



IMPACT, ESG & SUSTAINABILITY REPORT 2023

Summit Private Equity Fund I



Content

Investment Manager – Report Card	4
Summit Private Equity Fund I in Numbers	5
Our ESG and Impact Objectives and How Investors Enable Scale	6
Our Impact and ESG Management Frameworks, Partners, Processes and Investment Lifecycle	
Summit's Approach to Impact and ESG Management	12
Investment Lifecycle Application	13
Collaboration and Monitoring Tools to improve Impact and ESG reporting	14
Summit PRI Assessment Report – 2023	16
Our Commitment to Climate Change and 2023-2025 Action Plan	
The Paris Agreement & the Task Force on Climate-related Disclosures	18
Portfolio Companies and the Summit 2023 – 2025 Climate Action Plan	20
Our Impact Themes, Fund Targets and ESG Practices	
Our Investment Philosophy & Fund Objectives	23
Our Environmental, Social and Governance Practices	24
Fund Impact Themes Unpacked	26
Fund Impact Target & Objectives	28
Our Commitment to Gender Equality, Diversity and Inclusion	27
Summit Private Equity Fund I Report Card	
Fund – Sector Deployment Summary	33
Fund - Portfolio Summary	34
Fund - Impact Report Card	35
The Summit Africa Foundation	36
Portfolio Company Report Cards	
Interpreting a Portfolio Company's Impact and ESG Report Card	41
Crestcare – Impact Outcomes and ESG practices	42
Zoutpansberg Private Hospital – Impact Outcomes and ESG practices	45
Apex Surgicentre – Impact Outcomes and ESG practices	48
Efficient Group – Impact Outcomes and ESG practices	51
Newbridge Graduate Institute – Impact Outcomes and ESG practices	54
Life Path Health – Impact Outcomes and ESG practices	57
Custom Capital Finance – Impact Outcomes and ESG practices	60
Nelspruit Surgiclinic – Impact Outcomes and ESG practices	63



2023 was another extraordinary year for Summit, in particular as it relates to delivering on our Impact objectives. In December, we opened the expanded Zoutpansberg Private Hospital (rebranded to Crestcare Zoutpansberg), increasing its capacity from 32 beds and one theatre to 92 beds and four theatres. At a cost of c.R230 million (the Fund investment was c.R178m), the expansion will result in the facility being able to increase the number of patients being treated from c.4 000 to c.10 000 per annum. More significantly, Crestcare Zoutpansberg will be introducing several new specialist services, reducing travel time for the local and adjacent communities to access such medical treatment from between 2-4 hours to a matter of minutes. We elaborate further on Crestcare Zoutpansberg's impact outcomes on page 27.

The Fund's investment in Custom Capital Finance ("CCF") and the subsequent registration of a Debt Note Program with RMB increased CCF's ability to provide rental finance and invoice discounting solutions to Small Micro and Medium Enterprises (SMMEs) during 2023. Over 2,583 SMME's utilised this funding in 2023. We elaborate further on CCF's impact outcomes on page 61.

Newbridge Graduate Institute ("NGI") successfully broadened the demographic of students at four of its campuses, increasing the number of students being taught from 1 605 (2022) to 2 255 (2023). A noteworthy achievement for NGI in 2023 was securing c.R24 million student bursaries from sponsoring corporates, which enabled 500 previously disadvantaged individuals to access quality tertiary education at NGI. Further information regarding NGI is detailed on pages 56-58.

Life Path Health ("LPH") successfully opened its 36-bed St Catherine mental health hospital in Pietermaritzburg, Kwazulu-

Natal, contributing to the undersupply of mental health beds in South Africa. At present, South Africa has a capacity of 39 beds per 100 000 people, which is short of the OECD Countries' average of 68 and the Gauteng Department of Health's recommendation of 80 beds per 100 000 people.

In addition, the Fund concluded its first major liquidity event for investors, through the sale of Boutique Collection Investments, a subsidiary of the Efficient Group to Apex Group. The sale resulted in a substantial distribution to investors and a Distribution to Paid-in Capital (DPI) of 66.9% as of 31 Dec 2023.

Alongside our impact outcomes, we were recognised as the **Best ESG Fund of the Year** at the SuperReturns Africa GP Awards.

The year ahead

ESG and Impact will continue to be an area of priority focus for Summit (as the investment manager) and the Fund's portfolio companies.

We look forward to the opening of the new 88-bed and three-theatre Crestcare Malmesbury Hospital, which is targeted to be commissioned in Q3 2024, and the continued growth of NGI through the opening of new campuses.

Tomi Amosun

Managing Partner & Head of Investments

COMMENTS FROM OUR ESG & IMPACT TEAM

In 2023, we remained committed to applying principles and processes outlined in our Operating Principles for Impact (OPIM) Disclosure Statement.

Several group and individual training sessions were conducted for portfolio companies, covering aspects such as building an ESMS framework, Governance practices, and introducing the Fund's objectives regarding climate change.

Through the training, quarterly reporting, and regular ESG monitoring meetings, we noticed an overwhelming increase in focus from each of the Fund's portfolio companies regarding matters of ESMS and

Governance, especially as it relates to the portfolio companies' making the ESG principles understood throughout the company.

Time and resource constraints remain two of the biggest challenges for portfolio companies, in implementing robust and complete ESMS practices, especially for smaller portfolio companies. To address these constraints, in 2023 we developed a Governance Toolbox for portfolio companies to use and an ESMS Toolkit for portfolio companies in the healthcare sector. These are further elaborated on in the following page.

This report provides various Impact and ESG reporting summaries for Summit, the Fund, and each portfolio company of the Fund. It includes summaries regarding Governance (pg. 26), Transformation, Diversity & Inclusion, the 2X Challenge (pg. 32), and TCFD (pg. 21).

The Fund Impact Report Card (pg. 36) provides an overview of the Fund's performance against the more than ten impact targets across each of our three impact themes: (A) Job Creation, (B) Community Upliftment, and (C) Transformation.

The report has been expanded to provide the outcome of our PRI evaluation (pg. 17), detailing that Summit's score in all three categories was significantly above the industry average. We also include a section on Summit CSR activities indicating how this ties back into our impact objectives.

We remain grateful for the guidance and support we receive from our ESG and Impact framework partners and, above all, for the effort that each of the Fund's portfolio companies makes to adopt and implement ESMS frameworks.

ESG & Impact Team

Investment Manager's Report Card at 31 December 2023



Summit Summary

Impact Target	Social return
Location	Sandton
SASB Sector	Financial
SASB Industry	Asset Management & Custody Activities

Fund Salient Terms

Final closing date	September 2021
Fund - start date	April 2019
Fund - end date (term 10 years)	March 2029
Investment period - until	June 2024

Geography	South Africa & 15% CMA
Committed capital	R1.615 billion
Total drawn amount	R1.132 billion
Total capital invested	R 923 million

Partner Framework



Summit selected IRIS+ Impact targets

Access to affordable Quality Healthcare (SDG3)	3 GOOD HEALTH AND WELL-BEING
Access to affordable Quality Education (SDG4)	4 QUALITY EDUCATION
Financial Inclusion (SDG8)	8 DECENT WORK AND ECONOMIC GROWTH

Governance & Compliance

Summit Board & non-exec	3 / 2
King IV governance framework adopted	✓
Data Protection Policies	✓
Whistle Blowing Policy	✓
Anti-Corruption Policy	✓
Conflicts of Interest Policy	✓
Risk Management & Compliance Program	✓
Cybercrime Prev. & Incident Management. Plan	✓

Capital Invested + Approved

2023 – invested, approved, allocated	R995.8m
2023 - invested	R923.0m
2022	R849.6m
2021	R308.0m
2020	R280.4m
2019	R 4.0m

Impact Theme Target Alignment

	2020	2021	2022	2023
--	------	------	------	------

(A) Employment

Employees	11	12	12	14
Staff turnover	-1	2	-1/+1	-1/+3

(B) Community Upliftment Number of investments per sector

Healthcare	1	3	4	5
Education	0	0	1	1
Financial Services	1	1	2	2
TOTAL	2	4	7	8

(C1) Transformation¹

BEE rating	2	2	2	2
Black ownership	65%	65%	65%	65%
B-BBEE recog. spend	80%	77%	70%	70%
% Black employees	54%	50%	50%	50%
% Black exc. & senior mgmt.	75%	71%	71%	71%
Skill dev. spent – black people	0	0	0	0

(C2) Diversity & Inclusion (and 2X)

	2020	2023
--	------	------

% Women ownership

Total	64%	64%
Black	29%	29%

% Women staff

Total	58%	58%
Management	0%	0%
Board	67%	67%

% Black Women staff

Total	25%	25%
Management	0%	0%
Board	67%	67%

2X The Orange bar indicates that the 2XChallenge criteria have been fulfilled.

Introduction to Summit

Established in 2016, Summit PE Investment Managers ("Summit"), is a black-owned and managed impact investment manager. We are passionate about providing alternative investment solutions that deliver above-benchmark risk-adjusted financial returns whilst contributing meaningfully to the Social and Economic Development of local communities, and the advancement of Diversity, Inclusion and Transformation.

Against this background, our first fund, the Summit Private Equity Fund Partnership's (the "Fund") investment mandate and target sectors are the Healthcare sector, the Education sector, the Financial Services sector and the ICT Services sector (specifically FinTech, EduTech and HealthTech) in South Africa and the rest of the Common Monetary Area ("CMA").

ESG initiatives in 2023

We developed a proprietary King IV-aligned Governance Toolbox for portfolio companies, which includes a board charter, terms of references, a board work plan, a policy register, and over 25 policy templates (e.g., compliance, risk, stakeholder, etc.). We also integrated the Toolbox into an online project management system, to assist adoption and management of the governance framework by portfolio companies.

For the healthcare sector portfolio companies, we commenced developing an ESMS Toolkit for healthcare facilities, in conjunction with IBIS Consulting. The Toolkit is aligned with the IFC and World Bank standards and includes an overarching ESMS policy and several supplementary policies and registers. The Toolkit will be finalised and rolled out in 2024.

The year ahead

In relation to the Fund, we look forward supporting the various portfolio companies in their adoption of the Governance Toolkit and the ESMS Toolkit (where applicable).

The implementation of our Climate Action Plan will also be a key priority in the year ahead. This will collectively and individually assist Summit and the portfolio companies to define and progress our objectives regarding climate change.

The Summit Private Equity Fund I in numbers

@ 31 December 2023



Fund Performance IRR p.a.

51.80% before costs & fees

32.12% net of costs & fees



Fund Capital

Committed Capital **R1.62bn**

Invested Capital **R1.09bn**



No. of Investments

Healthcare **5**

Financial Services **2**

Education **1**

Total Revenue for all portfolio companies **R2.85bn**

Employees & Gender Lens

Total employees **1 226**

% women employees **70.2%**

% black women employees **40.1%**

% women board members **24.4%**



Healthcare



Hospital facilities **12**

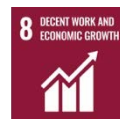
Number of beds **405**

Patients treated** **20 606**

Maternity cases** **1 895**



Financial Services



Saving clients **60 662**

Assets under advice, management, consulting **R39.2bn**

Insurance clients** **6 775**

SMMEs financed** **9 027**



Education



Total learners **3 135**

No. of bursaries awarded** **500**

Value of bursaries awarded** **R24m**

No. Higher-end education courses **26**

**These numbers represent the Impact achieved since the inception of the Fund. The balance of the numbers are values as at 31 December 2023



OUR ESG & IMPACT OBJECTIVES

How Investors Enable Scale

Our ESG and Impact Objectives – And How Investors Enable Scale



At Summit Africa, we care about people, which is why we actively seek investments that are aligned with Impact outcomes. Our Summit Africa ethos is that:

Growth + Impact = Extraordinary outcomes



We are proud of the portfolio companies that drive positive change through their actions by embracing the ethos of: "growth + impact = extraordinary outcomes".

Here, we highlight how portfolio companies have integrated "doing good" into the heart of their organisation and the Impact they have on the communities they serve.



The stories illustrate what Impacts are being achieved by the Fund and its investors. The section on Summit Additionality indicates how through the Fund, Investor capital is used to achieve an even more significant Impact.

Custom Capital Finance aiding SMMEs

Enabling market access for black women owned SMMEs

Many Small, Micro and Medium Enterprises ("SMMEs") struggle to access the necessary funding for growth. For female entrepreneurs building a business in male-dominated fields such as mining, engineering, and security, these challenges can be even greater.

Custom Capital Finance ("CCF") fills this gap by providing alternative lending solutions tailored to SMMEs, including rental financing, invoice discounting, and cash advances. CCF supports entrepreneurs with quick approvals and flexible terms, helping them scale operations and stay competitive. Here are two inspiring examples of female entrepreneurs thriving in male-dominated fields.

Buletsa Trading CC: Expanding Horizons in the Mining Sector



Novelwano Letsoela

Founded in 2010, Buletsa Trading CC ("Buletsa") is an engineering services company based in Alberton, South Africa. Led by Novelwano "Novi" Letsoela, Buletsa specialises in dust emission control solutions, primarily serving the mining industry.

Buletsa offers air pollution control systems and related services to ensure efficient and environmentally friendly operations, along with engineering components and maintenance services. Novi has been dealing with Rustenburg Platinum Mines ("RPM") for the past 14 years.

In 2023, Buletsa was awarded a larger contract from RPM, necessitating additional financial support. CCF stepped in with a R7.5 million invoice discounting facility, which enabled Buletsa to meet the contract conditions and secure the project.

The financial support from CCF was crucial for Buletsa, allowing the company to handle the larger contracts and paving the way for future growth. This partnership highlights the importance of accessible funding solutions for SMMEs, enabling them to seize new opportunities and contribute to economic development.



Summit Additionality

Through the Fund's investment, Summit, with Rand Merchant Bank, developed a R2 billion debt note program for CCF. With this increased access to debt capital, CCF will provide alternative lending to over 10,000 new SMMEs over the duration of the Fund's investment.

**During 2023 CCF financed
2 583 new SMMEs**

Ithuba Umsundu Security: Ensuring Safety and Growth



Samantha Govender

Founded in 2014, Ithuba Umsundu Security Proprietary Limited ("Ithuba"), is a South African company offering comprehensive security and facilities management services. Led by Samantha Govender, who is the 100% shareholder and sole director, the company is committed to promoting Broad-Based Black Economic Empowerment. Ithuba provides integrated solutions that ensure functionality, safety, and efficiency by combining people, place, process, and technology. They emphasise service excellence and offer flexible, reliable services tailored to client needs.

Following their acquisition of National Fire & Security, Ithuba sought additional financial support to facilitate their growth. CCF got involved and provided a R5 million invoice discounting facility activated in December 2023. This facility allowed Ithuba to manage its cash flow effectively despite its debtors' book exceeding R20 million.

CCF's financial support enabled Ithuba to expand its operations and secure larger contracts, demonstrating the essential role of alternative financing in helping SMMEs grow and thrive. This partnership illustrates how targeted financial solutions can empower businesses and women entrepreneurs to achieve their goals and drive positive economic impact.

Life Path Health

Breaking Free of Addiction







Photo: Esti Matthee (left) and Social Worker Frances Bantom (right) at Pines Clinic

Breaking free from addiction is a challenging journey that requires support, care, and determination. Life Path Health ("LPH") plays a crucial role in offering safe, structured environments for detoxification and comprehensive treatment.

LPH's healthcare facilities provide medical supervision, counselling, and support groups, essential for recovery from addiction. By reducing the stigma associated with addiction and offering aftercare programs, LPH enhances the chances of successful rehabilitation and reintegration into society. One such inspiring story of breaking free from addiction is that of Esti Matthee, a mother and wife from Stellenbosch, Cape Town.

Esti's struggle with addiction began at the young age of 12, leading to heroin use and eventually a severe methamphetamine, or tik, addiction that spanned eight years. "I started experimenting with drugs at age 12, which eventually led to heroin use later in life," she recalls. "But it was my addiction to tik that led to my lowest point in life." Despite only trying methamphetamine once, she found herself hooked, living a secret life of lies and deception to sustain her addiction. Hitting rock bottom, Esti found herself contemplating suicide. However, the thought of her nearly two-year-old daughter pushed her to seek help. Determined to change her life for her daughter's sake, Esti booked herself into Pines Clinic, one of LPH's facilities for addiction treatment. Unlike previous rehabilitation attempts where she manipulated her way out, something clicked this time.

Upon arrival at Pines Clinic, Esti immediately felt at ease, describing the environment as more of a hotel than a hospital. "The people were extremely friendly and comforting," she says. There, she found a mentor in social worker Frances Bantom, who continues to assist in her daily recovery. Since her treatment, Esti has achieved remarkable milestones. She completed an Addiction Counsellor Certification from ACCSA and a Certificate in Polyvagal Therapy with horses. She also leads monthly motivational sessions for patients at Pines Clinic, sharing her story and insights. "The life skills I learned during treatment helped me to get back into society and eventually give back to the community," she admits. Esti advises other addiction patients to surrender to the treatment program fully, absorb it like a sponge, build a relationship with God for strength, and continue taking prescribed medication. Having been sober for six years, she dreams of offering Equine-Assisted Therapy on her farm one day.



Summit Additionality

The Fund's impact thesis for LPH is to increase the number of mental health and addiction facilities during the next three years, including in township and peri-urban areas. The last two LPH facilities were opened in Soweto and in Pietermaritzburg, both of which have been very successful in serving the local community.

During 2023, LPH treated 6 659 mental health and addiction patients

NewBridge Graduate Institute:

Blazing New Paths & Helping Students Prepare for Meaningful Careers



Photo: Onalenna Dawn Ditle

Higher education has the power to change lives, opening up new opportunities and helping individuals build brighter futures. Institutions like NewBridge Graduate Institute ("NGI"), Dawn was able to pivot and channel her passion for sports into new directions.

Now in her third year of the National Diploma in Sport Management, she's excelling academically and gaining the confidence to carve out a career in the sports media industry. Dawn received a bursary from NGI and Summit Africa to help fund her education, but it is her sheer determination and the support of



Summit Additionality

At December 2023, NGI operated six campuses. As part of the impact thesis, NGI will open at least two more campuses over the life of the Fund's investment.

During 2023, NGI secured R24m in corporate sponsorship, enabling 500 students to study

the NGI eco-system that have truly made a difference. By breaking down barriers and fostering talent, NGI is helping students like Dawn thrive and create brighter futures for themselves and their communities.

Crestcare Zoutpansberg Hospital

Making a Dent in the Backlog of Public Health Service Delivery

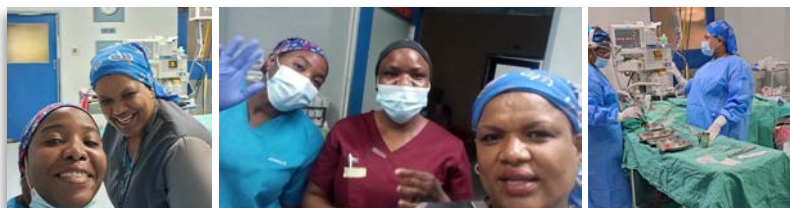


Photo: Crestcare Senior Registered Nurse Eileen Matshabe, Registered Professional Nurse Fancy Mphoweni, and Enrolled Nursing Assistant Florita Mawela

Crestcare Zoutpansberg Hospital ("CZH" or "Crestcare Zoutpansberg") recently participated in the Rural Health Matters Outreach Program in the Vhembe District, an initiative launched by the Limpopo Department of Health to address the backlog in public health service delivery. The outreach program benefits individuals in disadvantaged communities by providing vital health services and improving access to essential healthcare facilities.

CZH contributed to this worthy cause by providing operating theatre sets, including tonsillectomy and myringotomy sets, and volunteer staff members. The dedicated team from CZH included Senior Registered Nurse Eileen Matshabe, Registered Professional Nurse Fancy Mphoweni, and Enrolled Nursing Assistant Florita Mawela. These professionals supported and assisted the surgical team led by Dr J Khosa and Dr N Sithole, both ENT specialists from Polokwane Provincial Hospital.

During several days of intensive work at Tshilidzini Hospital, a public hospital, the team successfully completed 27 surgical cases. Their efforts were met with high praise from the community and the healthcare professionals involved, including Unit Manager Sr. Sophie and Dr. M Ndwambi. This collaboration not only addressed immediate healthcare needs but also fostered stronger relationships between Crestcare Zoutpansberg and the public health sector.

Reflecting on the experience, one of the CZH staff members expressed their gratitude in a personal and heartfelt manner: 'It was a truly rewarding experience to assist the community of Vhembe District. Our efforts were highly appreciated by the Unit Manager, Sr. Sophie and Dr. M Ndwambi. We are grateful to Crestcare Zoutpansberg for this opportunity to build relationships with the public sector.'

Efficient Group

Empowering Future Leaders: Efficient Group's Internship and Training Programs



Photo: Karabo Mankoe

Financial inclusion ensures everyone can access reliable, affordable financial products and services. This includes products or services to enable long-term goals like education, starting a business, or saving for retirement. Efficient Group ("EFG") is committed to enhancing financial inclusion through its Wealth Academy Internship Programme and Ulwazi Educational Trust. These initiatives break remove financial barriers to education and localise financial inclusion. Since 2018, the Trust has invested in the education and skills development of previously disadvantaged individuals, especially young black women under 35, as defined by

the B-BBEE Act.

One shining example of the impact of EFG's programs is Karabo Mankoe. Reflecting on her journey, Karabo says, "My experience at the Wealth Academy as an intern was a deciding factor for which career path I wanted to follow in the financial services industry.

As someone who came into the internship program not knowing what exactly I wanted, I can proudly say that the internship paved the way for me. I went from being a Paraplanner intern to a Financial Advisor Technical Intern to a Junior Wealth Manager, and there has been so much growth. I am still learning about the industry and the position I am currently in. All I can say is that in this industry, you never stop learning, and that is the most exciting part."



Summit Additionality

During 2023, CZH had 578 maternity cases utilising in its 32-bed and one theatre facility. As part of the Fund's Impact thesis for ZPH, a follow-on investment of c.R170 million was made to increase the capacity of the CZH to 92 beds and three theatres. This will provide increased capacity for maternity cases and other specialised services (please refer to ZPH Report Card). The expanded hospital opened in December 2023.

During 2023, CZH treated 4 469 patients. This expanded facility will increase this number by x2.5



Summit Additionality

An aspect of the Fund's impact thesis is for EFG to further diversify its financial advisory product offering to previously disadvantaged communities. It includes training more black financial advisors who can service these communities.

During 2023, EFG provided financial services products to 3 755 new clients

By providing training and opportunities to black financial advisors, EFG is not just transforming the industry but also fostering a diverse and inclusive financial landscape. Capable of serving their clients in their respective languages, these advisors are instrumental in enabling financial inclusion for people previously excluded based on their language, culture, and level of knowledge.

Innovative Care at Apex SurgiCentre Soweto

Empowering Women's Health and Women's Choice



Photo: Novelwano Letsoela

For many women, the ability to bear children is a cherished dream. Paula Cangi had been married for 15 years without children, and at 44, she faced a severe health crisis that threatened this dream.

In 2019, Paula experienced prolonged menstrual bleeding, severe pain, and heavy clots. Her gynaecologist bluntly suggested a hysterectomy. Determined to keep her uterus in the hope of still having children one day, Paula sought a second opinion from another gynaecologist who prescribed medication that stopped the bleeding and regularised her periods.

Despite initial stability, fibroids caused Paula's bleeding to return after four years. Fearful of losing her uterus, she hesitated to seek help until her family doctor, Dr. Pupuma, informed her about a non-invasive procedure available at Apex Soweto Day Hospital. This procedure, fibroid embolization (UFE), offered hope without the need for a hysterectomy.

At Apex Soweto Day Hospital, a thorough examination by a gynaecologist and radiologist team qualified Paula for the UFE procedure. On August 10, 2023, Paula underwent the intervention. The procedure involved inserting a catheter through a vein in her wrist to deliver small particles that block the blood supply to the fibroids, causing them to shrink. Paula woke up with only an IV tube in her wrist and no other incisions. She was discharged the same day and quickly resumed normal activities.

Today, Paula is free of pain and abnormal bleeding, with her uterus intact. Grateful for the innovative care at Apex Soweto Day Hospital, she shares her story to inspire others facing similar challenges. Paula's experience highlights the importance of having access to affordable and quality healthcare, and experienced healthcare practitioners who truly listen and use innovative techniques to empower women's health and choices.



Summit Additionality

Crestcare, one of the Fund's portfolio companies has been appointed as the hospital manager for Apex. Crestcare has implemented several operations processes within Apex

**During 2023, Apex served
939 patients**



IMPACT & ESG MANAGEMENT

Frameworks, Partners, Processes and
Investment Lifecycle

In formulating our approach to Impact and ESG management, we recognise that although the two practices are interrelated, each is distinguishably different in its objectives, investment management processes and targeted outcomes.

We continue to maintain our investment management practices in line with our various Partner Frameworks, which focus on individual components of Impact and ESG management. When taken in aggregate, our Partner Frameworks ensure alignment between the two disciplines (Impact and ESG management) for Summit.

Our Impact themes are aligned with the United Nations Sustainable Development Goals ("SDGs").

Impact Framework Partners

Along with being a signatory to the Operating Principles for Impact Management ("OPIM"), Summit is a member of the Global Impact Investing Network ("GIIN"), which adopts the Impact Reporting and Investment Standards ("IRIS+") and the Impact Management Project ("IMP"). In addition, we are a member of the 2X Challenge.

We use these complementary frameworks collectively, combined with the South African National Development Plan 2030 ("NDP"), to (i) set the Fund's Impact targets and (ii) develop our Impact investment management processes and reporting standards.

OPIM

OPIM's nine Impact Principles inform the design and implementation of our Impact management system, ensuring that we fully integrate Impact considerations throughout our investment lifecycle.

GIIN & IRIS+

Through our GIIN membership, we have access to a diverse global network of leading Impact investors and industry information, tools, and resources, which we have used to

guide and enhance our ability to make and manage Impact investments.

IRIS+ has enabled us to translate our Impact intentions into Impact results.

Companies create positive and negative effects on society and the environment. As an Impact investor seeking to maximise the positive and minimise the negative, we use the IRIS+ system to identify and integrate social and environmental factors into investment decisions, alongside risk and return.

Impact Management Project (IMP)

To make Impact management more structured and consistent, the IMP has developed the five dimensions of Impact management - WHO, WHAT, HOW MUCH, CONTRIBUTION and RISK. As used by IRIS+, these Impact dimensions have enabled us to refine our Impact themes and the Fund's targets better. In addition, we use the dimensions to (i) set our Impact assessment criteria and evaluation methodology, (ii) create value-added action plans for each portfolio company, and (iii) develop Impact reporting categories.

ESG Framework Partners

Concerning ESG, Summit is a signatory to and has adopted the principles and standards of the Principles for Responsible Investments ("PRI"). In addition, we are a member of the Value Reporting Foundation's Sustainable Accounting Standards Board ("SASB") and actively use the International Finance Corporations ("IFC") 2012 performance standards and related toolkits.

SASB

SASB provides a framework for investors to evaluate how companies manage the environmental, social, and governance (ESG) factors that impact financial performance.

As part of our ESG due diligence and ongoing monitoring processes, we use SASB's Materiality Map® to identify sustainability issues that will likely affect a portfolio company's financial condition or

operating performance within an industry. We incorporate SASB's Five Dimensions and 26 General Issue Categories, which are industry-specific, into our proprietary ESG evaluation toolkit and processes. The SASB Five Dimensions include Environment, Social Capital, Human Capital, Business Model & Innovation and Leadership & Governance.

IFC & ILO

In addition, the IFC Performance Standards, the ILO labour standards and basic terms and conditions of employment guide the Fund's ESG evaluation framework.

Using the IFC Performance Standards framework, we specifically evaluate and score each portfolio company's E&S management systems (ESMS) in line with IFC Performance Standard 1.

Signatory to:



Operating Principles for
Impact Management

Signatory of:



Principles for
Responsible
Investment



Investment Lifecycle application

Whilst fully integrated, our Impact and ESG processes are separate in measurement, value addition, reporting and outcome. To ensure we deliver on both, the Impact and ESG practices throughout our investment lifecycle have been designed as two parallel processes using our Framework Partners' best practices. For example, our Impact process (based on OPIM's Impact Principles) requires an investment manager to adopt a comprehensive ESG process within its investment lifecycle, which, in our case, is fundamentally aligned with the IFC Performance Standards.



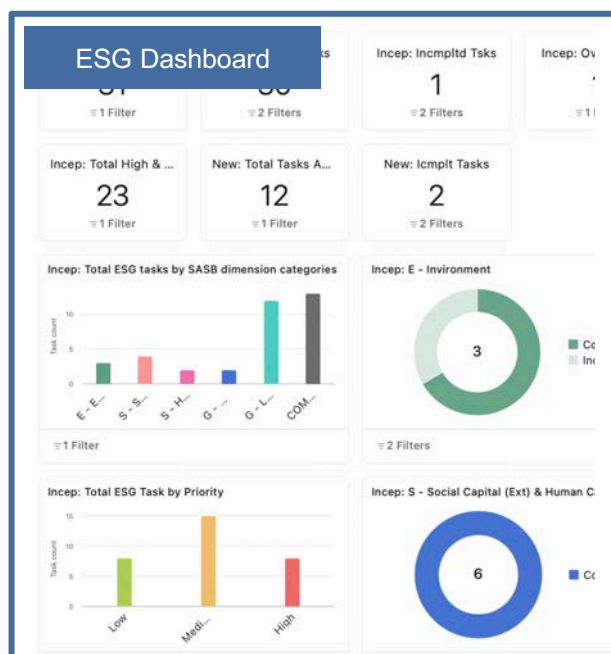
Collaboration and monitoring tools to improve Impact and ESG reporting

ESG VAAP Project Management

Developing sound ESG practices across all portfolio companies remains a continued priority. Our online project management and collaboration framework, which is used by Summit and portfolio companies to manage the ESG VAAP items (identified during the due diligence phase), has proven to be very successful.

Tracking: Portfolio companies regularly track their progress through the dashboard.

Meetings: During our regular ESG meetings with each portfolio company, the parties use the online framework to measure progress, set priorities and add new action items as required. During the reporting year, we started recording the notes of the meetings.



ESG Value Add Action Plan					
#	Task name	Gen Iss Cat	ESG Flag	Risk/Oppor...	Priority
E_Environment					
1	Construct energy policy	Energy Mgmt	E - ENVIRONMENT	No Risk	Low
2	Reducing energy consumption at Efficient offices	Energy Mgmt	E - ENVIRONMENT	No Risk	Low
3	Generator optimisation at Efficient offices	Energy Mgmt	E - ENVIRONMENT	No Risk	Low
S_Social Capital					
1	Construct Human Rights and Community Relations Policy	Humanright & Customer Priv	S - SOCIAL CAP	No Risk	Low
2	POPIA Optimisation	Data Security	S - SOCIAL CAP	Risk	Medium
3	POPIA Optimisation	Data Security	S - SOCIAL CAP	Risk	Medium
4	Construct a formal policy for selling practices to be applied at	Selling Prac.	S - SOCIAL CAP	No Risk	Low
S_Human Capital					
1	Gender Equality to be addressed in Top Management.	Empl Eq, D&I	S - HUMAN CAP	No Risk	High
2	Gender Equality to be addressed in Top Management.	Empl Eq, D&I	S - HUMAN CAP	Risk	High
3	Improve the BEE Rating for BCI and EB	BEE	G - BUS MDL & L...	Risk	High
G_Business Model & Innovation					
1	Investigate to what extent the current BCI investment manag	BusMod. Re...	G - BUS MDL & L...	Risk	High
G_Leadership & Governance					
1	Construct Business Integrity Policy	Bus. Ethics	G - LDRSHIP & GOV	No Risk	Low
2	Rotation of Auditors at Efficient	Bus. Ethics	G - LDRSHIP & GOV	No Risk	Low
3	Succession Planning needs to be addressed	Succ. Plan.	G - LDRSHIP & GOV	Risk	High
4	Construct Code of conduct for suppliers of Efficient	Bus. Ethics	G - LDRSHIP & GOV	No Risk	Medium
5	Include in policies - local authority reporting	Bus. Ethics	G - LDRSHIP & GOV	No Risk	Medium
6	Whistleblowing concerns - 3rd parties reporting	Bus. Ethics	G - LDRSHIP & GOV	No Risk	Medium
7	Whistleblowing policy needs to be reviewed	Bus. Ethics	G - LDRSHIP & GOV	No Risk	Medium
8	Anti-corruption report to Fund Manager	Bus. Ethics	G - LDRSHIP & GOV	No Risk	Medium
9	Whistleblowing training needs to be delivered	Bus. Ethics	G - LDRSHIP & GOV	No Risk	Medium
10	Anti-corruption reporting by Directors - policy to be	Bus. Ethics	G - LDRSHIP & GOV	No Risk	Medium
11	Reports on Anti-corruption to be constructed	Bus. Ethics	G - LDRSHIP & GOV	No Risk	Medium
12	Annual reporting to be prepared	Bus. Ethics	G - LDRSHIP & GOV	No Risk	Medium
G_Policy					
1	Develop Anti-Corruption policy and deliver training	BusMod. Re...	COM CAP TRCK	Risk	High
2	Develop an ESG Policy in Efficient	BusMod. Re...	COM CAP TRCK	Risk	High

Monitoring - Data collection and reporting framework

In addition to regular meetings with portfolio companies, we use our comprehensive ESG and Impact data collection tool to monitor the progress of each portfolio company.

Data is collected on each of the Fund's impact objectives (Job Creation, Community Upliftment, and Transformation Diversity and Inclusion).

Summary		Actuals 2023					
Description		Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23
(A) Job Creation and its D&I demographics							
Employees		107	106	111	124	128	171
Permanent employees		93	91	94	98	95	133
Temporary employees		14	15	17	26	33	38
Total number of NEW Jobs created by the investee (Accum. since Fund Investment)		8	7	12	25	29	72
Black employees		80	81	87	99	102	144
% of black employees		74.8%	76.4%	78.4%	79.8%	79.7%	84.2%
Women employees		98	98	104	115	119	157
% of women employees		91.6%	92.5%	93.7%	92.7%	93.0%	91.8%
Black women employees		76	77	83	94	97	135
% of black women employees		71.0%	72.6%	74.8%	75.8%	75.8%	78.9%
Employees with disabilities		0	0	0	0	0	0
% of employees with disabilities		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
(C) Transformation - Diversity & Inclusion							
(c1) Ownership / Senior management / Board							
Ownership - % black ownership (voting rights)		74.8%	76.3%	77.9%	74.4%	74.4%	74.4%
Ownership - % black women ownership (voting rights)		19.9%	20.4%	20.9%	19.7%	19.7%	19.7%
Management - Total # black executive and senior management		4	4	5	5	7	11
Management - % of black executive and senior management		36.4%	36.4%	41.7%	41.7%	50.0%	61.1%
Management - Total # black women executive and senior management		3	4	4	4	6	9
Management - % of black women executive and senior management		27.3%	36.4%	33.3%	33.3%	42.9%	50.0%
Management - Total # women executive and senior management		7	7	8	9	10	13
Management - % of women executive and senior management		63.6%	63.6%	66.7%	66.7%	71.4%	72.2%
Board - Total # Black Board members		3	2	2	2	2	2
Board - % black board members		42.9%	33.3%	33.3%	33.3%	33.3%	33.3%
Board - Total Number Black women board members		1	0	0	0	0	0
Board - % black women board members		14.3%	0.0%	0.0%	0.0%	0.0%	0.0%
Board - Total Number women board members		2	1	1	1	1	1
Board - % women board members		28.6%	16.7%	16.7%	16.7%	16.7%	16.7%
Board - Total Number directors NED		5	4	4	4	4	4
Board - % directors NED		71.4%	66.7%	66.7%	66.7%	66.7%	66.7%
2X Criteria							
1 ENTREPRENEURSHIP							
1A. Share of women Ownership (≥51%)		OR	61%	61%	62%	61%	61%
1B. Business founded by a women (Y/N)			N	N	N	N	N
Share of black ownership (≥50%)			75%	76%	78%	74%	74%
B			N	N	N	N	N
2 COMMUNITY UPLIFTMENT							
2A. Share of women ownership (≥51%)							
comment		OR	64%	64%	67%	67%	71%
2B. Business founded by a women (Y/N)			29%	17%	17%	17%	17%

Where relevant, data points are mapped to the IRIS+ impact category codes and the SASB codes.

Using over 120 data and analysis points, we track and report quarterly to Fund investors. In addition, the data reports are shared with Fund investors.

Training

During 2023, we completed several training initiatives, with portfolio companies (both group sessions and individual training sessions), with the focus on ESMS development to make ESG a focus within each portfolio company.

Aligned Focus

The combination of our online collaboration framework, ongoing training, regular monitoring meetings has resulted in an ever-increasing focus and energy on ESG at each portfolio company.



PRI Assessment 2023



Environmental

Membership

Summit Africa has been a member of the PRI since January 2019.

Reporting Periods

We have completed the PRI assessments for each of the reporting periods 2019 - 2023. The 2023 Assessment information was submitted in September 2023, and the report was published in December 2023.

Reporting Indicators

The PRI Reporting Framework has two types of indicator sections: Core and Plus. Core is mandatory and Plus voluntary. Summit has elected to complete both indicator sections.

Public Transparency

Some aspects of the PRI report are publicly available. PRI Signatories are given the option to either fully disclose all its information or only compulsory elements. Summit, per its OPIM Disclosure Statement, has elected to fully disclose all its information (Core & Plus) to the public.

What is Assessed and the Scoring

Policy Governance and Strategy

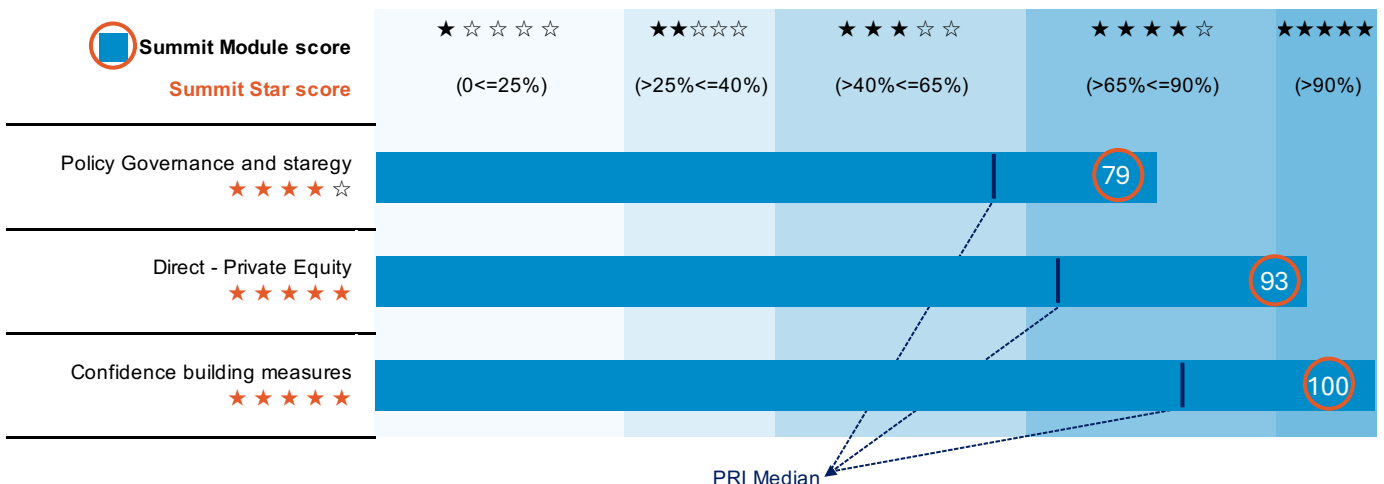
The Policy, Governance, and Strategy (PGS) module in the PRI Reporting Framework evaluates how investors integrate ESG considerations into their investment strategies. The assessment includes aspects like the development of ESG policies, governance oversight, and the alignment of ESG factors with strategic objectives. The PGS module plays a pivotal role in advocating for sustainable investment practices by placing significant emphasis on addressing pressing global issues such as climate change and human rights. For more detailed guidance on the PGS module, please refer to the PRI's official resource.

Direct – Private Equity

The Direct-Private Equity module evaluates private equity investors on various aspects of responsible investment. This includes the integration of ESG factors into decision-making processes, the implementation of active ownership practices, and the monitoring and outcomes of these investments. The module assesses how ESG considerations are applied across the entire private equity portfolio, focusing on transparency, engagement practices, and the effectiveness of ESG integration at both the fund and portfolio company levels. This ensures a comprehensive approach to responsible investment in private equity.

Confidence building measures

The Confidence Building Measures module in the PRI Reporting Framework focuses on enhancing the credibility of signatories' ESG disclosures. This module assesses the verification processes used by organisations to ensure the accuracy and reliability of their ESG reporting. Key elements include the use of internal audits, third-party verifications, and other assurance practices to validate ESG information provided in the reports. The module aims to build trust among stakeholders regarding the transparency and integrity of the reported ESG practices.



Summit's Public Transparency Report can be accessed from both the PRI and Summit Africa websites.

About the PRI Report

PRI reporting is the largest global reporting project on responsible investment. It was developed with investors, for investors.

PRI signatories, are required to report publicly on their responsible investment activities each year. In turn, they receive a number of outputs, including an Assessment Report.

The Assessment Reports support signatories to have internal discussions about their practices. They facilitate learning and development by outlining how signatories' responsible investment practices compare year-on-year, across asset classes, and with peers at a local and global level. This Assessment Report is an export of the scores for all the assessed indicators and modules responded to in the PRI Reporting Framework during the 2023 reporting period.



COMMITMENT TO CLIMATE CHANGE

Our Commitment & 2024 – 2026 Action
Plan

At Summit, we recognise the importance of addressing the significant and ongoing changes in the Earth's climate system, largely attributed to human activity.

Everyone must contribute to making a difference

We recognise that addressing climate change requires a collective effort from all sectors of society, including governments, businesses, and individuals, to transition towards a more sustainable, low-carbon economy. This involves reducing greenhouse gas emissions, transitioning to renewable energy sources, improving energy efficiency, and promoting sustainable practices throughout the supply chain.

TCFD – a framework we aspire to

At Summit, we recognise that the TCFD's recommendations provide a set of guidelines for organisations to disclose their exposure to climate risks, including physical risks (such as extreme weather events), transition risks (such as policy and regulatory changes, shifts in consumer preferences, and technology advancements), and litigation risks (such as lawsuits related to environmental impacts). The TCFD framework also encourages organisations to disclose their strategy for managing these risks and seizing opportunities associated with transitioning to a low-carbon economy.

The TCFD framework encourages organisations such as Summit and the Fund's portfolio companies to disclose our exposure to climate risks. Importantly, it urges organisations to disclose their strategy for managing these risks and seizing opportunities related to the transition to a low-carbon economy. The TCFD's recommendations are designed to help investors, lenders, and insurance underwriters better understand the financial impacts of climate change and the transition to a low-carbon economy.

The four core TCFD elements of climate-related financial disclosures include, Governance, Strategy, Risk Management and Metrics and Targets.



Measuring carbon footprint

TCFD recommends that companies measure and report their greenhouse gas (GHG) emissions across all three scopes, as defined by the Greenhouse Gas Protocol.

SCOPE 1 - Direct emissions from sources owned or controlled by an organisation. Examples include emissions from the combustion of fossil fuels in boilers or vehicles and emissions from chemical reactions in production processes.

SCOPE 2 - Indirect emissions from the consumption of purchased electricity, heat, or steam. These emissions are associated with the generation of electricity, heat, or steam purchased by the organisation. Examples include emissions from coal-fired power plants or natural gas power plants.

SCOPE 3 - Indirect emissions from sources not owned or controlled by an organisation but related to its activities. These emissions include a broad range of activities, such as upstream emissions from the production of purchased goods and services, downstream emissions from the use and disposal of products sold, employee commuting, and business travel.

Being cognisant of challenges faced by our Investees

Measuring the scope of greenhouse gas (GHG) emissions in South Africa can pose several challenges, including: (i) lack of data, (ii) limited technical and resource capacity within organisations (including Summit and the Fund's portfolio companies) regarding the measurement and report of GHG emissions, (ii) unreliable energy infrastructure, with frequent power outages, resulting in the introduction of generators, introducing another level of complexity in measuring Scope 1 emissions and (iv) limited regulatory frameworks.

Our commitment to Climate change

Africa emits less than 4% of global greenhouse gas (GHG) emissions, which starkly contrasts individual countries like the United States of America at 19% and China at 23%. The low carbon contribution of Africa is primarily due to having the largest global population group (75%) of people without access to electricity.

Despite this, the continent is projected to be among the hardest hit by climate-related impacts due to various factors, including climatic conditions, poor governance, and low levels of industrialisation and development.

Due to these and other factors, Summit recognises its role and that of the Fund's portfolio companies in combatting climate change. In this context we acknowledge that our contributions, no matter how small, will contribute toward addressing the objectives detailed in the Paris Agreement.

▲ Summit's Scope sub-categories selection

In formulating our commitment to Climate Change, Summit completed a high-level evaluation of our business and that of the Fund's portfolio companies.

In doing the evaluation and crafting a plan of action, we considered the challenges detailed above and that neither Summit nor the Fund's portfolio companies can perfectly measure all Scope 1 to 3 emissions.

Notwithstanding the challenges and standing firm on our commitment to contribute to Climate Change, we have identified six sub-categories, which as a collective, are the major emission contributors for the Fund's target sectors, and that we believe can be measured and managed over time.

The Scope sub-categories include:

SCOPE 1

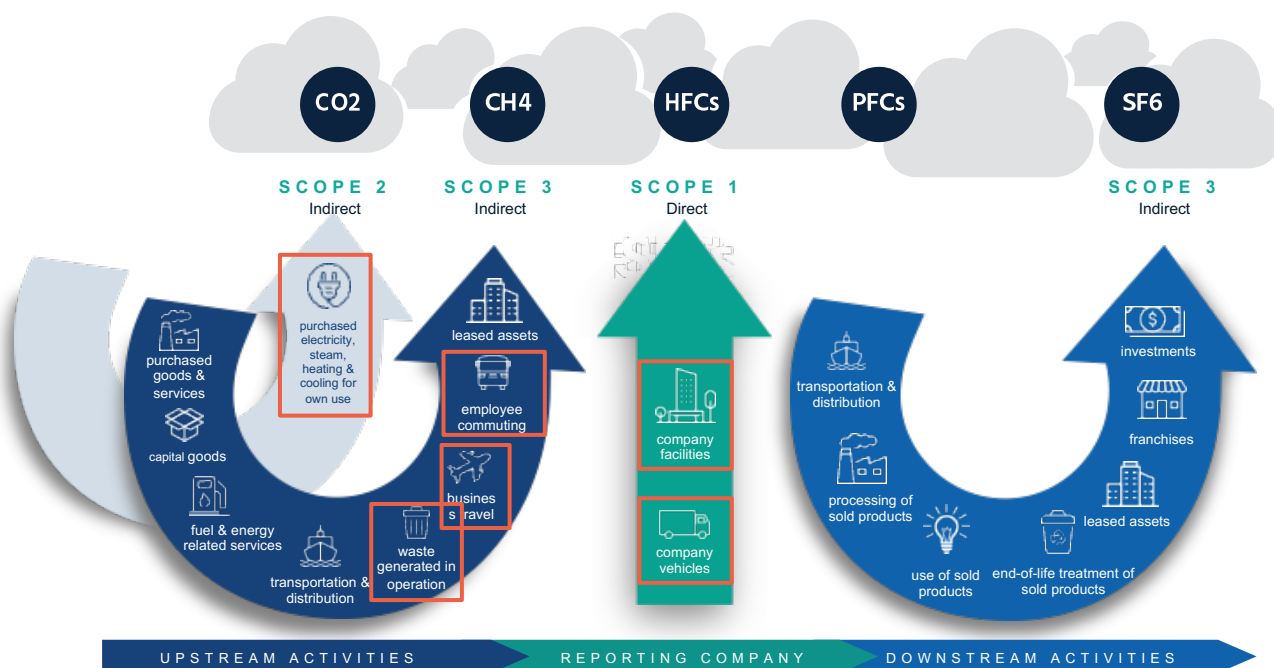
- 1.1 Power generated at owned offices or offices where a portfolio company is a sole tenant in a triple-net lease (i.e. responsible for building operations). Sub-let offices where power generation is the responsibility of the landlord will be included where possible, but can be more challenging; and
- 1.2 Company vehicles.

SCOPE 2

- 2.1 Power purchased from the grid (Eskom).

SCOPE 3

- 3.1 Business Travel (Flights);
- 3.2 Waste Generation and Disposal; and
- 3.3 Employee Commuting – if measurement is feasible.



Progress regarding our Climate Action Plan



GROWTH WITH IMPACT

In formulating our 2024-2026 Climate Action Plan, we looked to understand the extent to which Summit and each of the Fund's portfolio companies contribute toward each of our selected Scope sub-categories. The table below details:

- **Company facilities:** Owned versus rented offices.
- **Generators:** Owners or tenants who directly influence the use and monitoring of generators - flagged by a **Y** or **N**.
- **Company vehicles** and the (Number). Usage classification includes Little, Somewhat or Lots.
- **Waste:** All companies have waste. Waste generation is classified as Hardly (any), Little, Somewhat or Lots.
- **Business Travel Air** has been classified in terms of the numbers of flights per annum: Hardly (<25), Little (26-50), Somewhat (51-75) and Lots (75+).
- **Business Travel Vehicle** where staff use their vehicles: Hardly, Little (for odd meetings), Somewhat (several clients and or site visits) and Lots (ordinary course of business, such as Reps and Independent Financial Advisors (IFA)).

Summit & Investee	SCOPE 1			SCOPE 3		
	Offices	Generators	Comp. Vehicle	Waste	Business Travel	
					Air	Vehicle
Summit	Rented – small space in large office building	N - Landlord responsibility. Six green star rated.	None	Hardly	Hardly	Little
Crestcare	Rented – small space in large office building	N - Landlord responsibility	None	Hardly	Hardly	Somewhat
Crestcare Zoutpansberg	Owned	Y – it has generators	None	Lots - hazardous medical & general waste	None	None
Apex Surgicentre	Rented – one of several tenants	Y – Landlord responsibility – Apex has oversight	None	Little - hazardous medical & general waste	None	Hardly
Efficient Group	Owned & Rented	Y – for owned N – for rented	None	Somewhat – paper mostly	Hardly	Lots (for the IFAs)
NewBridge Graduate Institute	Campuses - Owned (3) & Rented (3)	Y – for owned Y – for rented	Y (8)	Somewhat – paper and general waste	Little	Hardly
Life Path Health	Rented	Y – for rented.	Y (1)	Lots - general waste	Hardly	Somewhat (site visits)
Custom Capital Finance	Rented - small space in large office building	N - Landlord responsibility.	None	Hardly	Hardly	Lots (for the Reps)
Nelspruit Surgi Centre	Owned – small 15 bed hospital	Y – it has generators	None	Little - Hazardous medical & general waste	None	None

In line with our 2024-2026 Climate Action Plan, our focus in 2023 was (i), where possible, recording Scope 1 consumption (electricity procured from ESKOM,) (ii) understanding generator usage, (iii) completing a Scope analysis per portfolio company, and lastly (iv) finalising our 2024-2026 Climate Action Plan. The four biggest consumers of energy in the Fund's current portfolio are Crestcare Zoutpansberg Hospital ("**CZH**"), Life Path Health ("**LPH**") with their nine hospital facilities, Efficient Group and NewBridge Graduate Institute.

Portfolio company	Energy Consumption Comments
Crestcare Zoutpansberg	<p>CZH have tracked both their Grid (Eskom and Scope 2) and Generator usage during the course of the year. CZH Scope 1 energy consumption was kWh 2 366. 57% of total energy consumed came from on-site generators with fuel and maintenance costs totalling R969,193 for the year. The increase in load shedding had a substantial impact on CZH in 2023.</p> <p>Generators that typically run for 250 hrs in a year (2019) now clock these hours in a month. To ensure emissions are minimised, the generators are serviced every 250 hrs (at the moment, monthly). As part of our ESG review we checked the maintenance records of the generators to ensure proper upkeep, which will result in emissions being kept as low as possible. The expanded hospital building has been built using energy-efficient technologies (no solar).</p>

Life Path Health		<p>LPH have tracked their energy consumption at each of their 9 facilities during the reporting year. For 2023, LPH Grid (Eskom and Scope 2) consumption was kWh 627 735. Generator (Scope 1) consumption was kWh 513 602 at a cost of c.R2.2 million.</p> <p>Seven of the nine LPH sites have heating systems designed to reduce energy consumption, including variable refrigerant volume (VRV) systems linked to the central storage vessel to supply hot water (three sites), solar heating (two sites) and heat pumps (two sites).</p>
NewBridge Institute	Graduate	<p>Since the Fund's investment (and NGI's simultaneous acquisition of Centurion Academy), NGI's focus has been on improving academic and operational capacity across the merged NGI and Centurion Academy business (please refer to the NGI report for more details), a process which continued throughout 2023.</p> <p>NGI will commence tracking energy data from Q2-2024. NGI has implemented a 3-day campus week (2 days are online teaching), thus reducing student travel and energy usage for 2 days a week. NGI is investigating options for cost-effective, clean-energy solutions (solar) to ensure that its owned campuses are equipped to deal with the energy challenges encountered by load-shedding.</p>
Efficient Group		EFG continues exploring the opportunity of installing solar energy solutions at its head office in Centurion. During Q4-2023, the decision was made to amend the Pretoria office building plans to accommodate the proposed solar solutions. Although solar is not an option at EFG's Belville office, LED lights were installed to reduce energy consumption, as reported in 2022..
Nelspruit ("NSC")	Surgiclinic	NSC's main source of energy is from the Grid (Scope 2) which is kWh 108 035, predominantly 99% of the main energy source throughout 2023.

Climate Action Plan 2024 – 2026 ("CAP")

Summit's CAP overarching objectives include **awareness** (understanding what emissions we contribute), **management** and **mitigations** (reducing emissions as far as possible).

We recognise that neither Summit nor portfolio companies are major emission contributors. Notwithstanding, we understand the role we can play in addressing Climate Change. Our CAP is designed to deliver the utmost impact, efficiently.

The CAP has the following three core components:

- Implementation of the TCFD framework and aligning each portfolio company with its specific principles. In essence, this will include Summit and each of portfolio company establishing a Climate Change policy, with a focus on: (i) creating a governance framework, (ii) implementing strategies to reduce emissions., (iii) making Climate Change part of the risk assurance model and process, and monitoring consumption for each of Summit's selected Scope sub-categories. The framework will address the four core TCFD elements of Governance, Strategy, Risk Management and Metrics and Targets.

- Implementing a standardised data collection process. Part of this process will include defining data collection points (for example, hours of air travel) and the conversion methodologies (total emission generated from each hour of travel) to determine total emissions for the portfolio company. For example, the South African emission factor for grid electricity is currently 0.954 tCO₂e/MWh, which represents the average carbon intensity of the country's electricity mix. This factor considers the proportion of electricity generated from different sources, such as coal, natural gas, nuclear, and renewable energy. In addition, the Air Transport Association provides a standard emissions factor of 0.0895 kg CO₂e per kilometre flown per passenger for the average airline operation.

The portfolio company will record the data monthly, which Summit will collect quarterly. Our ESG Team will review and verify the data. Part of this verification process will include reviewing the board's conduct concerning consumption trends and implementing agreed strategies.

- Finding and deploying technology that tracks activities such as employee commuting (where applicable), business travel, etc.

Climate Action – Project Plan	2023	2024				2025			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Finalise the Summit and Fund Climate Change Framework	80%								
Define the data points for each Scope sub-category	started								
Define emission computation rules									
Roll-out of the CAP Framework to portfolio companies									
Portfolio companies design their Climate Change Framework (per TCFD) based on the Summit selected Scope sub-categories. Includes policy, processes, etc.									
Portfolio companies to roll-out their Framework									
Commence High-level data collection - Scope 2 Grid + Generators/Other	started								
Reporting on Scope Grid 2 + Generator/Other	started								
Selection of technology for collecting carbon footprint data	started								
Roll-out technology									
Collection of all Scope sub-categories data using tech solution									
Report on all Scope sub-categories									



OUR IMPACT THEMES

Fund Targets & ESG Practices

Summit targets specific Impact themes. These themes focus on resolving some of South Africa's most pressing social needs.

Our Investment Philosophy

In line with our vision statement of "creating significant social and economic transformation of communities through innovative solutions that deliver sustainable value for all stakeholders", our investment philosophy embodies the following overarching principles:

- As responsible stewards, we strive to provide investment solutions that create sustainable value for Fund investors, the companies we invest in and the communities they serve, whilst protecting the planet.
- We define "sustainable value creation" as investing in companies that create long-term value by acting on both opportunities and risks associated with economic, environmental, and social developments.

The Fund's Overarching 'Social Return' Objectives

The Fund's overarching objective is to deliver risk-adjusted financial returns and **tangible social returns** by investing in Healthcare, Education, Financial Services and mission-critical ICT Services ("Target Sectors").

Using the Theory of Change principles, our investment framework sets out the Fund's long-term Impact themes and targets.

We selected the Impact themes within each Target Sector to address the pressing social needs within these sectors in South Africa.

Healthcare

Increase **access to affordable quality healthcare** and specialist healthcare services predominantly in the township, rural and peri-urban areas.



Education

Promote and make **quality and affordable education, training and learning** more accessible for mostly previously disadvantaged individuals ("PDIs").



Financial Services

Promote **financial inclusion** amongst previously disadvantaged individuals through tailored product development and targeted distribution. And promote **financial inclusion** for SMMEs through alternative finance products and services.



ICT

Provide ICT services/ solutions that support the Fund's financial and social return objectives by enabling scale, growth, differentiation, and optimisation for investments within the Target Sectors.

Alignment with the. SDG Targets

In line with Summit's vision, Investment Philosophy and the Fund's impact themes, the Fund's primary sustainable development goals (SDG) targets include Good Health and Well-being (SDG3), Quality Education (SDG4), Decent Work and Economic Growth (SDG8), and Reduced Inequalities (SDG10).

Secondary sub-targets include Gender Equality (SDG5) and No Poverty (SDG1).

Primary



Secondary



Impact Themes

The Fund's impact objectives focus on delivering quality healthcare, quality education and financial inclusion.

In addition, the Fund focuses on delivering job creation, transformation and diversity and inclusion, in line with the South African National Development Plan 2030,

A | Job Creation

Through its investments, the Fund will look to create new permanent jobs and temporary jobs for mostly PDIs.



B | Community Upliftment

Targets relate specifically to each Target Sector, and the targets are guided by the Impact Reporting and Investment Standards ("IRIS+").



C | Transformation Diversity & Inclusion

This theme seeks to align with the South African National Development Plan 2030, the various Broad-Based Black Economic Empowerment codes, and the 2x Challenge.



Our Environmental, Social and Governance Practices

Our reference frameworks for evaluating and managing E&S matters are the (i) IFC eight Performance Standards, (ii) British International Investments ("BII") Code for Responsible Investing, (iii) BII Toolkit for Fund Managers, (iv) ILO, (v) PRI, (vi) SASB, (vii) local legislation, and (viii) other frameworks. In addition, we identify common and recurring sustainability issues (risks and opportunities) for each 'Sector' and 'Industry' using the SASB Materiality Map ©.

Our ESG & ESMS Toolkit and ESG review process

We utilise our proprietary ESG evaluation toolkit using the above mentioned frameworks. The Toolkit has over 600 questions that evaluate E&S risks/opportunities, Environmental and Social Management Systems ("ESMS") and Governance practices for a portfolio company.

A subset of the Toolkit is used in the pre-screening process. A thorough ESG and ESMS assessment is completed during the due diligence process, with the outcomes focused on detailing the current state of a target company's E&S and Governance practices, identifying areas of ESG risk and ESG opportunities, with these culminating in an ESG Action Plan ("ESG VAAP").

IFC Performance Standards (PSs)

Each portfolio company is assessed (initial and ongoing through the life of the investment) against each of the PSs. PS 1-4 are most applicable to the Fund's investment portfolio. Each comprehensive review (initial and ongoing) explicitly identifies critical risks and opportunities per PS, which we report in detail in all our investment papers and reports.

The outcome of each review informs the ESG VAAP. In addition, the findings (the Toolkit itself) and ESG reports are shared with the portfolio company in question and form the basis for planning and training.

PS1 – Risk Management

Using the IFC's ESMS Toolkit and its nine elements of effective E&S management, we evaluate the status of a portfolio company's E&S practices. We identify each portfolio company's commitment, capacity and track record and use the findings to inform the ESG VAAP. In addition, portfolio company board and management training is conducted with specific focus on PS1 and the nine elements of effective E&S management. Through this

process, portfolio company's are encouraged to allocate the ESMS responsibility to a dedicated person within their organisation, with an initial focus on understanding the leading E&S practices and then developing an ESMS policy.

PS2-4 – Labour, Resource Efficiency & Community

Where hospital expansions or greenfield hospital developments are to be undertaken by a portfolio company, our E&S analysis extends to the full scope of the intended expansion or development and includes Land Resettlement (PS5). Before any construction activity, the resulting pre-emptive action plans and related processes are implemented.

For example, we appointed dedicated Operational Health and Safety and Environmental specialists to help manage social and environmental matters during the Crestcare Zoutpansberg expansion. Each specialist was briefed on the E&S standards adopted by the Fund and the resulting policies and framework aligned with the framework and standards (IFC and others) adopted by Summit.

ESMS Rating

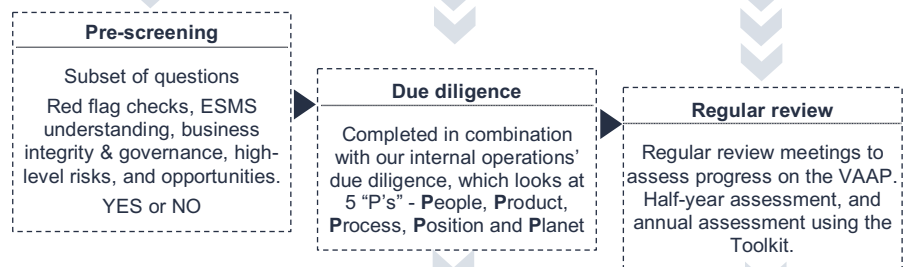
A complete E&S Management System is the key to addressing E&S risks and opportunities. Therefore, as part of our regular reviews, we assess each portfolio company's ESMS framework against the IFCs ESMS rating framework.

5	E&S policies and procedures are clearly communicated internally and externally. Senior management commitment to continual improvement.
4	Full set of E&S policies, procedures and records are centrally maintained and routinely reviewed. Wide awareness in the company.
3	Policies and procedures are in place, meeting selected E&S standards. Sporadic communication, implementation, and review.
2	Policies are in place, meeting selected E&S standards. Sporadic, conflicting, or confusing procedures.
1	Limited E&S policies in place.
0	No E&S standards were adopted. No related policies and procedures.



Guides the assessment criteria and questions in our Toolkit

The Summit proprietary ESG & ESMS evaluation Toolkit
600 questions – sector specific



Evaluation Report and ESG & ESMS VAAP

- maps the portfolio company against IFC PS, Global Compact, Five dimensions of SASB
- evaluates its ESMS and governance practices
- identifies risks and opportunities; and
- sets out a detailed ESG VAAP, with benchmarks

ESG Rating

A portfolio company's ESG assessment results in a rating (high, medium & low) based on the current level of ESG risk that the portfolio company faces within its operations.

The rating will consider specific industry risks as highlighted through the SASB Materiality matrix (for example, data protection and cyber-crime) and or the stage of operations of a portfolio company (for instance, Crestcare Zoutpansberg's expansion introduced potential environmental and social risks). In addition, the ESG VAAP addresses medium and high-rated risks/opportunities, and these aspects are closely monitored.

Governance & Compliance

At Summit, we understand that governance is a journey, not a destination.

Corporate governance is concerned with balancing economic and social goals and in addition, individual and communal goals.

"The governance framework is there to encourage the efficient use of resources and equally to require accountability for the stewardship of those resources. The aim is to align the interests of individuals, corporations, and society." (Sir Adrian Cadbury, UK, Commission Report: Corporate Governance 1992)

Summit's Governance Practice

Summit is an authorised Category II Discretionary Financial Services Provider (FSP 48417) regulated by the Financial Sector Conduct Authority (FSCA).

We have implemented a robust governance framework that enforces transparency. Furthermore, we subscribe to the principles, policies and governance framework of King IV and ILPA, including the following principles: Ethical culture, integrity, Transparency, Accountability, Competence and Independence.

Our board and investment committees always have a majority of independent non-executive members.

In addition, we have appointed Independent Compliance Services as our independent compliance officer, who conducts monthly reviews on Summit and reports directly to the FSCA.

Our policy framework, consisting of over 45 policies, is designed to deliver on our

commitment to good governance and sustainability principles and practices.

Portfolio company Governance Practices

"The overarching objectives of King IV is to make corporate governance more accessible and relevant to a wider range of organisations and to be the catalyst for a shift from a compliance-based mindset to one that sees corporate governance as a lever for value creation" (Mervyn King)



As part of our due diligence process on potential portfolio companies, we assess the extent a potential portfolio company complies with King IV. In doing so, we have developed a list of minimum requirements that a portfolio company must comply with to ensure its framework aligns with the King IV recommendations.

Minimum framework requirements

- Governance Framework
- Board Charter & Annual Work Plan
- Policies Register
- Board Committee Charters, including Terms of Reference
- Delegation of Authority Framework
- Board Appointment and Diversity Policy
- Directors Induction & Training Policy
- Remuneration Policy
- Board & Committee Evaluations
- Stakeholder Engagement Policy & Plan
- Combined Assurance Risk Register, which incorporates E&S aspects.

The above list does not include the full compliance framework concerning other policies to be adopted by a portfolio company and is focused only on the board's operations.

Assessment

The post-ESG VAAP for each portfolio company will highlight any gaps in the governance framework of the portfolio company.

Through regular board meetings and ESG reviews, we assess a portfolio company's compliance with the framework.

Report Card

Each portfolio company report card indicates the percentage level of King IV adoption within the portfolio company.

We have adopted a simple rating:

100% holds regular board and committee meetings and has a high adoption of the 'minimum framework', and the board actively addresses ESMS and ESG.

85% holds regular board and some committee meetings and has a medium adoption of the 'minimum framework, and the board actively addresses ESMS and ESG.

75% holds regular board and some committee meetings and have a medium adoption of the 'minimum framework.

50% holds regular board meetings and adopt the minimum framework only rarely (usually only at the time of investment).

The reporting period 2023

The adoption of King IV 'type' governance is at various levels within the Fund's portfolio companies. The core reason for this relates to the stage of the portfolio company within its lifecycle (i.e. developing or mature) and the timing of other aspects of the ESG VAAP. As an example, the expansion at Crestcare Zoutpansberg introduced several temporary additional operational requirements, impacting timing for adoption of King IV type governance for the period of the expansion. The merging of NewBridge and Centurion Academy's operating and teaching environments, although very successful, also allowed for only a limited implementation of the governance framework initially.

Noteworthy in reporting is that all portfolio companies understand the value of the governance framework, and each, with Summit, is committed to attaining the required standards.

The table below illustrates each portfolio company's current rating.

	2021	2022	2023
Crestcare	50%	75%	75%
Crestcare Zoutpansberg	50%	75%	75%
Efficient Group	100%	100%	100%
Apex Surgicentre	50%	50%	60%
NewBridge	----	50%	60%
Life Path Health	----	50%	60%
Custom Capital Finance	----	50%	65%
Nelspruit Surgiclinic	----	----	50%






Fund Impact Themes, Impact Principles & Fund Impact Targets



GROWTH WITH IMPACT

The Three Impact Themes unpacked

The Summit Private Equity Fund I's Impact themes are as follows:

A Job Creation	Cross-cutting Theme (SDG 1 – No Poverty & SDG 8 – Decent Work & Economic Growth)		
B Community Upliftment Sector specific	Healthcare  Access to Quality Affordable Healthcare (SDG 3)	Education  Access to Quality Affordable Healthcare (SDG 4)	Financial Services  Financial Inclusion for individuals and SMMEs (SDG 8)
C Transformation & Diversity & Inclusion	Cross-cutting theme Primary focus – Reduced Inequalities (SDG 10) & Secondary focus – Gender Equality (SDG 5)		
Climate Change	This IS NOT an Impact Theme of the Fund - Rather it is a commitment.		

(A) Job Creation

Job creation is measured across all portfolio companies using the Jobs Fund's monitoring framework. Job creation, BBBEE status, black people and black women ownership, senior management, skills development & apprenticeships, and enterprise and supplier development are monitored and reported to the Jobs Fund quarterly, with job creation audited independently on an annual basis.








(B) Community Upliftment

Selecting specific Impact strategic goals

As a member of GIIN, we use the IRIS+ framework to determine Impact categories specifically as it relates to our Impact theme, (B) Community Upliftment. IRIS+ is a catalogue of generally accepted metrics that measure social, environmental, and financial performance to support transparency, credibility, and accountability in Impact measurement practices.



IRIS+ identifies several Impact categories per sector. Using this framework, we have selected the Impact categories per sector (refer to the table below), and investments are pre-qualified in terms of which Impact category it falls under. In addition, as part of our desktop evaluation and pre-acquisition Impact due diligence, we use the Impact Management Project's five dimensions of Impact (Who, What, How Much, Contribution and Risk) to evaluate the extent that prospective portfolio company will contribute toward each of the three Impact Themes.

Healthcare 	Education	Financial Services 
The IRIS+ Access to Quality Healthcare Impact categories adopted by the Fund include:  <ul style="list-style-type: none"> Increasing Consistent Supply of Essential Services and Products Increasing Access to Medical Diagnostics Reducing Financial Barriers to Health Services 	The IRIS+ Access to Quality Education Impact categories adopted by the Fund include:  <ul style="list-style-type: none"> Improving the Successful Transition of Youth into the Workforce and Society Improving the Quality of Teaching and Learning Environments 	The IRIS+ Impact Target Financial Inclusion Impact categories adopted by the fund include:  <ul style="list-style-type: none"> Financial Inclusion - increased savings, measured through Value of Voluntary Savings Account Improving Access to and Use of Responsible Financial Services for Historically Underserved Populations Supporting Decent Jobs and Fostering Economic Development Increasing Gender Equality through Financial Inclusion

(C) Transformation, Diversity & Inclusion



Transformation

We use the generic BEE Codes as our framework for measuring and managing the achievement of Transformation objectives within portfolio companies. Each portfolio company is required to develop a transformation plan within 3 - 6 months of the Fund's investment. The plan is monitored and reported to Fund Investors bi-annually.

In addition to the Fund's portfolio companies' BBBEE equity ownership, specific targets include (i) BBBEE rating, (ii) black board representation, (iii) black executive and senior management representation, (iv) number of black employees, (v) skills development expenditure on black employees and (vi) development of products and services for PDIs.



Diversity & Inclusion

Summit signed up to the 2X Challenge in 2021, and as such, the Fund's diversity and inclusion objectives include the 2X Challenge aspects.

The 2X Challenge was launched at the G7 Summit 2018, as a bold commitment to inspire DFIs/IFIs and the broader private sector to invest in the world's women.



We are a signatory to the Operating Principles for Impact Management (the "Impact Principles")

Signatory to:



The Impact Principles are designed to measure integrity and increase transparency. As an Impact-focused investment manager, we welcome continued adoption of the Impact Principles.

Principle 4 of the Impact Principles requires that Summit, where possible in advance, quantify the concrete, positive potential impact that will be derived from each investment made by the Fund. Each assessment should use a suitable results measurement framework that aims to answer the fundamental questions: (i) **What** is the intended Impact? (ii) **Who** experiences the intended Impact? (iii) **How** significant is the intended Impact?

As part of the investment selection process, each opportunity is assessed against the five dimensions of Impact: **What** (the type of Impact), **Who** (target beneficiaries), **How Much** (how many and how much will be benefitted), **Contribution** (our value-add capability to assist with the Investee realising the targeted objectives), and **Risk**. High-level Impact targets are set per Investee.






Each investment paper contains a comprehensive multi-dimensional evaluation of the investment opportunity, further detailing how the investment will contribute to each of the Three Impact Themes (specific Investee targets) and Fund targets.

As an active investor, we establish value-add contribution activities for each portfolio company, which can maximise the Impact outcomes of investments. These value-add activities are detailed in the investment papers and are actively managed using our project management tool.

Risk factors identified are rated, and mitigation strategies are disclosed in the investment papers.

Impact objectives for each portfolio company are monitored quarterly. The data categories are mapped to the IRIS+ Impact categories to the extent possible.

Our dedicated ESG and Impact Team collects, evaluates, and reports on the Impact data and related objectives.

Impact Dimension	Impact question each Dimension seeks to answer
 WHAT	<ul style="list-style-type: none">What outcome occurs in the period?How important is the outcome to the people (or planet) experiencing it?
 WHO	<ul style="list-style-type: none">Who experiences the outcome?How underserved are the affected stakeholders in relation to the outcome?
 HOW MUCH	<ul style="list-style-type: none">How much of the outcome occurs – across scale, depth, and duration?
 CONTRIBUTION	<ul style="list-style-type: none">What is the enterprise's contribution to the outcome, accounting for what would have happened anyway?
 RISK	<ul style="list-style-type: none">What is the risk to people and the planet if the Impact does not occur as expected?

In this Report, we provide a summary overview of each portfolio company's initial Impact assessment, across each of the five dimensions, updated for current performance.

The Fund Impact Targets & Objectives

By incorporating the two cross-cutting Impact Themes (Job Creation and Transformation, Diversity & Inclusion) into each of the Fund's sector-specific Impact Themes (Community Upliftment defined as (i) Access to Quality Healthcare, (ii) Access to Quality Education, and (iii) promoting Financial Inclusion), we have set clear and measurable Impact objectives to be achieved over the Fund's lifetime.

The targets are as follows:

A | Job Creation



Through its investments the Fund will look to create 2,000 permanent jobs (directly and indirectly) for mostly Previously Disadvantaged Individuals and 1,000 temporary jobs.

B | Community Upliftment



Using the IRIS+ data categories, we have selected the following impact objectives for the Fund. Each of these will translate into measurable Impacts for the people.

Healthcare Access to Quality Health Care	Target
% of the total Fund Commitments to be invested in Healthcare	30 - 35%
No of hospitals owned (including indirect through a portfolio company)	7
Number of hospital beds under management and ownership of the Fund	700
Number of new hospital beds commissioned by the Fund in peri-urban/rural/township areas	200

Following the IRIS+ framework specifically for healthcare, the Fund will monitor the number of patients treated, surgeries performed, attending Doctors, etc, across the various medical disciplines.

Education Access to Quality Education	Target
% of the total Fund Commitments to be invested in Education	30 - 33%
Number of learners to be given access to education during the life of the Fund	15 000
The pass rate of enrolled students	>70%
Number of students who are employed or self-employed 24 months after becoming qualified - i.e., students who completed their studies	>50%

Financial Services Financial Inclusion	Target
% of the total Fund Commitments to be invested in Financial Services	30 - 35%
Number of individuals served directly and who have savings/investment/financing (loan) access to financial products	50 000 +
Improving access to financial services products, in terms of demographics	New Services & Products
Number of financial transactions which support decent jobs and foster economic development	2 000

(C) Transformation, Diversity, and Inclusion



A development of a transformation plan is planned for each portfolio company within 3 - 6 months of the Fund's investment. Progress on the plan is monitored and reported to Fund Investors bi-annually.

The following Transformation, Diversity and Inclusion targets are set per portfolio company:

Transformation
Ownership – Black People, Black Women and Women
Diversity and inclusion
Number of full-time employees (growth)
Full-time Employees – Women/Male [black and non-black]
% Black executive and senior management
% Women executive and senior management
% Black women executive and senior management
% Black employees
% Women employees
% Black women employees
% Women board members
% Black women board members
Skill development expenditure on black people (Rm)
BEE rating
Enterprise and Supplier development
Total B-BBEE Recognized Spend (% of TMPS)

from the end of 2024 onwards, across all its investments, the Fund will target to serve annually:

30 000 patients

3 000 students

50 000 clients with savings





GENDER EQUILITY, DIVERSITY & INCLUSION

Our Commitment to Gender Equality



GROWTH WITH IMPACT

"If we are going to see real development in the world, then our best investment is Women!" Desmond Tutu

"Gender diversity is not just good for women; it's good for anyone who wants results." Melinda Gates

Our alignment with the 2X Challenge

At Summit, we firmly believe that women are agents of change in their families and communities.

Women's economic participation, ownership and control of productive assets speed up development, help overcome poverty, reduce inequalities, and improve children's nutrition, health, and school attendance (OECD).

This belief, coupled with our recognition of the importance and benefit of enabling transformation, informs our Diversity & Inclusion Policy, which sets Summit's gender and race targets:

- 65% black ownership
- 50% black staff
- 50% women staff

Our alignment with the 2X Challenge

In support of our Diversity & Inclusion Policy, Impact Theme (C) and SDG10, Summit subscribed to the 2X Challenge.

What is the 2X Challenge?

2X refers to the multiplier effect of investing in women. It demonstrates that innovative financing catalyses capital to advance gender equality.

The "2X Challenge" calls for the G7 and other DFIs to collectively mobilise investments that provide women in developing country markets with improved access to leadership opportunities, quality employment, finance, enterprise support, products, and services that enhance economic participation and access.

The 2X Challenge has determined five criteria that catalyse the advancement of women, including (1) Entrepreneurship, (2) Leadership, (3) Employment, (4) Consumption, and (5) Investment through financial intermediaries. Fulfilling one criterion makes an investment 2X eligible.

Informed by this outcome, we work with each portfolio company to set Transformation and Diversity & Inclusion Targets. In this report, we indicate each portfolio company's 2X Challenge scoring.

Our 2X Challenge categories

Of the five criteria, Summit fulfils three. On an aggregated basis, as of 31 December 2021, the Fund fulfilled one. Several portfolio companies fulfilled more than one.

Assessing alignment

Per our Impact Theme '(C) Transformation, Diversity & Inclusion, we evaluate prospective portfolio companies against the 2X Challenge criterion, which

includes a Basic Assessment, Governance & Accountability.

Evaluating & reporting

On a quarterly basis, we assess each portfolio company against the criterion. The tables on the following page summarise both Summit and the Fund's portfolio companies (on an aggregated basis) scoring for the periods 2021 to 2023.



2X Challenge

Gender Lense Report Cards – 2020 to 2023



Women ...



... in portfolio companies
workforces

2022 – 62%
2023 – 70%



... serving on
portfolio companies boards

2022 – 33%
2023 – 24%



... ownership in portfolio
companies

2022 – 35%
2023 – 42%

Summit as INVESTMENT MANAGER

(C2) Diversity & Inclusion

	2021	2022	2023
--	------	------	------

% Women ownership

Total	64%	64%	64%
Black	29%	29%	29%

% Women staff

Total	50%	58%	58%
Management	29%	0%	0%
Board	67%	67%	40%

% Black Women staff

Total	25%	25%	21%	<div><div></div></div>
Management	29%	0%	0%	<div><div></div></div>
Board	67%	67%	50%	<div><div></div></div>

FUND

(C2) Diversity & Inclusion

	2021	2022	2023
--	------	------	------

% Women ownership

Total	36.9%	40.9%	41.6%
Black	22.4%	19.6%	16.1%

% Women staff

Total	64.0%	68.6%	70.2%
Management	29.8%	32.4%	46.6%
Board	24.0%	26.5%	24.4%

% Black Women staff

Total	27%	35%	40%
Management	10.5%	9.9%	24.1%
Board	16.0%	11.8%	12.2%

2X Challenge

Per the 2X Challenge, the Fund must meet the Basic 2X Challenge requirements (including safeguarding) and the minimum Governance & Accountability requirements AND: (a) the Investment Manager must meet at least ONE of 2X Criteria (1-5) AND at the Portfolio Level, either 30% of portfolio companies at origination or 50% of portfolio companies by the end of the Fund's life must meet the 2X Criteria.

Governance & Accountability Criteria			2X Challenge Thresholds	INVESTMENT MANAGER			FUND		
				2021	2022	2023	2021	2022	2023
1	Entrepreneurship	1A. Share of women ownership	51%	64%	64%	64%	37%	41%	42%
2	Leadership	2B. Share of women on the Board or IC	25%	67%	67%	40%	24%	27%	24%
3	Employment	3A. Share of women in the workforce	FS - 40% E&H - 50%	50%	58%	58%	64%	69%	70%
		3B. One "Quality" indicator beyond compliance ¹	Yes / No	Yes	Yes	Yes	Yes	Yes	Yes
4	Products & Services	Product(s) or service (s) enhance(s) well-being of women/girls or drives gender equality	Yes / No	Yes	Yes	Yes	Yes	Yes	Yes

¹One policy or programme—beyond those required by local law or compliance — addressing barriers to women's quality employment (e.g. wage inequity, lack of childcare, discrimination/ harassment), with evidence of implementation or a commitment to implement.



SUMMIT PRIVATE EQUITY FUND I - REPORT CARD



Fund mandate tracker and impact targets vs actuals as at Dec 2023









GROWTH WITH IMPACT

Fund - Sector Deployment Summary

To deliver on the Fund's overarching Social Return objectives of Access to Quality Healthcare, Access to Quality Education and Financial Inclusion and the related Impact Theme Targets within each of the aforementioned (Impact Themes = Job Creation, Community Upliftment, Transformation Diversity & Inclusion) we have set clear and measurable allocation targets.

Target Asset Allocation

Criteria	Healthcare	Education	Financial Services	ICT Services
Target Type	<ul style="list-style-type: none"> Healthcare facilities (acute and day) in the rural, township and peri-urban areas with robust economic activity and proven undersupply Virtual healthcare and Tele-medicine Mental health – voluntary psychiatric and addiction facilities 	<ul style="list-style-type: none"> Higher education provider – distance and face to face learning Specialist vocational training provider and learnerships Corporate training 	<ul style="list-style-type: none"> Scaled, Niche Financial Services Providers that provide much-needed financial products and services to a captive niche / mass market. 	<ul style="list-style-type: none"> EduTech FinTech HealthTech 
Target Impact Themes	(A) Job creation 	(B) Community Upliftment (C) Transformation, Diversity & Inclusion 		
Target number of portfolio companies	6-9	2	2	1- 2
@ 31 Dec 2023	5	1	2	---
Target Fund allocation	30-35%	30-35%	30-35%	10%
@ 31 Dec 2023	29.08%* ¹	6.68%* ¹	26.19%* ¹	---
<small>Note*¹ Investments concluded as a percentage of total Committed Capital</small>				
Target investment amounts	R480m – R560m	R480m – R560m	R480m – R560m	R160m
@ 31 Dec 2023	R469.9m	R108m	R423m	---



20 606

patients treated since start of Fund



405

beds owned & managed



1 226

Permanent Jobs



R39.2bn

savings related services



60 668

clients with savings & insurance products

Fund - Portfolio Summary

Sec- tor	Name (Shareholding / instrument)	Fund SH	Investment thesis	Inv. date	Investment Amount (rounded)	Over- arching Objectives
Healthcare	 <ul style="list-style-type: none">Crestcare is a provider of end-to-end hospital operating management and consulting services. The amount invested at 31 December 2023 is R16.4 million.Crestcare invested in a new 88-bed acute hospital in Malmesbury. Construction is near completion. To be commissioned in August 2024. Investment amount of R54.82 million.	74.3%	<ul style="list-style-type: none">Sought after expertise that enables execution of the Fund's healthcare sector strategy.Opening one greenfield hospitals in rural/ peri-urban area.	Sep'19	R 18.7m R 54.8m ¹ R 73.5m ¹ Malmesbury commenced not yet fully drawn.	 Access to Quality Healthcare
	 <ul style="list-style-type: none">Crestcare Zoutpansberg provides healthcare services at a 32-bed acute hospital in Louis Trichardt, Limpopo. Initial investment was R13.1 million.The facility's expansion to 92-bed was completed and the hospital commissioned in December 2023. Works remaining is the refurbishment of the old 32-bed hospital, to be completed in 2024.	71.5%	<ul style="list-style-type: none">Well-located private hospital in a peri-urban area.The expansion provides the community with additional health services.	May'20	R 13.1m R189.9m ¹ R203.0m ¹ related to the expansion investment, property, equipment & working capital	
	 <ul style="list-style-type: none">Apex Surgicentre is a provider of healthcare services at its 24-bed, three theatre day hospital in Soweto.	55.0%	<ul style="list-style-type: none">Well-located day hospital in a densely populated Township area.	Nov'21	R 25.1m	
	 <ul style="list-style-type: none">Life Path Health provides inpatient treatment to voluntary and assisted patients with mental health and addiction related conditions. It has nine facilities, targeting to expand to 12 in the next few years.	51.1%	<ul style="list-style-type: none">Started with eight facilities across Western Cape and Gauteng. The ninth one commissioned in Kwazulu-Natal.	Oct'22	R122.0m R 8.2m ¹ R130.2m ¹ Additional to be paid against conditions.	
	 <ul style="list-style-type: none">Nelspruit Surgiclinic's 14-bed facility provides maternity related services.The facility will be expanded by 52 additional beds.		<ul style="list-style-type: none">Sought after fertility & maternity expertise. Well-located peri-urban area of Nelspruit	May'23	R38.1m	
	sub-total					
Financial Services	 <ul style="list-style-type: none">Efficient Group is a large diversified financial services provider of Financial Savings and other products.It is one of the largest independent financial advisory groups in South Africa	37.4%	<ul style="list-style-type: none">Proven and strong cash flow generation.Captive niche, mass market.	Dec'20	R259.2m	 Financial Inclusion
	 <ul style="list-style-type: none">Custom Capital Finance is a leading alternative financier to Small, Medium, and Micro Enterprises.Provides both Rental Finance and Invoice Discounting.	51.0%	<ul style="list-style-type: none">Proven and strong cash flow generation.Additional R2 billion secured for lending.	Nov'22	R163.8m	
sub-total					R423.0m	26.19%
Education	 <ul style="list-style-type: none">NGIs offering enables distance students to access an entire campus life (in his/her immediate vicinity). NGI has one campus.NGI bought Centurion Academy ("CA") through the Fund's investment. CA is a private higher education institution with four campuses.	55.0%	<ul style="list-style-type: none">Corporates provide substantial bursaries.Targeting to open an additional 3-5 campuses.	Apr'22	R108.0m	Education
			sub-total		R108.0m	
FUND Total Invested					R1 000.9m	61.95%

Fund – Impact Report Card

Capital invested + approved

2023 – invested + approved	R996m
2022 - invested	R850m
2021 - invested	R308m
2020 - invested	R280m
2019 - invested	R 4m

Impact Theme Target Alignment

	2021	2022	2023
--	------	------	------

(A) Job Creation – total employees

Total permanent	600	1092	1226
Total permanent Black	199	468	604
Total permanent Women	384	749	861
Total pem.Black Women	168	377	492
New Jobs – Fund start	13	72	188
Target 2 000 new jobs ¹			
Temp. Jobs – Fund start	---	207	642
Target 1 000 temp jobs ²			

Note¹ – the new jobs does not at presently consider the new jobs generated through Custom Capital Finance financing of over 9000 SMMEs

Note² – includes the temporary jobs (370 local employees) during the constructing of Crestcare Zoutpansberg facility

(B) Community Upliftment investments

No. Healthcare Invmnts.	3	4	5
No. Education. Invmnts.	0	1	1
No. Fin. Serv. Invmnts.	1	2	2
TOTAL Investments	2	7	8

(C₁) Transformation

Black ownership	59%	57%	60%
% Black employees	32%	43%	49%
% Black executive & senior management	19%	15%	33%
% Black board members	40%	35%	32%
B-BBEE recognised spend	89%	87%	66%
Spend towards BO enterprises (% of TMPS)	17%	25%	24%
Spend towards QSEs (% of TMPS)	5%	5%	4%
Spend towards EMEs (% of TMPS)	15%	11%	16%

(C₂) Diversity & Inclusion @ 2021 - 2023

Please refer to Page 32 – Gender Lens

Governance

% Non-exec directors	56%	44%	46%
----------------------	-----	-----	-----

Portfolio companies with a:

ESMS policy	1 of 4	2 of 7	3 of 8
Data Protection policy	2 of 4	4 of 7	4 of 8
Board charters	3 of 4	3 of 7	5 of 8
Whistleblowing	2 of 4	4 of 7	4 of 8

(B) Community Upliftment Fund Impact Targets vs. Actuals

Target	Actuals @ 31 Dec 2023
--------	-----------------------

Healthcare - access to Quality Health Care



% of the Fund Commitments R484m – R565m	30 - 35%	R469.9m Invested & allocated (29.08%)
No. of hospitals/facilities owned (including indirect through a portfolio company)	7	1 Crestcare Zoutpansberg 1 Apex 1 Crestcare Malmesbury – Q3 '24 9 Life Path Health 1 Nelspruit Surgiclinic 11 Total
No. of hospital beds under management and ownership of the Fund	500	92 Crestcare Zoutpansberg 24 Apex 30 New Era – managed by Crestcare 88 Crestcare Malmesbury – Q3 '24 293 Life Path Health 66 Nelspruit Surgi (14+52 new Q3 '25) 593 Total
<i>Note – Malmesbury opens in Q3 '24. Nelspruit Surgi Clinic expansion from 14 to 52 target completion Q3 '25.</i>		
No. of new hospital beds commissioned by the Fund in peri-urban/rural/township areas	200	+ 60 Crestcare Zoutpansberg expanded + 88 Crestcare Malmesbury (new) + 36 Life Path Health PMB (new) + 52 Nelspruit Surgi expansion Q3 '25 236 Total

Education - access to Quality Education



% of the Fund Commitments R484m – R565m	30 - 35%	R108m Invested (6.68%)
No. of learners to be given access to education during the life of the Fund	15 000	1 440 Intake of 2022 - 1 440 students 3 266 Intake of 2023 - 1 826 students <i>YoY accumulated numbers</i>
The pass rate of enrolled students	>70%	70% pass rate for 2022 85% pass rate for 2023
No. of students who are employed or self-employed 24 months after becoming qualified. i.e., students completed their studies	>50%	<i>In the 2022 Report, we indicated that we will target to start tracking this data in 2023. This exercise has proven challenging, and we continue to look at mechanisms to track this data.</i>

Financial Services - Financial Inclusion



% of the Fund Commitments R484m – R565m	30 - 35%	R423m Invested (26.19%)
No. of individuals served directly and have savings/investment/ financing (loan) access to financial products	50 000 +	Efficient Group 35 496 No. vol. saving clients 22 550 No. comp. saving clients 28 591 No. Short-term insurance clients 86 637 Total
Improving access to financial services products, in terms of demographics	YES	CCF products have been supporting black women entrepreneurs (refer to the section Our ESG and Impact Objectives). Additional product development.
No. of financial transactions that support decent jobs and foster economic development	2 000	Custom Capital Finance During 2023 CCF financed 2 583 new SMMEs.



SUMMIT AFRICA FOUNDATION

Introduction to the Summit Africa Foundation



Overview

The Summit Africa Foundation is dedicated to fostering positive change through strategic partnerships and impactful initiatives. The Foundation focuses on addressing critical social issues by supporting various projects and charities that align with its mission of empowerment and community development.

Partnerships for Impact

The Foundation supports public benefit organisations, projects and charities serving vulnerable people living in the underserved areas of South Africa that have been adopted by portfolio companies.

Governance and Funding

The Foundation honours the aspirations of Summit Africa by using its resources in ways that remain true to its philosophy, ethos and values.

The Foundation is governed by a comprehensive set of policies and processes to ensure that it meets its objectives with integrity, and is managed effectively, efficiently and transparently.

The Summit Africa Foundation is a registered public benefit organisation and is a 2.5% shareholder of Summit Africa and shares in 2.5% of the carried interest earned by Summit from any of our Funds.

Priorities:

We prioritise programmes that empower women and benefit children, and where Summit Africa's staff can add value beyond the financial contribution by Summit Africa.



Community Upliftment:

We collaborate with projects and public benefit organisations that work with vulnerable communities in underserved parts of South Africa. We will prioritise projects that help combat the extreme challenge of poverty, health, and education and help build thriving and resilient communities.



A brighter future for our children:

We support public benefit organisations working with children at risk of poor educational, health, social and economic outcomes. In addressing these needs we help build a brighter future where children will grow up to have the power to shape their lives.

Empowering Women:

We champion women's and girls' access to health and well-being, education, and economic empowerment. We support services and programmes that improve access to leadership opportunities, quality employment, finance, and enterprise support and enhance economic participation and access for women of all ages.

Encouraging individual action:

We believe that small actions lead to great change. We support and encourage our team to share their skills, knowledge, know-how and time to serve their communities through individual efforts and various community-based projects.

The Summit Africa Foundation has partnered with portfolio companies on the following initiatives:

Crestcare Zoutpansberg – IsAbility Sports Club Limpopo



Overview:

IsAbility aims to enhance the lives of individuals with disabilities through adaptive sports, vocational training, and access to assistive devices.

Key Activities:

- Adaptive sports programs.
- Vocational training.
- Provision of assistive devices.

Impact:

Promotes inclusivity and independence for individuals with disabilities.

Efficient Group - The Efficient Ulwazi Education Trust



Overview:

The Trust works with EFG's Wealth Academy to train and upskill unemployed and vulnerable young people into financial advisors ready for employment.

Key Activities:

- Financial management workshops.
- Mentorship on investment strategies.
- Educational resources.

Impact:

Providing financial advisors who can service clients that were previously sidelined due to linguistic, cultural, or educational challenges.

African Women Chartered Accountants (AWCA)



Overview:

AWCA supports the professional development of black women accountants through scholarships, mentorship, and networking opportunities.

Key Activities:

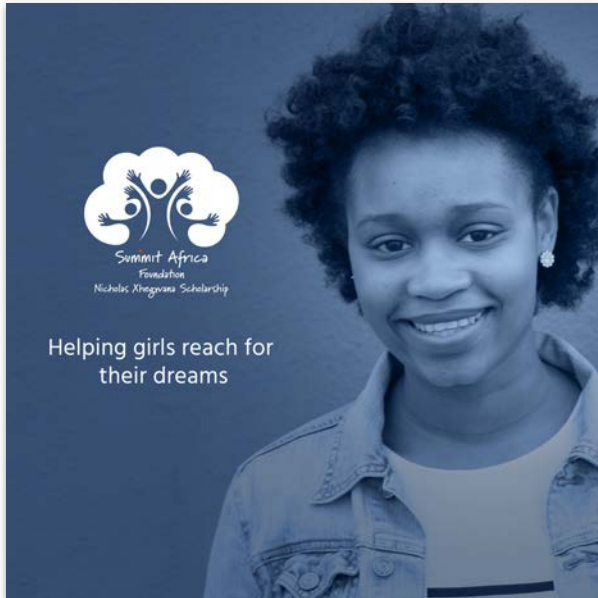
- Scholarships and bursaries
- Mentorship programs
- Networking events

Impact:

Increases representation and success of black professional women in the accounting sector.

The Summit Africa Foundation Nicholas Xhegwana Scholarship:

Helping Girls Reach for Their Dreams



Providing financial support to deserving students, with a particular focus on the education of black females.

The Nicholas Xhegwana Scholarship Programme was established by the Summit Africa Foundation with a vision to empower the next generation of girls through education.

Recognising the immense potential of young minds and the barriers they often face in pursuit of academic excellence, the programme seeks to bridge the gap between their dreams and reality.

The scholarship aims to nurture promising students by providing financial assistance and resources, enabling them to further their education and become change agents in their respective fields and communities.

The Foundation has partnered with the Following Institutions:

The Johannesburg Ballet Aspirants Programme

In 2022, the Summit Africa Foundation's Nicholas Xhegwana Scholarship Program was proudly awarded to a young lady with towering aspirations, Ms Taliah Coleman.

The Johannesburg Ballet Aspirant Programme is a golden career gateway for budding ballet dancers. This program enables aspirants to train alongside a professional ballet company for a full year, truly immersing them in the life of a professional ballet dancer. It offers young dancers the chance to evaluate their physical and mental preparedness for the demanding nature of a ballet career. Those who earn a spot in this coveted program can participate in Joburg Ballet's company classes, rehearsals, and even grand productions. After a rigorous year of training, aspirants undergo an evaluation, and based on their performance and available positions, they might be presented with contracts to join the ranks of the Joburg Ballet.

NewBridge Graduate Institute

In 2023, the Summit Africa Foundation's Nicholas Xhegwana Scholarship Program was awarded to a student from NewBridge, Ms. Onalenna Dawn Ditle.

Formerly recognised as Centurion Academy, the NewBridge Graduate Institute is an accredited tertiary education provider with an impressive 22-year legacy. As a registered and accredited provider, NewBridge offers diverse qualifications tailored to ensure student engagement, motivation, and genuine enjoyment during their academic journey. Beyond traditional academic programs, NewBridge prides itself on delivering a contemporary and responsive educational model. It provides registered qualifications and equips students with valuable skills-based education. The institution's environment is meticulously designed to furnish students with tools that are vital for adapting to our dynamic world, ensuring they are prepared for their chosen careers.



PORTFOLIO COMPANY REPORT CARDS

Interpreting a Portfolio Company's Impact and ESG Report Card

Our report card was developed to improve our understanding of each portfolio company's E&S and governance practices and to monitor Impact outcomes.

Using data categories from our framework partners, we can track and identify the risks and opportunities regarding ESG and Impact.

We will look to further define and improve our report card, specifically incorporating the SASB and IRIS+ data categories in the year ahead.

Report Card information guide

1 Summary - details the portfolio companies' Overarching Impact Target(s). Location indicates peri-urban, rural, township etc. The Fund targets investing at least 50% of Committed Capital in portfolio companies that enable peri-urban & rural communities.

Fund Investment – invested funds and IC-approved to-be-invested funds. E.g. funds reserved for the expansion of Nelspruit Surgiclinic Hospital, the Fund's existing investment.

ESG risks and opportunities	
Environmental	Medium
Social ¹	Medium
Governance	Low
Summit ESG audit performed	Yes
¹ as a result of the Expansion having commenced	

ESG Performance	
Significant staff grievances reported	none
Health & Safety incidents	none
Industrial Action	none
Number of data breaches	none
Electricity usage – Scope1-3	2022 report
Back-up power available	Generators

E&S Management System (ESMS)	
Dedicated ESG person	Yes
E&S Policy	Yes
Comprehensive risk register	in process
Training conducted by Summit	Yes
Standard of ESG reporting	Low
Summit ESMS rating per the IFC PS1 (refer to page 9)	2.5

SASB material industry risks	
Energy & Waste Efficiency	
Patient Privacy & Electronic Records	
Quality of Care & Patient Satisfaction	
Management of Controlled Substances	
Pricing & Billing Transparency	
Employee Health & Safety	

2 Revenue – for the year.

3 SDG alignment – the SDG alignment shows primary and secondary impact priorities.

Selected IRIS+ Impact strategic goals - (B) Community Upliftment – IRIS+ typically has 6-7 strategic goals per impact priority (e.g., SDG3). The list denotes the IRIS+ strategic goals selected by the Fund, aligned to the Overarching Impact Target and the Impact Theme.

Impact Theme Target alignment

4 (A) Employment / Job Creation – employees for the year and new jobs created since the Fund invested.

5 (B) Community Upliftment – the data categories vary per portfolio company. The detail indicates the extent to which the portfolio company contributes toward each of the IRIS+ strategies goals in terms of Impact on people.

6 (C1) Transformation – each portfolio company sets transformation and diversity & inclusion objectives within six months of the Fund's investment. The data represents actuals.

7 (C2) Diversity & Inclusion – tracks both the 2X Challenge and the targets that the portfolio company sets in terms of its transformation and D&I targets over the life of the Fund (refer 6. Above)

The bar graph indicates % achieved. An orange bar denotes that the portfolio company has fulfilled the 2X Challenge criteria for that specific category.

8 ESG risk and opportunities – the high, medium, and low-risk rating is assigned based on the current risk faced by a portfolio company. The table also indicates if Summit completed at least two ESG reviews for the period under review.

9 ESG Data/Performance – reporting on key data impacting employees and the community. Electricity is tracked in terms of usage only. Electricity reporting will be expanded on in our 2024 report.

10 E&S Management Systems (ESMS) – key to managing ESG risk

Summary	
Impact Target	Access to Quality Health
Location	Louise Trichardt
Location classification	Peri-urban
SASB Sector	Healthcare
SASB Industry	Health Care Delivery
Fund Investment	
Investment date	May 2020
Initial investment amount	R 13.1m
Expansion approved amount	R135.0m
Total Inv. after the Expansion	R148.1m
Fund shareholding	54.62%
Revenue	
2021	R28.6m
2020	R33.1m
Impact Theme Target alignment	
	2020 2021
(A) Employment / Job Creation	
Employees	97 104
Temporary jobs created	2 5
New jobs since investment	8
(B) Community Upliftment	
No. of beds	32 32
No. of theatres	1 1
Patients treated	4 111 4 199
Maternity cases	691 509
Surgeries performed	832 858
Covid patients treated	104 438
Payment plans	4 0
Health campaigns	10 16
(C1) Transformation ¹	
BEE rating	Level 2 Level 2
Black ownership	55% 55%
B-BBEE recognised spend	62% 62%
% Black employees	70% 73%
% Black executive & senior management	0% 0%
Skill development spent on black people	R0 R0
(C2) Diversity & Inclusion @ 2021	
% Women ownership	
Total	57%
Black	16%
% Women staff	
Total	89%
Management	71%
Board	29%
% Black Women staff	
Total	69%
Management	0%
Board	14%
No. of 2X Challenge criteria categories fulfilled	4

and opportunity is an effective ESMS. This section focuses explicitly on IFC PS1 and the level of ESMS integration within the portfolio company.

11 Governance & Compliance – reports the level of governance within the portfolio company, focusing on King IV adoption. Specific policies are tracked to check the status of governance within the portfolio company, addressing key industry risks.

12 SASB material industry risks – details the SASB General Categories applicable to the portfolio company's industry. Enhanced reporting is included in the data pack for Investors and forms part of this sustainability report.

Crestcare ("Crestcare" or "CC")



Summary

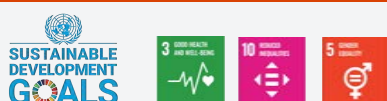
Impact Target	Access to Affordable Quality Healthcare
HQ Location	Pretoria
Hospital Locations	Malmesbury
Location classification	Rural & Township
SASB Sector	Healthcare
SASB Industry	Health Care Delivery

Fund Investment

Investment date	September 2019
Investment amount to date	R40.3m
Malmesbury Hosp. approved amnt.	R48.1m
Total investment amnt.	R88.4m

Fund shareholding	74.32%
-------------------	--------

SDG alignment



Selected IRIS+ Impact strategic goals – (B) Community Upliftment

Increasing consistent supply of essential services and products	Y
Increasing access to medical diagnostics	Y
Reducing financial barriers of health services	Y

Governance & Compliance

Board (total/non-exec/Summit)	5 / 1 / 1
King IV governance framework adopted	75%
Diversity & Inclusion Policy	Not yet
Data Protection Policies	✓
Whistle Blowing Policy	✓
Anti-Corruption Policy	✓
Conflicts of Interest Policy	✓
Risk Management & Combined Assurance Program	85%
Cybercrime Prev. & Incident Management Plan	No

Revenue

2023	R15.7m
2022	R12.8m
2021	R7.0m
2020	R20.9m

Impact Theme Target Alignment

	2021	2022	2023
(A) Employment / Job Creation			
Employees	14	7	14
Temp. jobs created	0	0	7
New jobs since Inv.	5	-2	3

(B) Community Upliftment

Beds CC manages	30	86	130
-----------------	----	----	-----

(C1) Transformation¹

BEE Level	2	3	2
Black ownership	80%	74%	74%
B-BBEE recognised spend	53%	76%	35%
% Black employees	43%	29%	25%
% Black exec. & senior management	33%	0%	0%
Skill dev. spent on black people	0	0	0

(C2) Diversity & Inclusion (and 2X)

	2022	2023
--	------	------

% Women ownership

Total	47%	47%
Black	21%	21%

% Women staff

Total	57%	57%
Management	40%	50%
Board	0%	0%

% Black Women staff

Total	29%	25%
Management	0%	0%
Board	0%	0%

No. of 2X Challenge criteria categories fulfilled	2
---	---

Crestcare Summarised

Established in 2004, the highly experienced team at Crestcare provides end-to-end hospital operating management services to acute and day hospitals. Among its clients are healthcare facilities owned by the Fund, including Apex Soweto Day Hospital ("Apex"), Crestcare Zoutpansberg Hospital ("CZH"), and Nelspruit Surgiclinic ("NSC").

To evolve from a service provider to an owner and operator of its own hospitals, Crestcare acquired the licence for a new 88-bed acute hospital in Malmesbury, Western Cape ("CMH"). The new hospital supports the Fund's healthcare thesis of investing in new (greenfield) facilities through Crestcare.

The year 2023

Crestcare remained focused on managing Fund-owned hospitals (the "Fund Hospitals").

In 2023, the team designed and implemented several systems and operational procedures. These included a new Hospital Information Management System, HR and Talent Management processes, Brand and Website development, and a Patient and Doctor mobile application, all of which will be adopted by all the Fund Hospitals.

The roll-out of the above started at CZH from Q4 2023 and will gradually be rolled out to each of the Fund Hospitals.

Crestcare's active day-to-day operational management involvement with CZH, Apex, and NSC has aided these hospitals' operating teams across several disciplines, improving working standards and increasing revenue opportunities.

Construction of the new 88-bed acute CMH, which commenced in Q3-2022, remains on track. The facility's handover to Crestcare is scheduled for Q2/3 2024. Crestcare's services and operating model have garnered the support of several local doctors and specialists, who will become equity owners (>25%) alongside Crestcare.

Crestcare Malmesbury Hospital will be commissioned in August 2024.

Impact outcomes - addressing the challenge of providing the community with access to Quality Healthcare

Crestcare's contribution to delivering Impact is twofold. Firstly, it provides hospital management services to healthcare facilities in which the Fund is invested (e.g., CZH, Apex, and NSC), enabling these to provide affordable quality healthcare. Secondly, Crestcare's most significant impact will come from commissioning and managing its own 88-bed Crestcare Malmesbury Hospital ("CMH").

CMH will contribute to job creation and increase access to affordable quality healthcare in this rural/peri-urban area.

With construction activities having commenced for CMH, the following section looks explicitly at CMH's impact.

WHAT is the social challenge?

By providing quality and affordable healthcare, CMH helps address the ever-growing need for healthcare services (SDG 3). Malmesbury is a rural/peri-urban area, with the closest private hospital being $\pm 40\text{km}$ away.

WHO are the stakeholders?

CMH is located within a catchment area with over 166,365 people within a 20km radius (72,988 within 5km) from the hospital. It is well-positioned to support populations further north, in towns like Bergriver and Cederberg, who travel long distances into Paarl and Cape Town for hospital care.

HOW MUCH - scale of the Impact

CMH will be a National Hospital Network ("NHN") hospital that offers more medical disciplines at affordable rates, increasing the local community's access to quality healthcare.

The 88-bed and four-theatre hospital, with an emergency unit and delivery rooms, will bring medical specialists to the local community, improving the medical responsiveness. In addition, various specialised services, including Gastroenterology, Neurology, Paediatrician, Physician, Pulmonology, ENT, General Surgery, Maxi-Facial, Nebs & Gynae,

Ophthalmology, Orthopaedics, etc., will be provided.

(A) Job Creation

CMH will create approximately 94 (clinical - 65 & non-clinical 29) permanent jobs upon opening. Based on a 65% occupancy rate after four years, the number of jobs will increase to 161 (clinical 103 & non-clinical 58).

At least 150 temporary jobs have been created during construction.

(B) Community Upliftment Access to Quality Health

Due to its location and the community it will serve, MPH has attracted the prominent Cape-based radiologist group, Schnetler Corbett, who will provide the area with the latest diagnostic equipment, including an MRI scanner.

The facilities and medical equipment have resulted in CMH securing the support of many leading specialists, who on a conservative analysis, will yearly serve several community members, as detailed below:

Year	Patient days	Total Admissions	Occupancy
2024	10 279	3 697	33.4%
2025	15 394	5 536	50.2%
2026	18 134	6 522	59.1%
2027	19 608	7 052	64.0%
2028	20 043	7 208	65.2%

(C) Transformation Diversity & Inclusion

Crestcare will own $\pm 75\text{-}80\%$ of CMH, with local doctors and specialists holding the balance. As a result of the Fund's equity position in Crestcare, MPH will have black ownership, which in turn results in black women ownership of $\pm 29\%$

The Crestcare team, in conjunction with Summit, has set the following Transformation and D&I targets for MPH:

Total % of black employees	>50%
Total % of women employees	>50%
Total % of black women employees	>25%
Staff with disabilities (by yr. 2027)	3%
% of black executive and senior management	25%
% of women executive and senior management	25%
% Women board members	25%



+ CONTRIBUTION – what if MPH did not exist?

Crestcare developing and commissioning an acute hospital in Malmesbury will give the local community access to affordable quality healthcare. Without the facility, the local insured community would not have immediate access to emergency rooms and several additional medical disciplines, requiring 40km of travel for emergencies, etc.

▲ Summit's Value-Add

Summit has secured Twin City Developments ("Twin City") as a developer to finance and build the CMH property at $\pm R150$ million. In addition to Twin City's commitment, the commissioning of CMH will cost $\pm R112$ million, which will be funded through a combination of equipment finance (secured by Summit) and equity finance provided by Crestcare (80%) and Doctors (20%). The Fund will finance R46.7 million of Crestcare's portion.

Led by Summit, Crestcare has continued to make steady progress on charting the business requirements, operating requirements, stakeholder requirements, change management, and planning for the new Crestcare "brand" and Hospital Information Management System for all the acute and day hospitals in which the Fund is invested and will invest. The Brand was rolled out in Q4-2023 and the new system targeted for Q1 2024.

In addition, Summit has actively assisted Crestcare in guiding all aspects regarding environmental and social considerations, including selecting environmental and health & safety specialists to develop a consistent ESMS framework.

△ RISK – what is the risk?

In our 2021 Report, we noted a risk – "Crestcare needs more local doctor support, covering a broad range of specialties". This risk has been mitigated, and the support received from local doctors and specialists has been overwhelming.

ESG risks and mitigations are detailed on the following page.

ESG practices - managing risk and opportunity through various industry frameworks



Crestcare management (CZH, Apex, etc.).

- Specifically, the IBIS framework and related processes will comprehensively address managing E&S aspects once the project is commissioned.

PS2 - Labour.



- Twin City's contractors adopt the highest labour and health and safety standards. To date, one minor H&S incident occurred when a Tele-Handler overturned on site. No injuries occurred, and no damage was reported.

PS3 - Resource Efficiency



- An Environmental Control Officer was appointed in Q4-2022. Ongoing feedback was provided to Summit.
- In Q3-2023, the project team decided to temporarily increase the frequency of environmental compliance site visits from monthly to weekly. This initiative ensured strict adherence to the Record of Decision and Environmental Management plan.
- Crestcare significantly enhanced the hospital's design for resource efficiency and sustainability by implementing LED lighting with motion sensors, using inverter air conditioning compressors with centralised systems, and installing an innovative hot water heating system with centralised tanks on a ring main. Crestcare also opted for Heat Recovery Variable Refrigerant Flow (VRF) air-conditioning units for the medical consulting, maternity, and paediatrics areas.

PS4 - Community



Community Health, Safety and Security

- A stakeholder management program/plan was completed before construction commenced.
- Measures were implemented to ensure community safety, particularly road access and entry to the building site, storage and removal of building waste, and noise management.
- The plan included regular engagement with affected communities throughout the construction phase.

Crestcare does not directly have any environmental matters to address. However, this will change after the commissioning of CMH. From a labour perspective, Crestcare complies with local and international labour laws, and its policies are designed to empower, enable, and value its employees.

As part of the Fund's greater Healthcare strategy, Crestcare will be responsible for aligning all Fund Hospitals to a common ESG framework.

The MPH development

Twin City is the developer and owner of the new CMH building, which will be rented to Crestcare. While Crestcare is not directly responsible for ESG and ESMS practices during construction, it collaborates with Summit to continuously review H&S and Environmental reports to ensure best practices are upheld.

Twin City has appointed an H&S consultant to audit the site bi-weekly and submit reports. Through regular engagement, the principal agent ensures that agreed standards are maintained and E&S risks are monitored and reported. Summit regularly meets with the principal agent and Twin City.

ESG – Value Add Action Areas

In 2022, Crestcare commenced the development of a healthcare-specific ESG Risk Register and Compliance framework to be rolled out to the various Fund-owned and Crestcare-owned healthcare facilities.

To bolster this framework, in 2023, Summit approached IBIS Consulting to collaborate on the development and standardisation of the Environmental & Social Management System ("ESMS") and related framework.

The framework has been aligned with local regulations and international best practice standards and includes the development of various policies, risk registers, incident registers, training materials, etc.

The roll-out will commence in Q3/4-2024.

PS1 – Risk Management



Assessment and management of E&S risks and impacts

- The online ESG Action Plan ("ESG VAAP") tool, which Summit rolled out to Crestcare in Q3-2022, is being fully operationalised by key individuals appointed and responsible for ESG.
- The ESG VAAP tool has been rolled out to all the healthcare facilities under

ESG risks and opportunities

Environmental ¹	Medium
Social ¹	Medium
Governance	Low
Summit ESG audit performed	Yes

¹ the development of CMH continued through 2023, and therefore, these have remained as Medium.

The construction risks are well managed as a respected third-party developer is completing it. Crestcare will be renting the property. Twin City is responsible for E&S-related matters.

ESG Data/Performance

Significant staff grievances reported	none
Health & Safety incidents	1 (minor)
Do staff belong to a union	No
Industrial action	none
Number of data breaches	none
Electricity usage – Scope1-3	Not monitored

E&S Management System (ESMS)

ESG focused person	Yes
E&S Policy	60%
Comprehensive risk register	60%
Regular ESG review meetings	Yes
Standard of ESG reporting	Medium
Summit ESMS rating per the IFC PS1 (refer to page 9)	(2.5) 2023 (2.5) 2022

SASB material industry risks

Energy & Water Efficiency
Patient Privacy & Electronic Records
Quality of Care & Patient Satisfaction
Management of Controlled Substances
Pricing & Billing Transparency
Employee Health & Safety

Overview

Crestcare Zoutpansberg Private Hospital ("CZH")



crestcare
ZOUTPANSBERG

Summary

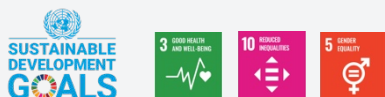
Impact Target	Access to Quality Healthcare
Location	Louise Trichardt
Location classification	Peri-urban
SASB Sector	Healthcare
SASB Industry	Health Care Delivery

Fund Investment

Investment date	May 2020
Initial investment amount	R 13.1m
Expansion approved amount	R178.0m
Total Inv. after the Expansion	R191.0m

Fund shareholding	71.79%
-------------------	--------

SDG alignment



Selected IRIS+ Impact strategic goals – (B) Community Upliftment

Increasing consistent supply of essential services and products	Y
Increasing access to medical diagnostics	Y
Reducing financial barriers of health services	Y

Governance & Compliance

Board (total/non-exec/Summit)	6 / 4 / 1
King IV governance framework adopted	75%
Diversity & Inclusion Policy	not yet
Data Protection Policies	
Whistle Blowing Policy	
Anti-Corruption Policy	not yet
Conflicts of Interest Policy	
Risk Management & Compliance Program	50%
Cybercrime Prev. & Incident Management Plan	not yet

Revenue

2023	R43.0m
2022	R37.2m
2021	R32.9m

Impact Theme Targe Alignment

	2021	2022	2023
--	------	------	------

2(A) Employment / Job Creation

Employees	103	106	171
Temporary jobs	14	15	38
New jobs since Inv.	4	7	72

(B) Community Upliftment

No. of beds	32	32	92
No. of theatres	1	1	4
Patients treated	4 065	4 482	4 469
Maternity cases	401	541	578
Surgeries performed	726	930	1150
Payment plans	13	380	122
Health campaigns	16	10	14

(C1) Transformation*

BEE Level	2	2	0
Black ownership	62%	72%	74%
B-BBEE recognised spend	76%	68%	68%
% Black employees	73%	76%	84%
% Black executive & senior management	31%	36%	61%
Skill dev. spent on black people	R0	R0	R0

(C2) Diversity & Inclusion (and 2X)

	2022	2023
% Women ownership		
Total	61%	61%
Black	20%	20%

% Women staff

Total	93%	92%
Management	63%	72%
Board	17%	17%

% Black Women staff

Total	73%	79%
Management	36%	50%
Board	0%	0%

No. of 2X Challenge criteria categories fulfilled	4
---	---



CZH Summarised

Founded in 2001, CZH was a 32-bed, one-theatre private hospital in Louis Trichardt, a peri-urban town in the Limpopo Province, 105km north of Polokwane and 473 km from Johannesburg.

CZH is the only private hospital in Louis Trichardt and its surrounding areas, serving over 20,000 people from medical aids such as GEMS, SANDF, POLMED, Discovery, etc.

CZH is a member of the National Health Network ("NHN"), an association of independent hospitals whose function includes negotiating tariffs with Medical Schemes on behalf of its members, which gives them more bargaining power.

NHN-associated hospitals are typically associated with the lower tariff medical aid plans offered by Medical Schemes and are, therefore, more affordable.

In May 2020, the Fund acquired 54.62% of ZPH to assist the hospital in expanding its facility. As a result of the Expansion, the Funds' equity stake increased to 71.51% through the additional investment.

The year 2023

CZH shifted its attention to finalising the construction of the expanded hospital from 32 beds to 92 beds and increasing its theatres from 1 to 4 ("Expansion").

Construction activities commenced in Q1-2022 and were completed on schedule in Q3-2023. The project was a significant success from an ESG perspective due to only one minor H&S incident and zero environmental incidents.

During the year, Summit with Crestcare continued to secure several doctors who committed their support by investing in the newly expanded hospital.

Total employment from main contractors and subcontractors relating to construction activities resulted in more than 571 jobs being created.

Impact outcomes - addressing the challenge of providing the community with access to Quality Healthcare

WHAT is the social challenge?

By providing quality and affordable healthcare, CZH helps address the ever-growing need for healthcare services (SDG 3).

CZH is located in a peri-urban area and offered limited specialist health services. Due to a lack of specialist medical facilities in the area, several illnesses could only be treated by patients travelling between 1-4 hours to present at major metropolitan hospitals. In certain instances, patients had to wait for ambulances to travel to these hospitals, resulting in further health complications.

WHO are the stakeholders?

The total population for the catchment areas is 589,016. The medically insured population is 181,210. 6% of the remaining non-medically insured are seeking to self-pay for medical services. The catchment areas are Louis Trichardt, Limpopo and the greater Makhado region.

HOW MUCH - scale of the Impact

As an NHN hospital, the expanded CZH offers more medical disciplines at affordable rates, increasing the local community's access to quality healthcare.

Medical disciplines which are now available at CZH will include (i) Obstetrics gynaecology, (ii) Internal medicine, (iii) Ophthalmology, (iv) Paediatrics, (v) Physical medicine and rehab, (vi) Diagnostic radiology, (vii) Surgery - orthopaedic, general, ear nose, urology, plastic & reconstructive and dental.

(A) Job Creation

The employment numbers on the CZH Report Card (pg. 50) do not include those created/enabled during the expansion's construction phase. 571 jobs were created during construction, a large portion of which were temporary labourers, resulting in 370 local people being employed (including 26 black females).

Prior to opening (Dec 2023), CZH created 65 jobs, which is an uptake of 61% of the hospital's employee baseline post-completion.

(B) Community Upliftment Access to Quality Health

The Expansion from 32 beds to 92 beds and the addition of 3 theatres (from 1 to 4) allowed for several new attending specialists.

The Expansion will lead to an estimated yearly increase in patients being treated and surgeries being performed:

Year	Patients	Surgeries	Comments
2021	4 065	960	based on 32 beds
2024	6 247	5 480	at start of 92 beds
2025	8 866	7 388	almost full capacity
2026	10 191	8 374	full capacity

(C) Transformation Diversity & Inclusion

As a BBBEE investor, the Fund owns 71.51% of CZH.

In terms of diversity and inclusion, assuming the facility runs at 50% occupancy with a total staffing of 214, the targeted demographic split will be:

- total % of black employees 88.3%
- total % of women employees 91.1%
- total % of black women employees 77.6%

Eight of the fifteen new Doctors that joined as new shareholders in the Expanded hospital are BBBEE.

+ CONTRIBUTION – what if ZPH did not exist?

By improving access to quality, affordable specialist healthcare services, CZH meaningfully impacts the community.

Without CZH and particularly the Expansion, the medically insured community would need to continue travelling between 1-4 hours to access much-needed healthcare.

As an NHN hospital, the expanded CZH offers more medical disciplines at affordable rates, increasing the local community's access to quality healthcare.

Additional medical disciplines which are now be available at CZH include (i) Obstetrics gynaecology, (ii) Internal medicine, (iii) Ophthalmology, (iv) Pediatrics, (v) Physical medicine and rehab, (vi) Diagnostic radiology, (vii) Surgery - Orthopaedic,

general, ear nose, urology, plastic & reconstructive and dental.



▲ Summit's Value-Add

The Expansion cost in excess of c.R230 million.

The Fund provided R178 million of the required financing. Summit arranged the balance of the funding from equipment financiers and the new Doctors.

In addition, Summit has actively (i) assisted CZH in dealing with the architects, principal agent, sourcing of equipment and related debt financing to optimise the overall financial feasibility of the Expansion, (ii) led and guided all aspects regarding environmental and social considerations, including selecting environmental and health & safety specialists who independently and regularly reported to the board of CZH regarding E&S matters, (iii) assisted with recruiting of several new doctors, (iv) developed several finance, reporting and other processes and systems required to monitor all activities regarding the Expansion.

Led by Summit, CZH implemented its new brand and website and worked with Crestcare on finalising the new Hospital Information Management, which CZH will implement.

As part of the Expansion, Zoutpansberg Private Hospital was rebranded to **Crestcare Zoutpansberg**, forming part of the Fund's Crestcare group of hospitals.

△ RISK – what is the risk?

In our 2021 Report, we noted the following as a risk – "needing more doctor support, covering a broad range of specialties".

This risk has been mitigated, and the support received from local doctors and specialists has been overwhelming.

As part of the Expansion, over 15 new doctors have joined as shareholders (the majority who are Black), ensuring the necessary support.

ESG risks and mitigations are detailed on the following page.

ESG practices - managing risk and opportunity through various industry frameworks

ESG risks and opportunities

Environmental ¹	Medium
Social ¹	Medium
Governance	Low
Summit ESG audit performed	Yes

¹as a result of the Expansion having commenced.

ESG Performance

Significant staff grievances reported	none
Health & Safety incidents	1
Industrial action	none
Number of data breaches	none
Electricity usage – Scope1-3	partially monitored
Back-up power available	Generators

E&S Management System (ESMS)

ESG focused persons	Yes
E&S Policy	60%
Comprehensive risk register	70%
Regular ESG review meetings	Yes
Standard of ESG reporting	Medium
Summit ESMS rating per the IFC PS1 (refer to page 9)	(2.5) 2023 (2.5) 2022

SASB material industry risks

Energy & Water Efficiency
Patient Privacy & Electronic Records
Quality of Care & Patient Satisfaction
Management of Controlled Substances
Pricing & Billing Transparency
Employee Health & Safety

Overview

CZH has assigned two people within the organisation to take responsibility for ESG. The Hospital Manager is principally responsible for social and governance

matters, and the Facilities Manager oversees environmental and safety matters.

To assist CZH in further aligning all its ESMS practices with international best practices, Summit is collaborating with IBIS Consulting to develop an ESMS and related ESG framework for Crestcare and all the Fund Hospitals. The framework will be aligned with local regulations and international best practice standards and implemented at CZH in 2024.

The Expansion

The expanded Crestcare Zoutpansberg Hospital was completed during the reporting period and opened its doors in December 2023. It was developed from a 32-bed hospital with one operating theatre to 92 beds with three additional operating theatres.

The opening of the state-of-the-art facility is a significant milestone for the Louis Trichardt and greater Makhado and Vhembe Districts as it increases the range of quality healthcare that is available to the local community.

The independent Principal Agent and independent Health and Safety ("H&S") and Environmental consultants (the "Consultants") appointed by ZPH continuously monitored construction activities. Only one major H&S incident occurred during the entire expansion phase.

PS1 – Risk Management

Assessment and management of E&S risks and impact

- **Expansion:** The board and Summit received a monthly "Monitoring Report" on H&S and Environmental matters from the independent Consultants. The reports include impacts on the biological and physical environment, health, and safety. This allowed the CZH Board and Summit to manage any risk areas proactively. Any incidents on site were reported to the Consultants and immediately escalated to the Summit.

PS2 - Labour

- **Hospital:** The Expansion resulted in 65 additional staff recruited during the reporting period. Onboarding and training implemented by the CZH and Crestcare teams ensured seamless integration of the new staff into the workplace.

CZH maintains a great working environment, and employees are happy

and looked after.

- **Expansion:** One injury was sustained

during the expansion process, when an object fell on a worker's foot. The incident was thoroughly investigated, and a report was made to the Department of Labour as per regulation.

Working hours were monitored and maintained well within regulation. No underage labour was used.

PS3 - Resource Efficiency

- **Water** - Increased water supply was a significant concern for the Expansion. It was resolved through a combination of drilling boreholes, contributing capex to the council to expand supply, and sourcing water from the school across the road.
- **Energy** – Load-shedding continued to impact the Expansion substantially. Newly installed generators ensured a consistent supply of energy. In previous years, the generators were serviced once a year, but due to continued load-shedding, the generators were serviced eleven times in 2023. Services include functionality and ensuring the generators remain as environmentally friendly as possible.

PS4 - Community

Stakeholder feedback and management

- **Hospital:** Community engagement remains successful at CZH.
- **Expansion:** Several measures were implemented to ensure community safety, including managing road access, site entry, building waste, and noise.

The community reported no adverse effects; in fact, there was positive sentiment about the Expansion. CZH engaged with the local municipality, which conducted a site walk-through and they gave positive feedback. Community leaders were pleased with the increased healthcare access and job creation.



crestcare
ZOUTPANSBERG



Apex Surgi-centre ("Apex" and "Apex Soweto")



Summary

Impact Target	Access to Affordable Quality Healthcare
Location	Soweto
Location classification	Township
SASB Sector	Healthcare
SASB Industry	Health Care Delivery

Fund Investment

Investment date	November 2021
Initial investment amount	R25.1m
Fund shareholding	55%

SDG alignment



Selected IRIS+ Impact strategic goals – (B) Community Upliftment

Increasing consistent supply of essential services and products	Y
Increasing access to medical diagnostics	Y
Reducing financial barriers of health services	Y

Governance & Compliance

Board (total/non-exec/Summit)	5 / 2 / 1
King IV governance framework adopted	75% ➡
Diversity & Inclusion Policy	not yet
Data Protection Policies	✓
Whistle Blowing Policy	in progress
Anti-Corruption Policy	in progress
Conflicts of Interest Policy	No
Risk Management & Compliance Program	70% ➡
Cybercrime Prev. & Incident Management Plan	not yet started

Revenue

2023	R13.3m
2022	R10.2m

Impact Theme Target Alignment

	2022	2023
(A) Employment		
Employees	13	13
Temporary jobs created	0	0
New jobs since inv.	-1	-1

(B) Community Upliftment

No. of beds	24	24
No. of theatres	2	2
No. of procedure rooms	1	1
Patients treated	724	939
Surgeries performed	724	939

(C1) Transformation*

BEE Level	2	2
Black ownership	77.7%	77.7%
B-BBEE recognised spend	to be tracked	to be tracked
% Black employees	84.6%	84.6%
% Black executive & senior management	75.0%	50%
Skill development spent on black people	to be tracked	to be tracked

(C2) Diversity & Inclusion (and 2X)

	2022	2023
% Women ownership		
Total	36%	36%
Black	16%	16%
% Women staff		
Total	69%	69%
Management	25%	25%
Board	20%	0%
% Black Women staff		
Total	69%	69%
Management	25%	25%
Board	20%	0%
No. of 2X Challenge criteria categories fulfilled	5	2X

Apex Summarised

Founded by a group of Soweto-based doctors, Apex opened its first-day hospital in September 2020 in Soweto (24-bed, two theatres and one procedure room).

Apex is an NHN member, giving access to all major medical schemes and providing affordable healthcare to their patients.

The hospital's current services include General Surgery, Maxillofacial Surgery, Gastroenterology, Gynaecology, ENT - ear, Nose, and Throat Plastic Surgery, Urology Pain Management, Pediatric Dentistry, and General Dentistry - orthodontics.

In November 2021, the Fund acquired an effective 55% of Apex to assist the Apex Surgi-centre group in acquiring additional equipment in Apex Soweto.

The year 2023

Apex treated an additional c.30% more patients in 2023. Notwithstanding the increase in number, the facility remained underutilised. The key reason is that doctors still prefer to locate their primary practice and perform the majority of their cases at an acute hospital. This concern and others are set to reduce over time as Day facilities gain traction within the South African medical fraternity. However, the benefit of that behavioural change will largely be felt outside of the Fund's investment cycle.

As part of British International Investment's ("BII") BII Plus technical assistance program, BII, Summit, and Crestcare completed a detailed market assessment to understand ways to make Apex Soweto's services more known and accessible to the surrounding communities. This resulted in the identification and implementation of various initiatives that helped increase Apex Soweto's occupancy rate in 2023.

Impact outcomes - addressing the challenge of providing the community with access to Quality Healthcare

WHAT is the social challenge?

By providing quality and affordable healthcare, Apex Soweto helps address the ever-growing need for healthcare services (SDG 3).

According to Medscheme, almost 70% of surgical procedures in the private sector (acute hospitals) can be done in day hospitals. Costs associated with performing eligible procedures in a day hospital are much lower and have the following benefits:

Lower cost – the costs of procedures performed at day hospitals are much lower when compared to acute hospitals due to the lower infrastructure and staffing requirements.

No overnight stay – patients are admitted, operated on and discharged on the same day. It is incredibly convenient where children are concerned.

Lower risk of infection – since patients return home on the same day, the dangers of cross-infection are reduced, resulting in a shorter recovery.

Child-friendly wards and facilities – day hospitals are the ideal alternatives for children requiring same-day surgery as the trauma of overnight stay is eliminated.

To further illustrate why day hospitals provide affordable healthcare: In developed countries such as the United States and the United Kingdom, up to 70% of surgeries are performed in day hospitals. However, in South Africa, only 13% of surgeries are completed in day hospitals.

WHO are the stakeholders?

The highly densely populated catchment area (within 15 min from Apex Soweto) has a population of over one million people.

The independent feasibility study concluded "that the facility is well-positioned, well accessed and ideally placed to serve the community".

The report further indicated a shortage of ±24,000 patient day beds within the catchment area.

HOW MUCH - scale of the Impact

The Fund's investment, together with Crestcare's involvement, is targeting to increase (refer below) Apex Soweto's occupancy substantially in 2024/5, ensuring the facility's overall viability.

(A) Job Creation

As the facility utilisation rate increases to its targeted rate of 50% and above, 16 additional people (13 to 29) will be employed.

(B) Community Upliftment Access to Quality Health

The increased occupancy at Apex Soweto will lead to an estimated yearly increase in performed surgeries:

Year	Patients
2023	actual - 939
2024	1 529
2025	1 765

The number of patients treated in 2023 was 61% of the forecasted numbers at the time of investment. Under the direction of Summit, Crestcare has implemented various initiatives to increase hospital usage.

(D) Transformation Diversity & Inclusion

Through the Fund's investment, black ownership in Apex Soweto increased from 49.6% to 77.7%, and black women ownership increased from 0% to 15.7%.

In relation to diversity and inclusion:

- 69.2% of the 13 employees are black women; and
- 25% of executive and senior executive management are black women.

The target set by Apex Soweto is always to employ at least 50% of Black women employees.

+ CONTRIBUTION – what if Apex Soweto did not exist?

Providing a well-located day hospital such as Apex Soweto enables access to quality, affordable day hospital healthcare.

Without Apex Soweto, the local community will be required to use local acute hospitals, which are more expensive and don't provide the benefits noted under WHAT.

Summit's Value-Add



Crestcare (74.32% owned by the Fund) – has been contracted to assist Apex Soweto with operational management. Crestcare is playing a pivotal role in optimising the operational management of the facility and assisting with securing additional doctors who can perform a broader range of medical disciplines.

The interventions have resulted in several cost management measures, operational efficiencies, and an increase in treated patients, albeit not at forecasted levels.

In addition, Apex Soweto received approval from British International Investments for grant funding and technical assistance to implement various programs in the surrounding community to increase awareness of the services offered at Apex Soweto.

The community awareness programs commenced in Q4-2022 and ran into 2023.

△ RISK – what is the risk?

The most significant risk relates to not increasing the number of patients being treated, which impacts viability.

To mitigate this risk, as part of its investment the Fund allocated finance to purchase additional high-tech equipment, allowing more specialist doctors to provide their services at Apex Soweto.

Notwithstanding the above measure, in 2024 the Fund, Crestcare, and Apex will consider alternative partnerships to increase facility usage.

ESG practices - managing risk and opportunity through various industry frameworks

ESG risks and opportunities for improvement

Environmental	Low
Social	Low
Governance	Low
Summit ESG review performed	Yes

ESG Data/Performance

Significant staff grievances reported	1
Health & Safety incidents	1
Do staff belong to a union	Yes
Industrial action	none
Number of data breaches	none
Electricity usage – Scope1-3	Not monitored
Back-up power available	Generators

E&S Management System (ESMS)

Dedicated ESG person	Crestcare
E&S Policy	60%
Comprehensive risk register	90%
Regular ESG review meetings	Yes
Standard of ESG reporting	Medium
Summit ESMS rating per the IFC PS1 (refer to page 9)	(2.5) 2022 (2.0) 2021

SASB material industry risks

Energy & Water Efficiency
Patient Privacy & Electronic Records
Quality of Care & Patient Satisfaction
Management of Controlled Substances
Pricing & Billing Transparency
Employee Health & Safety

Overview

Apex Soweto occupies the ground and first floors of the rented medical services building. The landlord is responsible for auxiliary facilities on the site.

In its capacity as hospital operator, Crestcare continues to work with Apex to develop and implement several ESG policies and frameworks.

Even though the present focus at Apex is to increase hospital utilisation rather than on building enhanced ESMS processes, the general operations regarding ESG are adequately managed, considering that Apex is not running at full capacity.

The current marketing campaign will increase utilisation, necessitating specific E&S improvements to manage the increased volumes.

ESG – Value Add Action Areas

To assist Crestcare in further aligning all its ESMS practices with international best practices, Summit has engaged IBIS Consulting to develop an ESMS and related ESG framework. Crestcare will roll it out in Apex Soweto.

The framework will be aligned with local regulations and international best practice standards and implemented at Apex Soweto in 2024.

PS1 – Risk Management

Assessment and management of E&S risks and impacts.

- The online ESG Value Action Plan tool was rolled out to Apex Soweto in Q4-2022 and became operationalised by Crestcare in Q2-2023.

PS2 - Labour

- Apex Soweto has a very competent theatre manager. Permanent staff are happy with their roles, and patient satisfaction is high.
- From an Operational Health & Safety perspective, the most severe incident related to a sewerage leakage that affected both the procedure room and the ward. Affected areas were restored to optimal conditions within days.
- During the reporting period, Apex demonstrated its commitment to positive workplace dynamics and best social practices, resulting in a constructive and favourable first-time visit from a Union,

representing certain employees.

- During the reporting period one a complaint was received through the Summit whistleblower reporting portal. An investigation was conducted and the complaint resolved. Feedback was provided to the whistleblower, and nothing further was raised.



PS3 - Resource Efficiency

- To date, Apex Soweto has recorded no environmental incidents.
- The site obtains electricity and water from the local municipality. The landlord maintains generators. Maintenance records are checked and monitored.
- Water is stored in a large tank on site, which an external contractor regularly disinfects. In addition, water samples from the tank and taps are periodically tested.

Waste Management

- During the reporting period, Apex reviewed its medical waste policies and processes, including a review of the medical waste contractor's certifications, to ensure continued compliance with regulatory requirements.
- During the reporting period, Apex consolidated its medical waste management services by opting for a single provider as opposed to two. This strategic decision led to a streamlined and optimised medical waste management process. All waste registers were thoroughly updated for the reporting period, and no further areas for improvement were identified.

PS4 - Community

Community Health, Safety and Security

- Apex Soweto has a questionnaire that every patient completes, and the data is recorded. Patients are generally happy.



Summary

Impact Target	Financial Inclusion
H/O Location	Pretoria
Other Offices	National Footprint
Sector	Financial Services
SASB Industry	Asset Management & Custody Activities
	Insurance

Fund Investment

Investment date	December 2020
Initial investment amount	R259.8m
Fund shareholding	37.38%

SDG alignment



Selected IRIS+ Impact strategic goals – (B) Community Upliftment

Directly serves an individual by providing access to saving/ investment products (EFG)	Y
Improving access to financial services products in terms of demographics (EFG & BCI)	Y
Provide financial transactions which support decent jobs and foster economic development	partially

Governance & Compliance

Board (total/non-exec/Summit)	10 / 6 / 2
King IV governance framework adopted	100%
Diversity & Inclusion Policy	✓
Data Protection Policies	✓
Whistle Blowing Policy	✓
Anti-Corruption Policy	✓
Conflicts of Interest Policy	✓
Risk Management & Compliance Program	✓
Cybercrime Prev. & Incident Management Plan	✓

Revenue

(R'000)

2023	R1 905.7m
2022	R2 122.5m
2021	R1 782.7m

Impact Theme Target Alignment

	2021	2022	2023
--	------	------	------

(A) Employment / Job Creation

Employees	469	537	525
- Permanent	292	366	343
- Contract (RFAs)	177	171	182
New jobs	18	86	74

(B) Community Upliftment

Voluntary saving	22 707	35 496	36 522
Comp. saving	15 485	22 550	24 146
Short-term insur.	8 886	5 912	6 775
Using trusts	682	575	740

AU Advice (EW)	R29bn	R36bn	R39bn
AU Mngmnt. (BIP)	R28bn	R32bn	Sold
AU Consult. (BIP)	R46bn	R47bn	Sold
AU Admin. (BCI)	R198bn	R268bn	Sold
Total Savings	R346bn	R382bn	R39bn

(C₁) Transformation¹

BEE Level	NC	7	4
Black ownership	37.4%	37.4%	37.4%
B-BBEE recognised spend	115%	115%	96%
% Black employs	23%	27%	30%
% Black executive & senior mngmnt	6%	5%	12%
Skill dev. spent on black people	R421k	R357k	R1.35m

(C₂) Diversity & Inclusion (and 2X)

	2022	2023
--	------	------

% Women ownership

Total	31%	29%
Black	11%	11%

% Women staff

Total	59%	59%
Management	21%	24%
Board	30%	22%

% Black Women staff

Total	21%	23%
Management	3%	12%
Board	20%	11%

No. of 2X Challenge criteria categories fulfilled	1
---	---



EFG Summarised

Founded in 1999, Efficient is a large, independent and diversified financial services provider of financial planning/savings and other products, with offices across all nine provinces of South Africa ("SA"). Efficient's primary services offering is:

Efficient Wealth ("EW") - the provision of financial administration, financial advice, financial management and financial consulting services to Registered Financial Advisor/s ("RFAs"), enabling RFAs to access suitable Financial Planning, Savings Products and other Financial Products for their clients, based on their client's needs (Resignation, Retirement, Tax Retirement Savings, General Savings, Estate Planning, Insurance etc.). Efficient Wealth has one of the largest RFA networks in South Africa.

Boutique Collective Investments ("BCI") - the provision of Collective Investment Scheme ("CIS") infrastructure, CIS compliance and administration on a white-label and co-branded basis to independent Asset Managers who do not have in-house CIS infrastructure. BCI is by far the most significant independent CIS Manco in South Africa.

The year 2023

EFG concluded the sales of BCI and BIP in 2023, which resulted in the Fund receiving a substantial payment. This reduced the Total Savings in Scorecard from R382 billion to R39 billion. Due to the nature of BCI and BIPs' (institutional) businesses, EFG continues to deliver an impact through EW business.

EFG continued to invest in expanding the demographics of its client base through industry transformation and institutional strategies (provision of holistic financial advice to members of retirement/pension funds). This "Institutional Strategy" includes recruiting and training RFAs from diverse backgrounds to provide retirement counselling services to the members of the pension/provident funds.

To this end, the focus was on improving the BEE rating and brand awareness of EFG amongst institutions, and enhancing EFG's capabilities to service existing and new clients. Since the Institutional Strategy was launched in 2022, EFG has secured three large institutional clients with over 50,000 members in aggregate.

Impact outcomes - addressing the challenge of Financial Inclusion

WHAT is the social challenge?

During the last 20 years, saving rates have steadily reduced in South Africa. Today, South Africa's saving rate is 16.3%, which places it at one of the lowest savings rates in the world. Saving rates typically drive the investment rate and, in turn, economic growth. Gordon Institute of Business Science indicates that "the promotion of domestic savings – especially among households – holds the greatest prospect for promoting elevated economic growth".

A study by a leading data analytics firm, Kantar, revealed that contrary to widely held perceptions, most South Africans want to save and understand the importance of doing so. However, most find it challenging to do so because most formal savings offerings are overly complex and intimidating. Moreover, they don't understand how specific savings products can help them grow their money.

WHO are the stakeholders?

The 10X South African Retirement Reality Report 2020 found that nearly half (49%) of South Africans still need a retirement plan. Of the respondents who said they had some retirement plan, 75% were worried about whether they would have enough to live on after retiring or were unsure about this.

Alexander Forbes Member Watch analysis for 2019 showed that 50% of members are expected to retire with less than a 20% replacement ratio (recommended is upwards of 70%).

HOW MUCH - scale of the Impact

EFG's focus has been on increasing its existing Financial Inclusion impact. A vital component of Summit's post-investment Value Creation Plan for EFG importantly focuses on further extending its Impact by enabling Financial Inclusion through making its financial savings products / advice / platforms more accessible to the broader population, specifically previously disadvantaged individuals ("PDIs"), and small to midsize asset managers who ordinarily would not be able to access the market with their saving products due to the related cost and regulatory barriers.

EFG achieves this Impact through its RFA network of 171 national advisers and through the implementation of its Institutional Strategy.

Specifically concerning the Fund's impact themes:

(A) Job Creation

EFG has created 74 new full-time jobs since the Fund's investment. Total women employees increased by 58 and black women employees by 36. EFG aims to increase the number of RFAs over the next four years through its training intern program, recruitment, acquisitions and forming partnerships.

(B) Community Upliftment Financial Inclusion

Efficient Wealth serves 68 183 clients. At the time of investing, it had 35 323 clients. This represents an increase of 32 860 clients during the Fund's investment.

88% of these clients (60 668) have some form of savings product. During the Fund's investment, 25 345 new clients have invested in savings products.

(C) Transformation Diversity & Inclusion

Before the Fund's investment, EFG had no BEE shareholding or transformation plan. Through the Fund's investment, EFG is 37.4% black-owned and 10.7% black women-owned.

EFG's BBBEE verification was completed in December 2023, changing its status from unrated to a level 4 BBBEE rating.

Specific action items for 2023 included:

- increase the groups' skills development spend, resulting in the training and development of over 60 employees in 2023; and
- continuing with the internship program to incubate and increase the number of black financial planners.

From a Diversity & Inclusion perspective, 22% of the board is represented by women, and 11% are black women. At the time of investing, the board only had one white female.

The Impact of EFG's revised Employment Equity and Recruitment Policy (finalised in 2021) is starting to deliver results as the percentage of black women employees has increased from 16.5% at the time of the Fund's investment to 23.0% in 2023.



+ CONTRIBUTION – what if EFG did not exist?

EFG's products and services enable individuals/families to access financial advice and saving products. As one of the largest independent financial adviser network in South Africa, EFG provides financial advice and recommends retirement, saving, and insurance products that best meet their clients' needs.

To increase its reach and Impact, EFG / Summit's Value Creation activities this past year included EFG continuing to invest in expanding the demographics of its client base through industry transformation and institutional strategies (provision of holistic financial advice to members of retirement/pension funds). This "Institutional Strategy", includes recruiting and training new RFAs from diverse backgrounds to provide retirement counselling services to the members of the pension/provident funds.

▲ Summit's Value-Add

The Fund's investment in EFG has been a catalyst for EFG's BBBEE strategy, particularly as it relates to making financial advice and products available to the broader demographics of SA.

To this end, Summit has actively assisted EFG with finding industry partnerships and investment opportunities essential to enabling the strategy within EFG. In addition, Summit has initiated and assisted EFG in developing ESG and ESMS practices.

△ RISK – what is the risk?

ESG risks and mitigations are detailed on the following page.

ESG practices - managing risk and opportunity through various industry frameworks.

ESG risks and opportunities for improvement

Environmental	Low
Social	Medium
Governance	Low
Summit's last ESG review date	Nov 2023

ESG Data/Performance

Significant staff grievances reported	none
Health & Safety incidents	3
Do staff belong to a union	Yes
Industrial action	none
Number of data breaches	none
Electricity usage – Scope1-3	Partially monitored
Back-up power available	Generators

Environmental and Social Management System (ESMS)

Dedicated ESG person	Yes + committee
ESG & ESMS Policy	Yes
Comprehensive risk register	100%
Regular ESG review meetings	Several
Standard of ESG reporting	High
Summit ESMS rating per the IFC PS1 (refer to page 9)	(5.0) 2023 (5.0) 2022

SASB material industry risks

Selling Practices and Product Labelling
Employee Engagement D&I
Product Design & Lifecycle Management
Business Ethics

Overview

In 2022 Efficient completed all the ESG Action Plan action items that were identified at the time of investment and included in the shareholders' agreement. Through its ESG Committee, in 2023, EFG

identified 12 additional action items indicating that EFG, in terms of the IFCs Performance Standard 1 (Risk Management), is actively engaging the Plan, Do, Check, Act principles in improving various ESG aspects.

Having adopted King IV as a previously Johannesburg Stock Exchange-listed company, Efficient adheres to the highest levels of compliance and governance.

ESG is integral to employee induction at EFG, and monthly training is provided. Employees are encouraged to limit travel and refrain from unnecessarily printing paper. Awareness of wastage and energy usage is being driven within EFG.

ESG – Value Add Action Areas

Summit has actively continued working with EFG to further develop its ESG and ESMS framework during the year under review.

In December 2022, the Board approved the EFG ESG Statement, which details the company's ESG values and processes and the ESG committee's reporting obligations to the Remuneration, Social, and Ethics Committee.

After three years of planning and implementing various changes, led by Summit and the EFG-constituted BEE committee, EFG BBBEE verification was completed in December 2023, changing its status from unrated to a level 4 BBBEE rating.

PS1 – Risk Management

Assessment and management of E&S risks and impacts.:

Specifically, as it relates to the adoption of PS1:

- The ESG Committee meets regularly, and risks/opportunities are monitored and tracked.
- ESG risks and impacts are recorded in the EFG combined assurance risk register.
- The ESG Committee regularly reports to the Audit Risk & Compliance Committee and the board.

PS2 - Labour

- During the reporting period, the EFG Occupational Health and Safety policy was reviewed and replaced with a new policy detailing the responsibilities of all EFG role players to ensure a safe and healthy working environment.

- During April 2023, the E-mail Use

Policy, Gifts Policy and CCTV Camera Policy were all approved and adopted by the board, and thereafter communicated and rolled out to senior and middle management.

- The new term for the Health and Safety Committee members started on 1 May 2023, with six new members appointed.

PS3 - Resource Efficiency

- As part of EFG's commitment to the environment, during the reporting period, EFG continuously investigated the use of solar energy generation as an option at its Pretoria and Belville Offices.
- Employees are encouraged to limit travel and refrain from unnecessarily printing paper. In addition, awareness of wastage and energy usage is being driven within EFG.
- Generators are serviced bi-annually to ensure these remain as environmentally friendly as possible.

PS4 - Community

- Due to the uptake in cybercrime, EFG proactively reviewed their Password Policy to ensure robust controls for password security and standards.
- The EFG IT Department's cybersecurity awareness campaign for all employees started in June 2023. In addition, the department was subject to an internal audit and is in the process of implementing the recommendations made.

SASB Adoption

SASB's Materiality Map® identifies sustainability issues likely to affect companies' financial condition or operating performance within an industry.

The SASB Standards enable businesses worldwide to identify, manage and communicate financial-material sustainability information to their investors.

EFG has incorporated SASB issues in their combined assurance and risk reporting framework.



Newbridge Graduate Institute ("NGI")



Summary

Impact Target	Access to Quality, Affordable Education
	Durban
	Centurion x 2
Campus Locations	Klerksdorp
	Witbank
	Tygervalley
No. of Campuses	6
Campus Capacity	+4 500
Learning deliver	In-person
	Distance (online)
Location classification	various
SASB Sector	Services
SASB Industry	Education

Fund Investment

Investment date	April 2022
Initial investment amount	R108m
Fund shareholding	55%

SDG alignment



Selected IRIS+ Impact strategic goals – (B) Community Upliftment

Improving the successful transition of Youth into the workforce and society	Y
Improving the quality of teaching and learning environments	Y

Governance & Compliance

Board (total/non-exec/Summit)	3 / 1 / 1
King IV governance framework adopted	50%
Diversity & Inclusion Policy	started
Data Protection Policies	✓
Whistle Blowing Policy	✓
Anti-Corruption Policy	started
Conflicts of Interest Policy	started
Risk Management & Compliance Program	started
Cybercrime Prev. & Incident Management Plan	✓

Revenue

2023	R100m
2022	R72m

Impact Theme Target Alignment

	2022	2023
(A) Employment		
Employees	186	283
Temporary jobs created	21	72
New jobs since inv.	50	120

(B) Community Upliftment

No. Full-time learners	1 307	1 826
No. Vocational/Tech. learn.	282	421
No. Employee learnerships	16	8
Total learners	1 605	2 255
No. Bursaries provided	200	500
Value of Bursaries provided	R8m	R24m
No. Higher-edu. courses	22	26

(C1) Transformation*

BEE Level	2	2
Black ownership	55%	55%
B-BBEE recognised spend	to be tracked	to be tracked
% Black employees	26.9%	42.4%
% Black executive & senior management	0%	20%
Skill development spent on black people	to be tracked	to be tracked

(C2) Diversity & Inclusion (and 2X)

	2022	2023
% Women ownership		
Total	46%	46%
Black	16%	16%
% Women staff		
Total	61%	62%
Management	40%	40%
Board	33%	50%
% Black Women staff		
Total	12%	20%
Management	0%	0%
Board	0%	25%
No. of 2X Challenge criteria categories fulfilled	4	2X

Newbridge Summarised

NGI was founded in 2018 to primarily provide structured learner support services to students enrolled for distance-mode tertiary education degrees/diplomas with third-party tertiary education providers such as IMM, UNISA, and Boston College.

Following the Fund's investment in NGI in 2022, NGI acquired 100% of Centurion Academy ("CA"), enabling the group to evolve from providing learner support services to becoming an accredited provider of tertiary education and qualifications.

CA was founded in 1999 as a private higher education institution to equip students with the required knowledge and skills to meet South Africa's growing economic and social demands. CA is accredited by the Department of Higher Education & Training and other regulatory bodies to provide 36 qualifications (degrees, diplomas, higher certificates, and vocational training).

"NGI Group" refers to NGI and CA.

The year 2023

During 2023, NGI completed the integration of the NGI and CA operational and academic departments.

The CHE (Council of Higher Education) approved the planned new Highway campus (Pinetown Kwa-zulu Natal) as a registered site of delivery for NGI.

During Q3 and Q4-2023, NBI marketed the opening of the Pinetown campus (capacity of 500) in preparation for enrolments in the 2024 academic year.

A noteworthy achievement in 2023 was NGI securing c.R24 million student bursaries from sponsoring corporates, which enabled 500 previously disadvantaged individuals to access quality tertiary education at NGI.

Impact outcomes - addressing the challenge of providing the community with access to Quality Education

WHAT is the social challenge?

Tertiary education pays off in South Africa ("SA"). The employment rate among 25-64 year-olds with a tertiary qualification is 85%, 30 percentage points higher than those with only upper secondary qualifications.

The risk of becoming neither employed nor in education or training ("NEET") falls significantly with higher educational attainment. For example, about 21% of tertiary-educated 25-29 year-olds in South Africa were NEET in 2018, compared to 52% among those with an upper secondary qualification.

Despite higher education's employment advantages, most young people leave the education system before the age of 25 in South Africa. About 69% of 20-24 year-olds were not in education in 2018 ([OECD average](#): 55%), and South Africa had the highest share of NEETs aged 20-24 (48.6%) among OECD and partner countries.

South Africa's drastic shortage of higher education spaces versus applications contributes to the above crises. SAs prominent universities (UCT, WITS, Kwazulu Natal, etc.) receive several more applications yearly than they can accommodate (up to ten times). Universities only have 169 000 first-year spaces available for the more than 220 000 students who qualify each year to enter higher education. And this does not address the other ±500 000 learners who passed matric and qualified to study further.

WHO are the stakeholders?

At a minimum, the NGI Group will assist the 700,000 youth (15-24) who are categorised as **NEET** in gaining access to meaningful blended Post-School Education and Training ("PSET") (tertiary degrees and diplomas, TVET, SETA).

NGI's primary stakeholder and the Fund's concerning this investment is youth (17-24). Secondary stakeholders include the country and local communities that benefit from an employed workforce

HOW MUCH - scale of the Impact

The Fund's primary objective within the Education sector is to establish a trusted education brand synonymous with providing quality accredited Tertiary Education and Learnerships and Training and to make Tertiary Education more accessible (increase enrolments). In addition to meeting the Fund's target financial returns, the Fund seeks to provide access to quality education for at least 15,000 people during the Fund's term.

The immediate focus is to optimise the capacity of the existing Campuses, which can take up to 2 500 students. Concurrently, the NGI Group will increase its number of Campuses from the current 6 to between 10-11 during the Fund term, creating more jobs and increasing learner capacity.

(A) Job Creation

The opening of the additional Campuses will create up to c.260 New Jobs (112 Permanent Jobs and 148 Contract Jobs). The Contract Jobs will be consistent teaching positions (thus permanent contracts) and not temporary and, as such, will be considered permanent. Contract employees can lecture at other universities.

(B) Community Upliftment Access to Quality Education

Over the Fund Term, the yearly number of students is targeted to increase to between 6 000 to 7 000 admitted students in 2028.

Over the Fund investment term, the NGI Group will enable well over 15,000 students years of teaching.

(C) Transformation Diversity & Inclusion

Through the Fund's investment, black ownership in the NGI Group increases from 0% to 55%, and black women's ownership from 0% to 16%.

Further to the above, Summit with management have finalised the NGI transformation plan. Specific targets being considered include:

- new hires to be 50% B-BBEE individuals and 50% non-Black, with a target of achieving an overall ratio of at least 45% BEE/non-BEE in 6 years;
- new hires to be 60% Female and 40% Male (this maintains the current ratio); and
- The gender splits will be maintained at 56% female and 44% male.



+ CONTRIBUTION – what if NewBridge did not exist?

Without institutions such as NGI South Africa will not have enough capacity to provide higher education.

We previously reported that NGI will, in 2023, look to start its online learning platform. This strategy has been placed on hold as the focus has been on opening new campuses. The new Pinetown campus commences its first intake in 2024, and NGI is developing a second new campus to be opened in Fourways Gauteng. In addition, NGI received a recommendation for accreditation for two additional sites from the Council of Higher Education to be developed in Rondebosch and Franschhoek in the Western Cape.

▲ Summit's Value-Add

The Fund's facilitation of the subsequent 100% acquisition of Centurion Academy has substantially contributed to NGI's ability to deliver the targeted Impact.

In addition, Summit, as investment manager, will contribute the following:

- Support corporate finance and strategic advisory activities.
- The Fund's shareholding and presence on the Board of NGI Group creates alignment with the country's B-BBEE transformation objective.
- Implementation of risk management frameworks, processes and systems (using the IFC performance standards, Sustainability Accounting Standard Board ("SASB"), King IV Combined Assurance and others);
- Assisted NGI through training with implementing ESG practices.
- Assisted with the implementation of core student management and CRM systems.

△ RISK – what is the risk?

ESG risks and mitigations are detailed on the following page.

ESG practices - managing risk and opportunity through various industry frameworks

ESG risks and opportunities for improvement

Environmental	Low
Social	Medium
Governance	Medium
Summit ESG review performed	Yes

ESG Data/Performance

Significant staff grievances reported	none
Health & Safety incidents	none
Do staff belong to a union	No
Industrial action	none
Number of data breaches	One
Electricity usage – Scope1-3	Partially monitored
Back-up power available	varies per campus

E&S Management System (ESMS)

Dedicated ESG person	Yes
E&S Policy	in process
Comprehensive risk register	in process
Regular ESG review meetings	Yes
Standard of ESG reporting	Medium
Summit ESMS rating per the IFC PS1 (refer to page 9)	(2.5) 2023 (2.5) 2022

SASB material industry risks

Energy & Water Efficiency
Patient Privacy & Electronic Records
Quality of Care & Patient Satisfaction
Management of Controlled Substances
Pricing & Billing Transparency
Employee Health & Safety

Overview

Since the Fund's investment, NGI's initial focus has been on implementing operational efficiencies across the NGI and Centurion Academy campuses. As a result, significant systems and process

improvements across finance, operations, academics, and people management have improved risk management at NGI.

In addition, NGI contracted an experienced educational manager with expertise and insight into education, governance, and other matters. This individual supported the additional capacity required to attend to governance and ESG matters within NGI.

The data breach reported was related to a party mimicking a senior manager's email. No data was accessed, and no further consequences arose. NGI contracted experts to assist with the development of various protocols to avoid it from happening again.

Summit has deployed its online ESG Action Plan ("ESG VAAP") collaboration tool in NGI. The software has assisted Summit and NGI in planning and monitoring the various NGI ESG-related action items.

ESG – Value Add Action Areas

E&S aspects covered in the NGI's policies are health and safety procedures, health and wellness, code of conduct, induction for new staff members, staff development, diversity and inclusion, non-discrimination, and disciplinary rules.

PS1 – Risk Management

Assessment and management of E&S risks and impacts.

- In Q4-2023, NGI initiated the development of a comprehensive risk register as part of the ESG VAAP, aligning with the IFC principles. The framework is scheduled for completion by Q4-2024.
- Additional priorities for 2024 include (i) Finalising the design and implementation of the Governance Toolbox, which includes the King IV Governance Framework, and (ii) conducting specialised training for the broader head office and campus management teams to expand their understanding of ESG.

PS2 - Labour

- Labour working conditions and policies are well documented, and procedures are clear and incorporated into the staff's contracts. The working conditions and terms of employment, as well as the compensation and benefits, are reasonable.



PS3 - Resource Efficiency

- The draft Energy Policy and Water Policy was finalised in Q4-2023 and is scheduled for roll-out in 2024.
- An assessment of energy usage spanning was conducted. The recommended measures including energy conservation programmes and implementing automated shutdown procedures for equipment such as projectors, classroom lights, and air conditioning systems.
- An ESG awareness campaign took place at all NGI campuses. The campaigns raised awareness regarding water saving, refuse sorting and using environmentally friendly consumables.
- NGI established that implementing solar is a good alternative in terms of environmental practices. The Group explored securing financing at affordable rates, and further exploration will take place in 2024.

PS4 - Community

Community Health, Safety and Security

- A total of 7 Protection of Personal Information (POPI) related policies were finalised and approved – these included: employee privacy and notice policy, data subjects' rights procedure policy, personal information risk impact assessment policy, etc.
- An Emergency and Disaster Response Management System was developed for reporting Health and Safety incidents. Implementation will commence in 2024 at all NGI campuses.
- NGI completed a full review of security protocols across all IT platforms, resulting in separate firewalls installed at each campus. This will improve data protection and help combat malicious cybercrime attacks.
- Occupational Health and Safety is taken seriously at all campuses. The Health and Safety Policy and Procedure highlights all the procedures and designated persons responsible.

Summary

Impact Target	Access to Affordable Quality Healthcare
Facility Locations	<u>Western Cape</u> x 7 <i>Claro, Tygervally, West Beach, Tiger, Helderberg, Pines, Sereno, Pietermaritzburg</i> <u>Gauteng</u> x 1 – Soweto
No. of Facilities	9 owned
Health Services	Psychiatry & Addiction
Location classification	various
SASB Sector	Healthcare
SASB Industry	Healthcare Delivery

Fund Investment

Investment date	October 2022
Initial investment amount	R122m
Fund shareholding	51.07%

SDG alignment



Selected IRIS+ Impact strategic goals – (B) Community Upliftment

Increasing consistent supply of essential services and products	Y
Increasing access to medical diagnostics	Y
Reducing financial barriers of health services	Y

Governance & Compliance

Board (total/non-exec/Summit)	4 / 2 / 2
King IV governance framework adopted	75%
Diversity & Inclusion Policy	✓
Data Protection Policies	✓
Whistle Blowing Policy	✓
Anti-Corruption Policy	✓
Conflicts of Interest Policy	✓
Risk Management & Compliance Program	✓
Cybercrime Prev. & Incident Management Plan	not yet

Revenue

2023	R174.2m
2022	R149.5m

Impact Theme Target Alignment

	2022	2023
(A) Employment		
Employees	225	244
Temporary jobs created	0	0
New jobs since inv.	-4	15

(B) Community Upliftment

No. of facilities	8	9
No. of beds	293	325
No. patients – psychiatry	581	5 637
No. patients – addiction	231	1 022
Total patients treated	812	6 659

(C1) Transformation*

BEE Level	not rated	2
Black ownership	51%	51%
B-BBEE recognised spend	to be tracked	to be tracked
% Black employees	77.8%	77.9%
% Black executive & senior management	0%	0%
Skill development spent on black people	to be tracked	to be tracked

(C2) Diversity & Inclusion (and 2X)

	2022	2023
% Women ownership		
Total	35%	36%
Black	16%	15%
% Women staff		
Total	85%	83%
Management	50%	50%
Board	50%	50%
% Black Women staff		
Total	67%	66%
Management	0%	0%
Board	25%	25%
No. of 2X Challenge criteria categories fulfilled	6	2X

Life Path Health Summarised

Founded in 2001, Life Path Health ("LPH") provides inpatient treatment to voluntary and assisted patients with mental health and addiction-related conditions.

LPH follows a multi-professional team approach to patient care, including psychiatrists, psychologists, occupational therapists, social workers, and 24-hour nursing.

In addition, LPH is focused on providing smaller, more intimate hospitals with the look and feel of a boutique hotel rather than a clinical healthcare institution.

Based on its current footprint (325 beds across nine healthcare facilities; 7 in Western Cape, 1 in Gauteng, and 1 in Kwa-Zulu Natal), LPH is tied as the second largest provider of mental health services in South Africa by the number of mental healthcare hospitals.

LPH is contracted with all major medical schemes and is a member of the National Hospital Network (NHN), an association of independent private hospitals.

The year 2023

In 2023, LPH commissioned another facility, a 36-bed clinic in Pietermaritzburg (its first facility in Kwa-Zulu Natal), which has been operating successfully since its opening.

In addition to its current footprint, LPH has secured Department of Health licenses for additional locations.

Impact outcomes - addressing the challenge of providing the community with access to Quality Healthcare

WHAT is the social challenge?

Mental illness represents a considerable and growing proportion of the global disease burden, which can and does devastate individuals, families and communities.

According to the World Health Organisation, about one in five South Africans will experience a mental health condition or depressive episode at least once.

Triggers for mental illness include losses such as divorce or retrenchment, financial or work stress, poor relationships, poor health and traumatic events (e.g. the Covid 19 pandemic). Compared with 14 other prominent countries, South Africa presents the:

- 2nd highest: substance abuse
- 6th highest: anxiety disorders
- 7th highest: mood disorders.
- 2nd highest most stressed country

Per the SA Federation for Mental Health ("SAFMH"), only 25% of people with a diagnosable mental disorder in South Africa are receiving treatment. This is due to the significant shortage of mental health beds, a shortage of mental health practitioners and the stigma and lack of awareness associated with mental health conditions. SAFMH indicates that South Africa only has 28 private beds available per a population of 100 000. Publicly available beds are 11 per 100 000. The combined 39 beds are way short compared to the OECD Countries' average of 68 and the Gauteng Department of Health's recommendation of 80 beds per population of 100 000.

WHO are the stakeholders?

From a mental health perspective, the primary stakeholders are those requiring treatment. Secondary stakeholders will be families and local communities.

From a substance abuse perspective, the State is a significant stakeholder in addition to patients and their families. According to South Africa's Central Drug Authority, "alcohol abuse costs the country 12% of its annual GDP and is the fifth most significant

contributor to years of life lost, with alcohol-related illnesses disproportionately affecting socioeconomic groups (Theron et al., 2022).

HOW MUCH - scale of the Impact

LPH's mission is to be the leader of private mental healthcare and hospitalisation in South Africa, measured in terms of (i) income, (ii) total beds, (iii) reputation (quality of facilities and treatment provided), (iv) footprint (nationwide footprint), (v) innovation (tariff models, treatment models and technology) and (vi) therapeutic efficiency (outcome measurement tools).

LPH is tied as the 2nd largest provider of mental health services in South Africa by the number of mental healthcare hospitals.

Opening the additional targeted facilities will allow LPH to achieve greater scale. During the period of the Fund's investment, LPH will commission 2-3 other facilities and secure sufficient psychologists and psychiatrists to provide the required services.

(A) Job Creation

LPH created 15 new jobs in 2023 and will target adding 15-20 for each new facility.

(B) Community upliftment Access to Quality Healthcare

The number of patients treated in 2023 amounted to 6 659. The average stay at LPH per patient is c.17 days for psychiatric patients and 21 days for addiction patients. Adding two additional facilities will add another 70-80 beds to LPH and allow it to increase its capacity. The table below indicates the number of beds and projected patients to be treated.

Table: Growth numbers 2023-2028

	2022	2023	2024	2028
Facilities	8	9	11	12
Beds	289	331	416	451
Occupancy	60%	66%	72%	75%
Patient days	63,662	80,328	109,565	122,789
No.Patient	6,151	7,761	10,586	11,864

LPH is a National Hospital Network ("NHN") member. NHN hospitals are generally associated with lower-income, underserved markets. The tariffs adopted by NHN have been negotiated to be appropriate for these markets, and the price advantage offered causes the large medical schemes to recognise these facilities, which assures affordable access for the community.

(C) Transformation Diversity & Inclusion

As a result of the Fund's investment, LPH is 51% black owned. In addition, LPH employs over 244 people, 78% of whom are black and 83.2% of whom are women.



The Fund's Transformational and D&I outcome requirements will seek to ensure that these levels of Diversity and Inclusion are maintained in LPH.

+ CONTRIBUTION – what if LPH did not exist?

Without LPH's mental health and rehabilitation services (and others like them), the dire situation in South Africa continues to worsen. In addition, through the building of smaller facilities in the township and peri-urban areas, LPH will bring these essential healthcare services to communities that otherwise would not have access to them.

Summit's Value-Add

LPH and Summit have identified the opportunity for LPH to open satellite mental health and rehabilitation clinics alongside Acute/Day hospitals owned by the Fund, especially in rural, peri-urban and township areas e.g. Louis Trichardt (Crestcare Zoutpansberg).

The planned new hospitals will bring psychiatrists to the local community to improve the responsiveness of the medical system for various specialised mental health services.

The Fund's investment will allow LPH to expand its hospital operating management capacity and software systems, resulting in increased efficiencies, economies of scale across facilities, and cost savings.

Summit continues to perform several value-add functions concerning the deployment of information and management systems, implementing governance and ESG frameworks.

△ RISK – what is the risk?

ESG risks and mitigations are detailed on the following page.

ESG risks and mitigations are detailed on the following page.

ESG practices - managing risk and opportunity through various industry frameworks

ESG risks and opportunities for improvement

Environmental	Low
Social	Low
Governance	Medium
Summit ESG review performed	Yes

ESG Data/Performance

Significant staff grievances reported	none
Health & Safety incidents	2
Do staff belong to a union	Yes (8)
Industrial action	none
Number of data breaches	none
Electricity usage – Scope1-3	Partially monitored
Back-up power available	Generators

E&S Management System (ESMS)

Dedicated ESG person	Yes
E&S Policy	75%
Comprehensive risk register	75%
Regular ESG review meetings	Yes
Standard of ESG reporting	High
Summit ESMS rating per the IFC PS1 (refer to page 9)	(3.0) 2023 (2.5) 2022

SASB material industry risks

Energy & Water Efficiency
Patient Privacy & Electronic Records
Quality of Care & Patient Satisfaction
Management of Controlled Substances
Pricing & Billing Transparency
Employee Health & Safety

Overview

Prior to the Fund's investment, Summit commissioned IBIS to complete an independent ESG due diligence ("DD") on LPH. The DD established that LPH already had several aspects of a formal E&S Management System ("ESMS"),

which include procedures, policies and supporting documents (forms, checklists, etc.).

The ESMS is mainly centralised, with most documents maintained at the LPH Head Office and implemented across the 9 Facilities by the operational staff at each site. The procedures are well-considered and cover several E&S risks at the operational level.

Using the DD outputs Summit, with management established the LPH ESG Action Plan ("ESG VAAP").

ESG – Value Add Action Areas

Summit has frequent meetings with LPH on ESG, and the online tool is used to provide regular reporting.

PS1 – Risk Management

Assessment and management of E&S risks and impacts.

- LPH developed a risk register, which was enhanced to consider additional environmental and social aspects. This action item was completed during the reporting period.
- LPH has implemented a very effective incident management process across all its facilities. This success is partially attributable to a software system LPH assisted in developing. Summit is considering rolling out the software and related procedures to the other Fund Hospitals.

PS2 - Labour

- LPH has a very professional and happy working environment. During the reporting period, the Summit team visited several Facilities, and staff were interviewed. Constant feedback from the staff was that they enjoy working at LPH.
- No significant Health & Safety incidents occurred during the reporting period. Where applicable corrective action was implemented swiftly.

PS3 - Resource Efficiency

LPH has developed an "Environment Efficiency Strategy", which details the current processes at each LPH facility, resource use and environmental management, and the strategy and planned approach for the future.

Key aspects regarding resource management at LPH include:

- Hot water heating: Six of the nine LPH

sites have heating systems designed to reduce energy consumption, including variable refrigerant

volume (VRV) systems linked to the central storage vessel to supply hot water (three facilities), solar heating (two facilities) and heat pumps.

- Grey-water systems: One site has grey-water systems for watering the garden.
- Lighting: All sites have primarily LED lighting and are progressively phasing out fluorescent lights.
- LPH commenced an analysis to understand the feasibility of fitting solar solutions to certain of their facilities.

PS4 - Community

Community Health, Safety and Security

- Several social-related work streams were completed during the reporting period as per the ESG VAAP. This includes the development of a Stakeholder Engagement Plan, establishing a group level security Risk Assessment, providing training to equip staff for difficult patient situations, improving access control procedures at each hospital, etc.
- Training during 2023 included using firefighting equipment. In addition, LPH conducted regular fire drills at each hospital.



Custom Capital Finance ("CCF")



Summary

Impact Target	Financial Inclusion
H/O Location	Umlhanga
Client footprint	National
Products	Rental Finance Invoice Discounting
SASB Sector	Financial Services
SASB Industry	Consumer Finance

Fund Investment

Investment date	December 2022
Initial investment amount	R163.8m
Fund shareholding	51%

SDG alignment



Selected IRIS+ Impact strategic goals – (B) Community Upliftment

Directly serves an individual by providing access to saving/investment products	n/a
Improving access to financial services products in terms of demographics	n/a
Provide financial transactions which support decent jobs and foster economic development	Y

Governance & Compliance

Board (total/non-exec/Summit)	4 / 1 / 1
King IV governance framework adopted	<50%
Diversity & Inclusion Policy	not yet
Data Protection Policies	✓
Whistle Blowing Policy	✓
Anti-Corruption Policy	not yet
Conflicts of Interest Policy	not yet
Risk Management & Compliance Program	✓
Cybercrime Prev. & Incident Management Plan	not yet

Revenue

2023	R367m
2022	R220m

Impact Theme Target Alignment

(A) Employment

	2022	2023
Employees	18	23
Temporary jobs created	0	0
New jobs since inv.	0	5

(B) Community Upliftment

No. Rent. Finance SMMEs	6 452	9 027
No. Inv. Discount SMMEs	20	28
Total SMMEs financed	6 472	9 055

Rental Fin. – Book value	R539m	R792m
Inv. Discount. – Book value	R 19m	R 77m
Total book value	R558m	R889m

(C1) Transformation*

BEE Level	not rated	not rated
Black ownership	51%	51%
B-BBEE recognised spend	to be tracked	to be tracked
% Black employees	33.3%	52%
% Black executive & senior management	40%	40%
Skill development spent on black people	to be tracked	to be tracked

(C2) Diversity & Inclusion (and 2X)

	2022	2023
% Women ownership		
Total	28%	34%
Black	12%	15%
% Women staff		
Total	78%	83%
Management	40%	40%
Board	33%	50%
% Black Women staff		
Total	28%	43%
Management	20%	20%
Board	33%	50%
No. of 2X Challenge criteria categories fulfilled	4	2X

Custom Capital Finance Summarised

After successfully building Mercantile Bank's alternative lending book from scratch and selling their stake in that business to Mercantile Bank, the Du Toit brothers founded Custom Capital Finance ("CCF") in 2018. CCF's alternative lending products include Rental Finance and Invoice Discounting.

Rental Finance: CCF's primary target market consists of Small, Micro, and Medium Enterprises (SMMEs), which banks traditionally don't easily finance. This alternate financing assists the SMME in acquiring critically needed equipment without having to secure significant upfront capital to purchase the equipment. The SMME benefits from the use and the free cash flow for at least 54 months (the average rental term is 54 months). More importantly, the cash flow impact allows the SMME to move its business through the J-curve and or deal with economic difficulty (such as Covid), which ensures long-term viability for the SMME and the people it employs.

Invoice Discounting: CCF expanded its product offering in 2020 by acquiring an invoice discounting business that provides short-term financing (30-90 days) against invoices from credible blue-chip off-takers.

CCF's management is considered one of South Africa's leading alternative lending teams in origination and operational management. CCF is the fourth largest operator of its kind in South Africa.

The year 2023

Relying on the R2 billion debt finance programme that Summit jointly arranged with Rand Merchant Bank (the "RMB Note Program"), CCF increased its lending book, resulting in CCF providing finance to 2 583 new SMMEs in 2023.

Several of South Africa's leading finance institutions have supported the Note Program due to the underlying impact CCF delivers.

Impact outcomes - addressing the challenge of providing the access to Financial Inclusion

WHAT is the social challenge?

According to FinFind, SMMEs which start from a pre-revenue of R594 000, contribute significantly to the GDP in South Africa. Therefore, building small businesses that contribute to the economy and create jobs is one of South Africa's most significant development opportunities.

According to the International Finance Corporation, small enterprises employ 50-60% of South Africa's workforce and contribute around 34% of the GDP.

The SA SME Fund report estimates that the SMME credit gap in South Africa is between R86 – 346 billion.

Banks have traditionally struggled to serve SMMEs as they treat these commercial businesses as a single market. They apply traditional lending methods that use collateral and conventional financing scorecards as a one-size-fits-all approach. The approach is detrimental to micro, very small and small businesses accessing finance.

WHO are the stakeholders?

The investment in CCF will assist in addressing high unemployment rates in South Africa. Increasing access to finance results in increased revenue and job growth for SMMEs. Our South African national development plan envisions that by 2030, SMMEs will contribute a 60-80% GDP increase and generate 90% of the target 11 million new jobs.

In addition, the investment in CCF will assist SMMEs battling to access finance. SMMEs in the South African market find it a significant challenge to access finance. SMME financing is relatively low in South Africa, with little growth in the last few years. Corporate lending, however, has increased in the last few years.

SMME surveys suggest that access to finance is a more significant problem for very small and informal firms. For example, the FinScope 2010 study showed that only 1% of SMMEs access formal financing, and 87% do not access financing - many by

choice, as they do not believe they will be successful.

Further, the studies indicate that most businesses analysed were owned by males and black individuals, with 81% owned by historically disadvantaged individuals. It also notes that black women-owned 21% of businesses, and black women accounted for 66% of the total number of women-owned businesses.

HOW MUCH - scale of the Impact

Through the Fund's investment, CCF has access to increased Debt Finance (through the RMB Notes Program) over the next five years, enabling CCF to provide financing solutions to an increasing number of SMMEs.

(A) Job Creation

Direct Jobs: It is envisaged that over the next five years, CCF will only be required to employ an additional 10-15 people with the growth of its finance book (from the current ±R551 million to R1.7 billion). To date, CCF has employed five new people.

Indirect Jobs: Assuming that CCF's financing enables at least 20% of the SMMEs it finances to employ just one extra person, this would result in a minimum of 3,893 new jobs being created throughout the Fund's investment term. For the 2023 period, this translates into 516 new jobs.

(B) Community Upliftment Financial Inclusion

Using moderate projections, CCF will provide alternative finance to at least 15,000 new SMMEs during the Fund's investment term. These SMMEs, in turn, will grow their businesses, employ more people, and drive GDP growth.

It is estimated that at least 5% of those SMMEs financed would be enterprises with a turnover of less than R2 million (classified as Micro & Very Small) and a further 30% with a turnover between R2 and R5 million (classified as Very Small) - 49% of CCF's total book finances SMMEs with a turnover of less than R10m.

No. SMMEs	2023	2024	2025	2028
Year end no.	6,452	9,452	12,452	21,452

(C) Transformation Diversity & Inclusion

The Fund's investment results in CCF being 51% black-owned.

CCF employs 23 people, 43% of whom are women. At the date of issuing this report,

CCF has transformed its board from three white males to two white males and two black females.



As part of the Value Creation Plan agreed with the founders, CCF will:

- Establish a ring-fenced Rental Finance product explicitly supporting black-owned and run women's businesses.
- Establishing a ring-fenced Invoice Discounting product specifically in support of black-owned suppliers, who supply products and services to blue chip debtors, and where the rates will be discounted. This product will be actively promoted to the blue-chip debtors.

+ CONTRIBUTION – what if CCF did not exist?

CCF, the fourth biggest rental finance alternative lender in South Africa (behind Sasfin, Mercantile Bank and Centrafin), plays a critical role in developing the economy and creating jobs. Without CCF and institutions such as CCF, fewer SMMEs will be able to expand and grow their businesses, directly affecting job creation and GDP growth.

▲ Summit's Value-Add

Summit continues to provide value-added services in strategy, software and systems development, product development (the new Products as detailed herein), finance (through securing the R2 billion RMB Notes Program) and governance.

The Fund's additional share subscription and shareholder loan ensure that CCF has adequate equity to secure the required debt levels to deliver on the forecasted outcomes regarding lending to the number of new SMMEs.

In addition, Summit assists CCF in implementing risk management and governance frameworks, processes, and systems (using the IFC performance standards, Sustainability Accounting Standard Board, King IV Combined Assurance and others).

△ RISK – what is the risk?

ESG risks and mitigations are detailed on the following page.

ESG practices - managing risk and opportunity through various industry frameworks

ESG risks and opportunities for improvement

Environmental	Low
Social	Low
Governance	Medium
Summit ESG review performed	Yes

ESG Data/Performance

Significant staff grievances reported	none
Health & Safety incidents	none
Do staff belong to a union	no
Industrial action	None
Number of data breaches	None
Electricity usage – Scope1-3	Not monitored
Back-up power available	Generators

E&S Management System (ESMS)

Dedicated ESG person	Yes
E&S Policy	Tarted
Comprehensive risk register	75%
Regular ESG review meetings	Yes
Standard of ESG reporting	medium
Summit ESMS rating per the IFC PS1 (refer to page 9)	(2.5) 2023 (2.0) 2022

SASB material industry risks

Selling Practices and Product Labelling
Employee Engagement D&I
Product Design & Lifecycle Management
Business Ethics
Selling Practices and Product Labelling

Overview

CCF runs a small and super-efficient financial services operation, resulting in minimal environmental impact.

It occupies a small office in a large, tenanted building, and the landlord is responsible for the auxiliary facilities on the site.

Summit deployed its online ESG Action Plan ("ESG VAAP") collaboration tool in Q1-2023. The software assists Summit and CCF in planning and monitoring the various CCF ESG-related action items.

ESG – Value Add Action Areas

Critical aspects identified during the due diligence formed part of CCFs ESG VAAP and were worked on during 2023. These included developing policy frameworks for Cybercrime Prevention, Incident Management, External Grievances, Stakeholder Engagement, Environmental Social Management Systems (ESMS), and implementing King IV, etc.

PS1 – Risk Management

Assessment and management of E&S risks and impacts

- CCF has a risk management policy and procedure document, which includes a risk register. The risk register was expanded in 2023 to include all aspects of social and governance (specifically compliance). CCF's combined assurance model was expanded in 2023.
- In addition to the policies detailed above, CCF developed a specific Governance and Compliance Policy.
- CCF assigned the E&S management responsibility to a team member whom Summit assisted with training.
- Cybercrime is CCF's most significant risk due to the large quantum of SMME data it holds. An overview of the security systems at CCF identified additional measures to enhance its security further. To assist in this process, Summit has provided CCF with comprehensive Cybercrime and ITC policy templates, which detailed several processes to avoid incidents of cybercrime.

PS2 - Labour

- CCF has long-standing employees, several of whom have followed the Founders from previous companies. Staff morale is very good at CCF, and staff have an excellent rapport with each other. The staff are empowered, and CCF has an open-door policy.
- Whistleblowing was initially documented in the Human Resources Policies and Procedures. As part of its ESG VAAP, Summit identified the requirement for a stand-alone policy, which is published on the CCF website. This was executed in Q2-2023
- Specifically concerning Labour, during

2023, CCF implemented the following policies: Diversity and Inclusion Policy, Non-discrimination Policy (to include social aspects), Code of Ethics Policy, Internal Grievance Policy, Gender Policy, and Remuneration Policy.



PS3 - Resource Efficiency

- CCF is a small tenant in a large office block and currently does not track its electricity usage or the cost/impacts of using generators. Although environmental issues are not a primary concern for CCF, the IFC Performance Standards advocate for improving environmental performance by implementing a management system to track electricity use and identify optimisation areas. CCF can contribute to a more Resource-Efficient society by financing SMMEs' green-related assets, such as Solar panels, Inverters, etc.
- Considering the dire load shedding situation in South Africa, CCF is actively pursuing providing finance to SMMEs that are fitting their offices with alternate energy solutions. 24% of CCF's current book is related to solar finance.

PS4 - Community

Community Health, Safety and Security

- A formal external grievance procedure or mechanism will be implemented in 2024 as part of the ESG VAAP.
- From a Social and D&I perspective, CCF will look to develop a product which explicitly targets women black-owned and run SMMEs, providing favourable credit conditions and or financing rates.

■ Nelspruit Surgiclinic ("NSC or "NSC")



Summary

Impact Target	Access to Affordable Quality Healthcare
Location	Nelspruit
Location classification	Peri-urban
SASB Sector	Healthcare
SASB Industry	Health Care Delivery

Fund Investment

Investment date	May 2023
Initial investment amount	R38.1m
Fund shareholding	59%

SDG alignment



Selected IRIS+ Impact strategic goals – (B) Community Upliftment

Increasing consistent supply of essential services and products	Y
Increasing access to medical diagnostics	Y
Reducing financial barriers of health services	Y

Governance & Compliance

Board (total/non-exec/Summit)	5 / 2 / 1
King IV governance framework adopted	25% ➡
Diversity & Inclusion Policy	not yet
Data Protection Policies	✓
Whistle Blowing Policy	in progress
Anti-Corruption Policy	in progress
Conflicts of Interest Policy	No
Risk Management & Compliance Program	not yet started
Cybercrime Prev. & Incident Management Plan	not yet started

Revenue

2023	R21.1m
2022	---

Impact Theme Target Alignment

	2022	2023
--	------	------

(A) Employment

Employees	---	19
Temporary jobs created	---	2
New jobs since inv.	---	2

(B) Community Upliftment

No. of beds	---	14
No. of theatres	---	1
No. of procedure rooms	---	1
Patients treated	---	775
Surgeries performed	---	856

(C₁) Transformation*

BEE Level	---	none
Black ownership	---	59%
B-BBEE recognised spend	---	to be tracked
% Black employees	---	57.9%
% Black executive & senior management	---	100%
Skill development spent on black people	---	to be tracked

(C₂) Diversity & Inclusion (and 2X)

	2022	2023
--	------	------

% Women ownership

Total	---	44%
Black	---	17%

% Women staff

Total	---	100%
Management	---	100%
Board	---	20%

% Black Women staff

Total	---	58%
Management	---	50%
Board	---	0%

No. of 2X Challenge criteria categories fulfilled	6
---	---



NSC Summarised

The Fund invested in NSC in 2023. NSC is a preferred destination for fertility, maternity and plastic surgery in Nelspruit and its surrounding areas, including the neighbouring countries of Mozambique and Swaziland.

NSC offers world-class plastic surgery (cosmetic and reconstructive), gynaecological and fertility treatments.

The hospital is currently a 14-bed acute facility with one theatre and a new state-of-the-art In Vitro Fertility ("IVF") Laboratory (fertility lab).

The hospital is modern, and the staff is very proficient and professional. The equipment used is well-maintained and state-of-the-art.

The hospital is currently supported by dedicated specialists (including specialist gynaecologists and plastic and reconstructive surgeons), majority of whom are shareholders of NSC. These surgeons collectively outperform the several closely located private hospitals in Nelspruit in terms of the number of gynae and plastic procedures performed. The hospital also has a world-renowned Embryologist.

The founders and dedicated specialists own the balance of the shares.

The year 2023

Part of the Fund's investment thesis was to expand NSC to create increased capacity to supply its specialised services, with a specific focus on mother and childcare. The initial intention was to increase the facility from 14 to 40 beds. During 2023, interviews with the doctors in the community indicated that the demand/referrals within the mother and child medical service offerings within the peri-urban/rural area of Nelspruit and its surrounds far exceed the size of the approved license.

As part of the Fund's strategy Crestcare was appointed as the hospital manager of NSC.

During the reporting period, Crestcare, on behalf of NSC, applied to the Mbombela Department of Health to increase NSC from a 14-bed facility to a 62-bed facility (the "Expansion").

Impact outcomes - addressing the challenge of providing the community with access to Quality Healthcare

WHAT is the social challenge?

By providing quality and affordable healthcare, NCS helps address the ever-growing need for healthcare services (SDG 3).

Nelspruit, also known as Mbombela, is the capital of Mpumalanga province, South Africa, with a population surpassing 120,000, having experienced rapid growth.

Surrounding areas like White River, Barberton, Malelane, and Hazyview are also growing significantly. Growth is expected to continue due to development and investment. Nelspruit attracts patients from Mozambique and Swaziland for healthcare as they face challenges in their healthcare systems.

NSC in Nelspruit offers fertility, gynaecology, and plastic surgery services to local and neighbouring communities. It is the sole fertility clinic within a 350km radius, handling infertility issues prevalent in Sub-Saharan Africa and South Africa.

Infertility affects millions globally, with developing countries facing higher rates due to limited access to reproductive techniques and healthcare. Fertility clinics like NSC play a crucial role in assisting couples in family planning and alleviating the emotional and marital stress that often accompanies infertility struggles.

WHO are the stakeholders?

According to a 2016 survey, the City of Mbombela, which includes areas such as Nelspruit (Mbombela), White River, Barberton, Matsulu, etc., had a population of 695,913, with the following demographic:

Area type: peri-urban

Population age 15 – 64: 63.9%

Average household size: 3.4

Racial: Black 89.4%, Coloured 0.9%, White 8.7%, Indian 0.7%

Living Standards Measure: 4 – 6 (R3 200 to R11 000 per month).

Living Standards Measure: 4 – 6 (R3,200 to R11,000 per month)

NSC offers both women and men specialists, world-class plastic surgery (reconstructive and cosmetic), gynaecological, and fertility treatments in its state-of-the-art hospital.

The Expansion will create additional jobs and allow for the treatment of additional mothers and children.

From a fertility perspective, NSC's reach north, east, and west will extend up to and beyond 350km and south up to 250km.

HOW MUCH - scale of the Impact

The proposed investment will include an Expansion that will comprise additional maternity beds, cots, theatres, delivery rooms, high-care beds (HC), and neonatal intensive care beds.

This will make NSC the leading specialised mother and child, fertility, and plastic surgery (reconstructive and cosmetic) service provider in Nelspruit and surrounding areas.

The Expansion will result in NSC providing healthcare services to an additional 1 668 patients per annum by 2027.

(A) Job Creation

The Expansion will create at least 100 temporary jobs (during construction) and over 38 permanent jobs (based on a conservative assumption of 39% occupancy after the Expansion is completed).

The number of permanent jobs that will be created at NSC will increase to over 50 based on a 50% occupancy rate after the Expansion.

(B) Community Upliftment Access to Quality Health

Even without the Expansion, NSC services 1 000 patients per annum, providing access to specialised healthcare services to the local community and the broader catchment area.

(C) Transformation Diversity & Inclusion

The Fund's investment increases NSC's BEE shareholding from zero to 59%. In addition, Summit and NSC have adopted a transformation strategy that contains defined diversity, inclusion, and transformation targets.

Most of the new jobs created pursuant to the Expansion will be filled by BEE females.



+ CONTRIBUTION

NSC is and as the only specialised fertility clinic within a 350km radius, it allows for the specialised treatment for additional mothers and children at affordable rates.

▲ Summit's Value-Add

The Fund's/Summit's contribution will come in the form of:

- c.R100 million capital contribution for the Expansion.
- Assisting management with the expansion process in a similar manner to how it has assisted Crestcare Zoutpansberg (design, construction, financing of equipment, etc.).
- The introduction of Crestcare (the Fund owns 74% of Crestcare) to assist with the Expansion activities and the day-to-day operational management of NSC.
- Rebranding and alignment with the Fund hospital brand (Crestcare), created by Summit.
- Through Crestcare and in combination with Summit, the introduction of several systems and processes.

△ RISK – what is the risk?

NSC has not experienced any material risk to date.

With the Expansion imminent, several environmental and social risks/opportunities were identified during the due diligence and included in the ESG VAAP.



ESG practices - managing risk and opportunity through various industry frameworks

ESG risks and opportunities for improvement

Environmental	Low
Social	Low
Governance	Medium
Summit ESG review performed	Yes

ESG Data/Performance

Significant staff grievances reported	None
Health & Safety incidents	None
Do staff belong to a union	No
Industrial action	none
Number of data breaches	none
Electricity usage – Scope1-3	Not monitored
Back-up power available	Generators

E&S Management System (ESMS)

Dedicated ESG person	Crestcare
E&S Policy	in process
Comprehensive risk register	in process
Regular ESG review meetings	Not started
Standard of ESG reporting	Low
Summit ESMS rating per the IFC PS1 (refer to page 9)	(2.0) 2023

SASB material industry risks

Energy & Water Efficiency
Patient Privacy & Electronic Records
Quality of Care & Patient Satisfaction
Management of Controlled Substances
Pricing & Billing Transparency
Employee Health & Safety

Overview

Given NSC's status as a small and specialised hospital operator, it has implemented a limited Environmental and Social Management Systems ("ESMS") framework to date. NSC stands to benefit significantly from the ESMS Toolkit

prepared by Summit and IBIS. The Toolkit comprises an array of policies, manuals, registers, and checklists to elevate NSC's environmental and social operational standards in alignment with the healthcare benchmarks set by the IFC and World Bank.

NSC leverages Crestcare's expertise under the hospital management service contract to manage ESG matters. Crestcare will introduce the ESMS Toolkit, which will commence implementation in Q3/4-2024.

NSC remains committed to upholding rigorous environmental and social practices and is currently compliant with all Department of Health regulations.

In relation to the Expansion (from 14 to 62 beds) planned to commence in Q3-2024, Summit will enlist the services of the same Principal Agent and Environmental Health and Safety consultants engaged during the expansion of Crestcare Zoutpansberg.

ESG – Value Add Action Areas

Priorities agreed for 2024 include:

- Crestcare to take over the Human Resources role
- Identifying a staff member who will be dedicated to addressing and monitoring ESG-related risks and opportunities
- Implementation of an ESG and Operational Health and Safety Committee that will meet twice a year
- Using the Healthcare ESMS Toolkit to create an integrated incident reporting process that includes social, labour, security, health and safety, patient and environmental incidents
- Implementation of Disaster Recovery and Business Continuity Plan and Cybercrime Prevention Plan and Cyber Security Policy

- NSC, Summit and Crestcare to evaluate and identify resource efficiency opportunities (water and energy)

PS1 – Risk Management

Assessment and management of E&S risks and impacts.

- The online ESG Action Plan tool will be rolled out to NSC in Q3/4-2024.

PS2 - Labour

- Permanent staff are happy with their roles, and patient satisfaction is high.
- There were no Operational Health & Safety incidents during the reporting period.
- Staff do not belong to a Union.

PS3 - Resource Efficiency

- The design process for the to-be-expanded facility will consider solar power, energy-efficient lights, air conditioning units and equipment, water storage, etc.
- The site obtains electricity and water from the local municipality. NSC maintains the generators. Maintenance records are checked and monitored.
- Crestcare significantly enhanced the hospital's design for resource efficiency and sustainability by implementing LED lighting with motion sensors, using inverter air conditioning compressors with centralised systems, and installing an innovative hot water heating system with centralised tanks on a ring main. Crestcare also opted for Heat Recovery Variable Refrigerant Flow (VRF) air-conditioning units for the medical consulting, maternity, and paediatrics areas.

Waste Management

- During the reporting period, NSC reviewed its medical waste policies and processes. This included reviewing the medical waste contractor's certifications to ensure continued compliance with regulatory requirements.

PS4 - Community

Community Health, Safety and Security

- NSC has a questionnaire every patient completes, and the data is recorded. Patients are pleased and satisfied with the medical service they receive.