group granted employees in Namibia a 6% annual increase for the 2024 year under review and 9% in Botswana.
Benefits	Benefits include pension, Group life fund, and medical aid membership. Contributions are made by the employee and the employer for pension funds and Group life benefits. In addition, the Group contributes 100% towards medical aid for non-managerial employees. Benefits may include mortgage bond interest subsidies, housing, car, entertainment, or other allowances, depending on the employee's job level. Company contributions are calculated as part of the employee's TGP.	The Group introduced a critical illness benefit in response to the increasing number of serious health conditions such as cancer, strokes, and heart diseases among our employees. The benefit is underwritten by a long-term insurer and premiums are funded by the employer. The Group further introduced a 15-year long service award.
Variable Remuneration: STI	<p>The short-term incentive is a cash-based scheme open to all employees. It aims to align employees' performance with the Group's strategy and motivate and reward employees who outperform the agreed performance measures.</p> <p>The policy further makes provision for including both Group and business unit performance as a factor in determining pay-out. A further refinement was done to benchmark the quantum per job level. The allocation of individual pay-outs is based on different levels and predetermined performance hurdles for the Group, each business unit, and individuals. A detailed model governs the pay-out thresholds per job level as contained in the STI operating guidelines. Remco is mandated to apply certain deferral principles, which were not applied for this financial year. The design and quantum of the annual performance bonus are regularly reviewed against best market practices.</p> <p>The bonus pool is calculated based on consolidated Group profit. The percentage of profit is modified according to Group performance during the year, relative to profit before tax and annual ROE targets. Where company performance is below the threshold level, no bonus pool will accrue for senior management and executives.</p>	<p>An external review was conducted to ensure that the model used and the allocations per job level were still competitive.</p> <p>No adjustments were made to the STI operating guidelines as there is strong alignment with market practices. Work is however underway to enhance some practices in the 2026 review.</p>
Variable Remuneration: LTI	A key element of talent retention is the LTI awards. These include share appreciation rights, conditional shares, or a combination. In instances where retention is required, LTI's are awarded, subject to a vesting condition of continued tenure within the Group. In addition, employees from a specified grade level may participate in the Group's share purchase scheme to purchase Capricorn Group shares at the volume-weighted average price over the previous 12 months with the option of an interest-free loan repayable over nine years. Full ownership of these shares vests after three to five years.	<p>In 2025, an external review was conducted to ensure the job-level allocations were still market-relevant.</p> <p>Minor adjustments were made to the LTI operating guidelines as there is strong alignment with market practices. Work is however underway to further enhance some practices in the 2026 review.</p> <p>The award of SARs has been discontinued in line with regional and global practice.</p> <p>The award of shares to management has been further adjusted to reflect key skills and diversity objectives, in addition to the performance and potential considerations already applied.</p>



Share Appreciation Reward (“SAR”) plan

The Group has a formal SAR plan in place as part of the LTI process. No SAR awards were issued in 2025.

Terms	Detail
Purpose	The SAR plan aims to attract, retain, and reward selected employees who can contribute to the Group's future success and strategy. It also stimulates employees' personal commitment and continued service. In addition, the plan promotes and aligns employee interests with the company's shareholders.
Operation	Participants receive conditional SARs, which vest after three years, subject to the satisfaction of the performance condition and continued employment of the participant. After vesting, the SARs may be exercised up to five years after the award date.
Participants	Executive directors, executive managers and selected members of senior and middle management.
Performance period	Three years.
Plan limits	An aggregate limit for the SAR plan, the conditional share plan (“CSP”), and the share purchase scheme: 7.5% of the company's issued shares.
Performance conditions	The performance condition applicable to all awards is the achievement of budgeted cumulative profit after tax and ROE over the performance period. The budget, in turn, reflects the expected outcome of the strategic plans and actions. The vesting period is three years.

Conditional Share Plan (“CSP”)

Terms	Detail
Purpose	To attract, retain and reward selected employees who can contribute to the Group's future and stimulate their involvement, encouraging continued service. Under the CSP, participants receive conditional shares that vest after three years, subject to the satisfaction of the performance conditions over the performance period.
Operation	In some instances, where a retention risk exists, conditional shares that vest after three years and are subject to the participant's continued employment by the Group but are not subject to performance conditions may be awarded.
Participants	Executive directors, executive managers and selected members of senior and middle management.
Performance period	Three years.
Plan limits	An aggregate limit applies between the SAR plan, the CSP, and the share purchase scheme, being 7.5% of the company's issued shares.
Performance conditions	The performance condition applicable to all awards is the achievement of budgeted cumulative profit after tax and ROE over the performance period. The budget, in turn, reflects the expected outcome of the strategic plans and actions.

Share purchase scheme

The Capricorn Group Employee Share Ownership Trust was established in 2000 to help employees buy Capricorn Group shares. Employee share ownership promotes the Group's continued growth and aligns employees' and shareholder interests.

Shares can be purchased annually through a nine-year interest-free loan. The maximum number of shares employees can purchase on loan varies by job grade. Any dividends declared after purchase accrue to the employee, who can receive the dividend in cash or pay it into the loan account.

Share benefit scheme

The Capricorn Group Employee Share Benefit Trust benefits non-managerial employees not at the supervisory level. Since its establishment in 2005, the trust has distributed dividends earned on the shares held by these beneficiaries every year. A total of 254 employees currently benefit from this scheme.

Given the elements highlighted in the remuneration policy, the following indicates the implementation and impact of these policy statements in practice.

Fair and equitable remuneration

Central to pay practices is the principle that employees at the same level, doing the same work at the same level of performance, need to be rewarded equitably. Three years ago, the Group embarked on a specific benchmarking remuneration analysis to ensure equitable pay across all job levels. Where data suggested areas of improvement, these were addressed.

Focusing on the Namibia Financial Services Sector, the Group's gender pay gap mean stands at 2.26%, while the market is at 4.20%. This indicates that Group has a narrower gap between male and female employees compared to the market average – performing 1.94% better than the Namibia Financial services sector. Equity will remain a continuous focus of our remuneration strategy.

Several South African organisations assess the pay ratio between the top 5% and bottom 5% earners. The Group's ratio of the average pay of the top 5% to the bottom 5% is 13.44, meaning that the top 5% earn 13 times more than the bottom 5%. The average across financial services in South Africa is 24 which is significantly above that of the Capricorn Group. The lower reported ratio indicates reduced income inequality and implies an equitable distribution across job levels.

Minimum salaries are continuously reviewed, and salary scales are adjusted accordingly. This is benchmarked to ensure alignment with the market. Salary scales are used to ensure internal parity and are considered as part of the recruitment process.

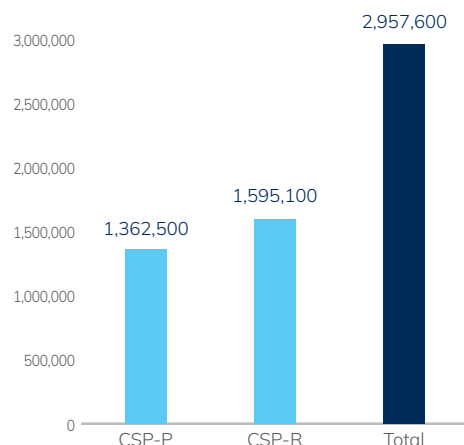
During 2024, both non-managerial and managerial employees in Namibia received an average of 6% increase in fixed remuneration, including structural adjustments. These adjustments were linked to performance ratings. This adjustment was above the market benchmark.



Remuneration paid

Remuneration paid to executive management is disclosed in note 37.9 to the annual financial statements. This comprises remuneration and other employee benefits to the executive management team, which excludes executive directors' emoluments. The executive director did not receive additional fees for services as a director or any emoluments other than those disclosed.

CSP awards to the key Group management
Awarded in September 2024



Number of shares acquired under the share purchase scheme

The number of shares acquired by employees in the Group's share purchase scheme in November 2024 was 1,136,101 (November 2023: 811,696). All shares awarded to or purchased by employees under the various LTI schemes were acquired from existing shareholders, and no new shares were allotted by the company for this purpose.

Dividends paid under the share benefit scheme.

In October 2024, 254 employees were paid dividends totalling N\$3.8 million (October 2023: N\$3.5 million).

Non-executive directors' fees

Non-executive directors do not participate in any STI or LTI nor employment contracts with the company. The Group reviews their fees annually and submits it to shareholders for approval.

Non-executive director fees reflect the directors' roles and membership of the board and its committees.

The resolution relating to non-executive director fees for the 2026 financial year is in the notice of the AGM, which is available online.

	N\$ annual retainer	N\$ attendance per meeting	No. of meetings
Board of directors	130,600	25,000	4
Board audit, risk and compliance committee	45,200	28,550	4
Group board remuneration committee	22,200	14,275	4
Group board nominations committee	22,200	10,700	4
Group board human resources committee	22,200	10,700	4
Group board investment committee	22,200	10,700	4
Group board social and ethics committee	22,200	17,850	3
Group board information technology committee	22,200	12,500	4

A 75% premium is paid to the chairperson of each of the committees and boards. Furthermore, the independent non-executive chairperson of Capricorn Group Ltd is paid an annual retainer of N\$765,000.

Remco is comfortable with the consistent application of the Remuneration Policy in 2025, without any deviations and with the policy's successful achievement of its objectives. Continually reviewing the policy and practices is vital to ensure alignment with the Group's strategic direction and market best practices.



Part four: Future considerations for human capital and remuneration practices

We need to invest in our people throughout the employee lifecycle by creating an environment that fosters engagement and motivation, and contributes to our growth. Aligning our talent investment strategy with the Group strategy.

The human capital ecosystem must consider multiple dimensions to ensure sustainable change and impact. The forward-looking view for remuneration is centred around the following key themes:

Leadership capability investment

One of the Group's strategic choices is based on leadership. Leaders are key to implementing effective people practices and shaping the organisational culture. The programme focuses on all levels of leadership with the aim to enhance Capricorn Group's legacy. The Group wants to be recognised as an organisation that creates a positive impact for its employees, customers and ecosystems.

Read more about the Group's strategy on page 32.

Strategy integration into performance practices

Incorporating strategy into the performance elements is critical to execution. Work was done on translating strategy into performance objectives, and the impact is notable in the engagement survey, where understanding of strategy scored very high. When employees understand their role in strategy execution, the link to remuneration and reward is clearer.

Talent investment

We need to invest in our people throughout the employee lifecycle by creating an environment that fosters engagement, motivation, productivity and continuous learning, all of which contribute to our growth. Aligning our talent investment strategy with the Group strategy is vital for driving sustainable business impact rooted in our organisational culture and leadership focus. An effective remuneration strategy ensures we have the appropriate reward mechanisms to attract and retain top talent. It is a key element of the employee value proposition.

The Group undertook in-depth stakeholder engagement and a comprehensive review during the year, which informed the consideration of potential policy and practice changes for implementation in 2026.

DE&I

Diversity, equity and inclusion are strategic choices, and as such, the remuneration strategy is built on a foundation of equitable practices and inclusivity, considering various domains of diversity. Our vision is to create an inclusive, diverse, and equitable workplace rich in diverse leaders and talent. We are embedding more visible DE&I practices into the employee experience to fully harness DE&I as a source of competitiveness and sustainability. We will continue to focus on creating an equitable workplace where all employees feel engaged and where they belong. This is being supported by improving data analysis of people practices and policies based on internal and external customer and stakeholder feedback. If employees are treated equitably, they will treat others the same.

More detail about our DE&I progress can be found on page 45.

A focus on culture

The foundation for all people practices is a human-centric culture that drives purpose and positive change as the basis for an organisational culture that sets the tone for what is valued (openness, dedication and inspiration as critical values). The Group has reviewed The Capricorn Way, first launched in 2017, through extensive research, focus groups and analysis of feedback and outcomes received.

A full implementation and change approach have been crafted to ensure that we adopt a human centric culture that is practical. This will result in a culture that resonates with the employees through an emotional connection, supports inclusivity, creates a positive experience and fosters engagement. It will guide our leadership development programme content, how performance is contracted and how talent is retained and developed. When a company's remuneration strategy aligns with its culture, it creates a powerful, self-reinforcing system that drives both performance excellence and sustainability.

Closing remarks

As we conclude this remuneration report, I would like to extend my heartfelt gratitude to all our stakeholders for their unwavering support and trust in Capricorn Group. As the incoming chairman of the Group Remuneration Committee, I am proud to present a report that highlights our commitment to fair, competitive, and performance-driven remuneration practices that align with our strategic objectives and corporate values.

Our remuneration framework is designed to attract, motivate, and retain the best talent, ensuring that we continue to drive sustainable growth and create long-term value for our stakeholders and shareholders. We have made significant strides in enhancing our remuneration practices over the years, incorporating principles of fairness, competitiveness, and performance. Our focus on transparency and responsible corporate governance remains steadfast.

Looking ahead, we remain dedicated to refining our remuneration framework to ensure it remains fit for purpose in an ever changing, dynamic and competitive environment. This includes enhancing our variable pay structures, refining our job grading methodology as well as recognising and rewarding scarce and critical skills.

We will continue to invest in our people, recognising their contributions and supporting their growth and development. Our focus on leadership capability investment, strategy integration into performance practices, and talent investment will drive sustainable business impact rooted in our organisational culture and leadership focus. By continuing to embed visible DE&I practices into the employee experience, we aim to create a diverse, and equitable workplace that fosters inclusion and growth.

I would also like to take this opportunity to thank our previous chairperson for her invaluable contribution and leadership. Gida Sekandi's dedication and vision have laid a strong foundation for our current and future initiatives, and we are grateful for her service.



Daniel Kali

Chairperson: Group remuneration committee



Appendices

Group shareholding

Analysis of shareholders on 30 June 2025

Distribution of shareholding	Number of shareholders	% of shareholders	Number of shares	% of shares
1 – 99	13	0.3%	690	0.0%
100 – 499	167	4.5%	39,108	0.0%
500 – 999	1,039	27.7%	603,648	0.1%
1,000 – 1,999	678	18.1%	803,898	0.2%
2,000 – 2,999	338	9.0%	770,717	0.1%
3,000 – 3,999	149	4.0%	489,836	0.1%
4,000 – 4,999	101	2.7%	433,696	0.1%
5,000 – 9,999	469	12.5%	2,900,414	0.6%
10,000 and above	793	21.2%	512,343,344	98.8%
Total shareholders	3,747	100.0%	518,385,351	100.0%
Namibian residents	3,685	99.5%	518,043,997	99.9%
Non-resident of Namibia	62	0.5%	341,354	0.1%
Category				
Corporate bodies	83	2.2%	261,860,023	50.5%
Private individuals	3,492	93.2%	41,579,063	8.0%
Pension funds and medical aid societies	24	0.6%	158,682,480	30.6%
Nominees and trusts	148	4.0%	56,263,785	10.9%

Beneficial shareholding of 5% or more	
Capricorn Investment Holdings Ltd	41.6%
Including the effective shareholding of Mr JC Brandt	19.1%
Government Institutions Pension Fund	26.9%
Nam-mic Financial Services Holdings (Pty) Ltd	8.1%

Shareholder structure	Number of shareholders	% shareholding
Shares held by the public		26.9%
Directors' direct and indirect shareholding		1.6%
Directors of subsidiaries and executive management's direct and indirect shareholding		20.3%
Shareholders holding 10% and more, excluding those held by directors.		48.3%
Capricorn Group Employee Share Ownership Trust, excluding those held by directors and executive management		2.2%
Capricorn Group Employee Share Benefit Trust		0.7%
Total		100.0%

Shareholders' diary

Financial year-end

30 June 2025

AGM

5 November 2025

Results

Announcement of interim results for the half-year ended 31 December 2025

26 February 2026



Glossary of terms

AGM	Annual general meeting	IFRS	International Financial Reporting Standards
AML	Anti-money laundering	<IR> Framework	The IFRS Foundation's Integrated Reporting Framework
ATM	Automatic teller machine	IFC	International Finance Corporation
AUM	Assets under management	IT	Information technology
BARCC	Board audit, risk and compliance committee	King IV™	The King IV Report on Corporate Governance™ for South Africa, 2016
Board	Board of directors	LISP	Linked investment service provider
BSEC	Group board sustainability and ethics committee	LTI	Long-term incentive
CAM	Capricorn Asset Management	NAMFISA	Namibia Financial Institutions Supervisory Authority
CEO	Chief executive officer	Nasdaq	National Association of Securities Dealers Automated Quotations
Companies Act of Namibia	The Companies Act of Namibia, 28 of 2004	NGO	Non-governmental organisation
CPD	Continuous professional development	Nomco	Group board nominations committee
CSP	Conditional share plan	NPL	Non-performing loan
CSR	Corporate social responsibility	NSI	Namibia Standards Institute
CUTM	Capricorn Unit Trust Management Company	NSX	The Namibian Stock Exchange
DSQ	Determinants of Service Quality	POS	Point-of-sale
Exco	Executive committee	Remco	Group board remuneration committee
EMT	Executive management team	ROE	Return on equity
Foundation	The Capricorn Foundation	SAR	Share appreciation right
GBITC	Group board information technology committee	SDGs	United Nations Sustainable Development Goals
GDP	Gross domestic product	SME	Small and medium-sized enterprise
GPRO	Group principal risk officer	STI	Short-term incentive
HR	Human resources	TGP	Total Guaranteed Pay



Notes

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



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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