



SUMMIT PRIVATE EQUITY
FUND I

Impact, ESG &
Sustainability REPORT
2022


SUMMIT
AFRICA



GROWTH WITH **IMPACT**

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Letters from the Managing Partner and Value Add - ESG & Impact Partner



2022 has been an extraordinary year for Summit, and one that we are proud. We concluded our first investment in tertiary education (NewBridge), we invested in a leading mental health and rehabilitation healthcare group (Life Path Health), and we completed an investment into Custom Capital Finance, a leading alternative finance provider, targeted to provide finance to over 19 000 SMMEs over the life of the Fund's investment.

In addition, we made two follow-on investments: (i) Zoutpansberg Private Hospital ("ZPH") to increase the hospital's capacity from 32 beds to 92 beds, providing increased healthcare to people in Makhado, Limpopo Province, and (ii) Crestcare, to establish a new 88-bed acute hospital in Malmesbury, Western Cape.

Lastly, following receipt of a third-party offer, we made significant progress on the first exit for the Fund (a partial exit from Efficient Group), which resulted in an internal rate of return for the Fund from the inception of 78.6% (before costs and fees) and 42.58% (after expenses and fees).

Alongside our robust investment activity, we received recognition as the Emerging Manager of the Year at the SuperReturns Africa GP Awards. We were also recognised by Riscura and UCT Business School as a Top Private Equity Manager in Sustainability Themed Investment and ESG Integration (out of 2,640 funds from 382 fund managers in Africa).

The year ahead

We look forward to the opening of the expanded ZPH facility, which is on target to be commissioned in Q4 2023. The construction of the new Crestcare Malmesbury Hospital will continue with a target completion date of Q2 2024. The overwhelming support of many doctors in the area will see these join Crestcare as hospital shareholders.

With the completion of the investment in NewBridge in 2022, the focus will shift to executing our transformation and growth strategy from the 2023 academic year. NewBridge is targeting to secure more than R25 million of bursary funding from corporates to be allocated to previously disadvantaged individuals who cannot afford quality tertiary education.

The coming year will also see the Fund conclude on a substantially progressed healthcare opportunity in Nelspruit, conclude an additional investment in the Financial Services sector, and potentially close of its first investment in ICT Services.

The team has considerably enhanced our Impact, ESG and Sustainability Report (the "Report"), providing an overview of our alignment to industry-leading frameworks, investment lifecycle, the Summit Private Equity Fund I (the "Fund") impact themes, targets and current. We appreciate the support from our Investors and framework partners as we continue to grow our ESG and Impact capability. We are also grateful to the portfolio companies ("Investees") and the teams that enable us to be a leading, sustainably focused Impact Investor.

Yours in Partnership

Tomi Amosun

Managing Partner & Head of Investments



At Summit, our Impact focus primarily concerns the enablement of people in communities. For this reason, we have introduced a new section to our Report titled "Why we do what we do & what our investors enable". Desmond Tutu noted that "*Do your little bit of good where you are, it's those little bits of good put together*".

that overwhelm the world". This new section provides some feel-good stories of what has, and what can be achieved because of the collective efforts of the Investees (who offer products and services enabling our communities) and our Investors (who enable scale through their investment).

2022 was indeed a landmark year for the Fund as it delivered not only the targeted financial return but substantial progress was also made toward achieving the Impact targets. Our value-addition workstreams focused on delivering additionality and scale of Impact across the Investees. We highlight these work streams throughout this report.

Developing sound ESG practices across all our Investees remained a continued focus during the year. To this end, we introduced an online project management and collaboration framework to assist our Investees in planning and tracking their ESG progress. In addition, we designed and developed a comprehensive ESG and Impact data collection and reporting framework to make data collection and reporting more efficient. Furthermore, we continued to refine our investment lifecycle aligning all aspects with Operating Principles for Impact Management (OPIM) Impact Principles.

In recognising the importance of the Paris Agreement and the importance of climate action, we have started formulating a Climate Action Plan to be rolled out over the next three years. A specific section in this report is dedicated to Climate change.

We are grateful for the guidance and support received from our ESG and Impact framework partners, who continue to assist us in building our Impact and ESG investment framework. We recognise that ESG is a journey, not a destination, and we are committed to strive for continuous improvement in this area by Summit and all Investees.

Hannes Soll

Head of Operations, ESG and Impact co-Founder & ESG and Impact Partner

Our Summit – Report Card at 31 December 2022



Summit Summary

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

Fund Salient Terms

Final close	September 2021
Fund - start date	April 2019
Fund - end date (term 10 years)	March 2029
Investment period - until	March 2024
Geography	South Africa & 15% CMA
Committed capital	R1.615 billion
Total drawn amount	R962 million
Total capital invested	R850 million

Partner Framework



Summit selected IRIS+ Impact targets

Access to affordable Quality Healthcare (SDG3)	
Access to affordable Quality Education (SDG4)	
Financial Inclusion (SDG8)	

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 Magangemngt. Plan	

Capital invested + approved

2022 – invested, approved, allocated	R924.6m
2022 - invested	R849.6m
2021	R308.0m
2020	R280.4m
2019	R 4.0m

Impact Theme Target alignment

	2020	2021	2022
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(A) Employment

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

(B) Community Upliftment Number of investments per sector

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

(C1) Transformation¹

BEE rating	2	2	2
Black ownership	65%	65%	65%
B-BBEE recognised spend	80%	77%	70%
% Black employees	54%	50%	50%
% Black exec & senior mngmnt	75%	71%	71%
Skill dev. spent on black people	0	0	0

(C2) Diversity & Inclusion (and 2X)

	2021	2022
--	------	------

% Women ownership

Total	64%	64%	
Black	29%	29%	

% Women staff

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

% Black Women staff

Total	25%	25%	
Management	29%	0%	
Board	67%	67%	

Orange bar indicates fulfillment of a 2XChallenge criteria

Summit Summarised

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

Our first fund, the Summit Private Equity Fund Partnership's (the "Fund"), investment mandate and strategic focus is the Healthcare, Education, Financial Services and ICT Services sectors in South Africa and the rest of the Common Monetary Area. ("CMA")

The year 2022

From an ESG and Impact perspective, 2022 was another significant growth year for Summit, the Fund and its Investees. We successfully rolled out an online ESG project

management and collaboration tool to each Investee company. Using this reporting tool, Summit and the Investee can track the ESG and other Value Add Action Plan items identified during due diligence, which form part of the contractual framework.

Our substantively enhanced ESG and Impact data collection and reporting framework was introduced, which will allow the quarterly collection of Investee Impact data and the inclusion of such data in Investor quarterly reporting from Q1 2023. Provided with this Report (although separately) is the Impact and ESG data for each Investee since the Fund's investment.

In 2022 we also completed mapping our Impact data to the SDGs and IRIS+ data categories. A further process to map our Impact data to both the Harmonised Indicators for Private Sectors Operations (HIPS0) and the Joint Impact Indicators (JII), is underway for target completion by Q2 2023

The year ahead

As we strive to align with industry best practices, our focus in 2023 will be on developing a universal healthcare ESG framework to be rolled out across all healthcare Investees, further refining our Impact and ESG quarterly reports, developing our Climate Action Plan and providing continued training.

Our Private Equity Fund I in numbers

@ 31 December 2022

Fund Performance IRR p.a.

78.16% before costs & fees

42.58% net of costs & fees

Fund Capital

Committed Capital **R1.62bn**

Invested Capital **R850m**

No. of Investments

Healthcare **4** 

Financial Services **2** 

Education **1** 

Total Revenue for all investees **R2.7bn**

Gender Lens

Total employees **1 440**

% women employees **68.6%**

% black women employees **34.5%**

% women board members **26.5%**

Healthcare



Hospital facilities **10**

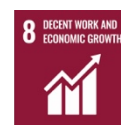
Number of beds **349**

Patients treated **6 696**

Patients' days **23 743**

Maternity cases **541**

Financial Services



Saving clients **58 064**

Assets under advice, management, consulting **R384bn**

Insurance clients **28 591**

SMMEs financed **6 472**

Education

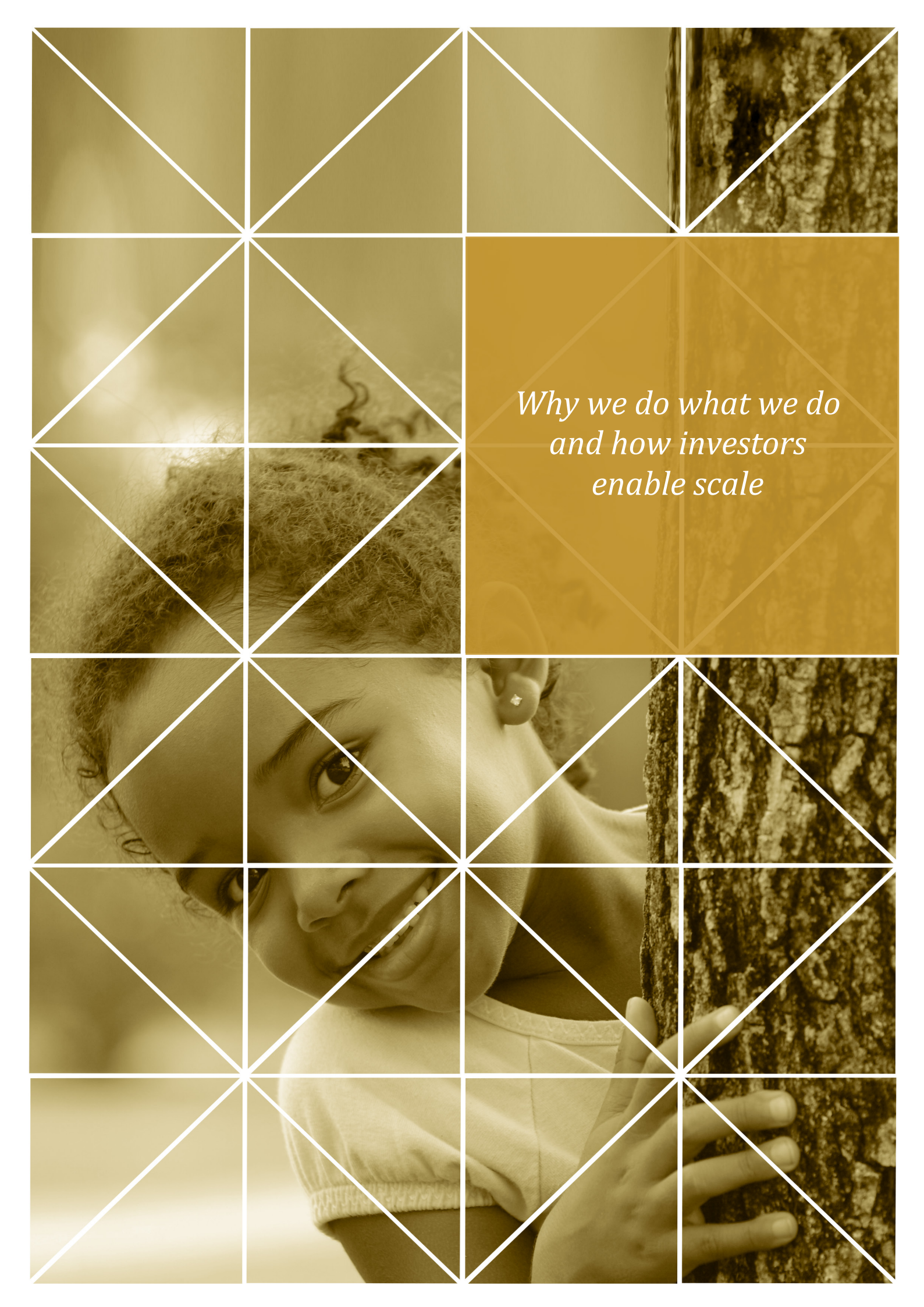


Total learners **1 440**

No. of bursaries awarded **300**

Value of bursaries awarded **R8m**

No. Higher-end education courses **22**



*Why we do what we do
and how investors
enable scale*



*Growth + Impact = Extraordinary
outcomes*



GROWTH WITH IMPACT

*At Summit Africa, we care about people, which is why we follow a simple formula when we invest: **Growth + Impact = Extraordinary outcomes***

We invest in companies whose products and services improve people's lives and enable communities in underserved areas.

We are proud of our Investees, who drive positive change through their actions by embracing the ethos of: "growth + impact = extraordinary outcomes".

Here, we highlight how Investees integrate "doing good" into the heart of their organisation and the impacts they have on the communities they serve.

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

Sister De Lange improving Mother and child healthcare in Rural Limpopo

It is well known that Mothers and their babies survive and thrive best when they have access to good quality, affordable healthcare. But for many mothers living in rural communities, geographical distance and low resources make getting that quality healthcare challenging.

Thanks to the resourcefulness of Sister De Lange, a 33-year experienced nursing manager at Zoutpansberg Private Hospital ("ZPH"), countless women living in Louis Trichardt and its surrounding areas have been able to access quality Antenatal care. Good antenatal care and antenatal education are essential to protecting pregnant mothers and their babies' health and well-being. The WHO currently recommends that pregnant women receive at least eight antenatal visits during their pregnancy, as many maternal and child deaths can be avoided by implementing primary interventions and education. Sr. De Lange started an Antenatal Care Support group on WhatsApp to expand the reach of antenatal care classes. News of the WhatsApp support group has spread by word of mouth, and many new and expecting mums have contacted her through WhatsApp for support. The group has grown since its inception, with Sr. De Langa conducting antenatal, postnatal, and breastfeeding sessions with 32 mothers over WhatsApp. She also uses the platform to inform mothers of essential issues and awareness campaigns and this group is called "The Mommy Group".



Summit Additionality

During 2022, ZPH had 541 maternity cases utilising the current 32-bed and one theatre facility. As part of the Fund's Impact thesis for ZPH, a follow-on investment of R170 million was made to increase the capacity of the hospital to 92 beds and three theatres, which will provide increased capacity for maternity cases and other specialised services (please refer to ZPH Report Card). The target opening for the expanded hospital is November 2023.



NewBridge and Centurion Academy bursary program enables learning



Education, when done right, can profoundly impact one's life. Yet, as much as we endeavour to impact the lives of all our students, now and then, a student embraces the opportunity to learn and embodies the very concept of educational idealism. Their journey with us makes a tangible difference, and as educators, realising that we make a difference makes all the difference to us.

This is the story of a young girl who grew up without much hope. She was told that pursuing a further education was not for her; she must accept her lot in life, and "my destiny was to be a housekeeper". So she had resigned to the fact that she had "no hope of studying after matriculating".

The unexpected bursary offer allowed Angel Seya to join NewBridge ("NB"). She was shy, lacked confidence, struggled with English and was totally out of her comfort zone in an environment, unlike anything she was used to. Nevertheless, she immersed herself in campus life, taking full advantage of the sports and social platforms, the Accelerate Academy and volunteering to help at college functions and events. Angel has completed a level 4 SETA certificate in New Venture Creation and a level 5 SETA national certificate in Small Generic Management. In 2022, she completed her second year of a Bachelor of Commerce Degree in Marketing while working for a small marketing agency. The impact that the NewBridge journey has had is not lost on Angel:

"...my heart is overwhelmed with amazement every time I remember that you have resurrected my dreams ... Coming to NewBridge for me is like turning impossibility into possibility. A person who had no hope of studying after matriculating had received an undeserved bursary and an opportunity to study. Even beyond my wildest dream, this has never seemed possible. My whole belief, perspective and opinions were challenged. I have learned to push beyond my limits and believe in the impossible; I have become curious, which has helped me develop my thinking abilities. I love the atmosphere of NewBridge, the people I encounter each day and especially the lecturers that have become more than parents to me. Everyone has contributed toward my development; I wish I could start naming each person, but I'm so full of memories that I don't know which one to pick... With all that I have learnt, I am confident that I can walk in the world holding my flag high, knowing that I have been equipped with everything I need to succeed in this world".

Summit Additionality

At present, NB operates six campuses. As part of the Fund's impact thesis, NB will open an additional 5-8 campuses over the life of the Fund's investment. In addition, due to NB's credentials, it has secured bursary funding from corporates (R8 million in 2022) to award to qualifying students such as Angel. The amount is targeted to increase in 2023.



Breaking Barriers & Localising Financial Inclusion



Financial inclusion implies that everyone can access trustworthy, affordable financial products that improve their everyday lives and allow them to plan for their long-term goals, such as supporting their child's education, starting a business or saving for retirement. But how can a financial services company improve its customers' lives without adequate support in their language?

The answer lies in programmes like Efficient Group's ("EFG") **Wealth Academy Internship Programme** and its **Ulwazi Educational Trust**. Through these two initiatives, EFG is breaking barriers to education and, in the process localising financial inclusion. Since 2018, the Trust has invested over R1.1 million in the education and skills development of previously disadvantaged persons as defined by the B-BBEE Act, especially young black women under the age of 35 years. Removing financial barriers to education is a life-changing factor.

Sivuyile Foster says, "The Efficient Wealth Academy made me realise you can pursue many career possibilities in finance. I started at the Academy with my Honours degree in Financial Management but was still unsure

about which doors this qualification could open for me. Rotations in different fields, such as financial planning and investments, helped me identify my passion. A solid foundation was laid during my time at the Academy, enabling me to build relationships that still benefit me today. I can proudly say that I have found my place in the financial services industry, and this is because of the solid foundation that I received while still at the Efficient Wealth Academy."

In providing training and opportunities to black financial advisors, EFG is contributing toward the transformation of the industry and fostering a group of financial advisors capable of serving their clients in their respective languages. These advisors will contribute toward enabling financial inclusion to people previously excluded based on their language, culture and level of knowledge.

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.



Mental Health Perspective from an Anonymous Patient from the Life Path Health Claro Clinic



"Hello, my name is Dean, and I'm a recovering Crystal Meth Addict and just over two years sober! This is how I would usually introduce myself at my weekly Life Path Health ("LPH") Claro Aftercare Meetings, so yes, that's me, a happy, blessed and proud recovering addict, and I would like to share a little bit of my journey so far.

The last two years of sobriety have been the happiest, most successful

and most educating years of my adult life. I don't regret accepting that I have and always will have an incurable disease called addiction. For ±8 years, I lived in denial and pretended my life was perfect and fulfilling.

Still, I kept lying to everyone and myself until the dragon I kept chasing came to bite me and almost swallowed me whole.

Finding courage and finally facing the need and want of "REHAB", I was introduced to LPH and all I can say...best money and time I have ever spent, period!

They accepted me as part of the family, and all I can say is thank you, thank you, thank you!

Thank you to all the Psychiatrists and Psychologists, Occupational Therapists, Nurses, Claro Management and All the Claro Staff – You know who you all are! I will forever be grateful to you all! I was also introduced to Claro's After Care group, which met twice a week at Claro, and we still meet today – three times a week now!

With the help of Claro and my Support group, I am sober today. I have a newfound craving for life, self-love & respect and the most loving and supporting fiancé and family in the world! So here is to Claro Clinic! Thank you for your contribution to my sobriety and those of my fellow addicts."

Summit Additionality

The Fund's impact thesis for LPH is to increase the number of mental health and addiction facilities from 8 to 12 during the next three years. This will include opening facilities in township and peri-urban areas. The last facility opened in the township of Soweto has been very successful in serving the local community.



Package of Surprises, as told by Rams Mabote, Broadcaster and Content Producer



"I came into this facility this morning for a minor procedure, and what a package of surprises I walked away with.

First, although I had driven past the Apex Surgi centre dozens of times, off Chris Hani (Old Potchefstroom) Road and not far from Maponya Mall, I was not sure what it was until my doctor booked me here for this innocuous procedure.

Secondly, I was not ready for what I found here. The service, right from the security guy at the gate, the receptionist (an amazing woman who treats patients with respect and love, not the impatience we see with many such people at clinics, hospitals and doctors' rooms), the theatre staff, the anaesthetist and of course the surgeon.

To say this was world-class would be an understatement, especially in a sea of dysfunction, disruption, filth, desolation and sheer hopelessness that have become the characteristics of Soweto.

Thirdly, and most charming for me, was bumping into an old friend, Doctor Don Pupuma, whom I learned is the brains behind this beauty.

It didn't come as a surprise. Pupuma and his friend and peer Brian Tlhabi (and many others) are those medics who stayed loyal to the townships for years when they could have chosen to set up shop in the burbs. And now he's taken it further to create a facility with all sorts of services and procedures that thousands can access without going out of the hood.

This is a perfect example of For Us, By Us!"

Summit Additionality

There is a growing need for Day Hospitals in the country. At the time of investment, Apex Surgi Centre ("Apex") had several other licenses. As part of the Fund's investment, Apex will expand beyond its first facility in Soweto and is targeted to launch a second facility in 2024.



Helping Small Business Thrive



"My name is Mbuso Christian Mkhize, and I own a company called Mbuso We2.

Our company has three business areas - we work in the commodity trading space, own, and operate coffee shops, and distribute a well-known coffee brand called Colombo Coffee.

Access to constant working capital in my company is critical as it allows me

to go after new business confidently.

I have tried to go through a bank to obtain working capital and get this kind of support, but it was tough as a first-time entrepreneur.

I deal with large sums of money, so a bank would want to have at least two years of trading history as a company, which is challenging when starting from ground zero.

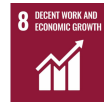
But the guys at Custom Capital were able to look past that. They could see that I had experience in the field that I was dealing in. So, it's been perfect to have a partner like Custom Capital Finance by my side, who has enabled me to achieve the right level of growth sustainably.

I've got to know them personally, and they also know me and my business, and when we're trying to put a deal together, they understand the end goal - this makes a huge difference for me compared to dealing with a bank.

Dealing with a bank is purely transactional, whereas Custom Capital Finance is personal and where the focus is on enabling me as an SMME. "

Summit Additionality

Through the Fund's investment, Summit with Rand Merchant Bank developed an R2 billion debt note program for Custom Capital Finance. With this increased access to debt capital, Custom Capital Finance will provide alternative lending to an additional 19 000 SMMEs over duration of Fund's investment.



A blue-tinted photograph of a woman with dark curly hair, smiling and looking down at a tablet device. She is wearing a dark top, a necklace, and a circular earring. The image is overlaid with a white grid pattern of squares and diagonal lines. The text is positioned in the upper right quadrant of the image.

*Our Impact and ESG
management
frameworks partners,
processes and
Investment Lifecycle*

Summit's approach to Impact and ESG management

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 have aligned ourselves with various Partner Frameworks, each focusing on individual components of Impact and ESG management. When taken in aggregate our partner frameworks ensure alignment between the two disciplines 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, Summit is an organisation member of the IFRIS Foundations Sustainable Accounting Standard Board ("SASB") and the Principle for Responsible Investment ("PRI") and is committed to the 2X Challenge.

We use these complementary frameworks as a collective, combined with the South African National Development Plan 2030, 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 Fund targets better. In addition, we use the dimensions to (i) set our Impact assessment criteria and evaluation methodology, (ii) create value add action plans for each Investee, 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 have become 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

Signatory to:



Signatory of:



environmental, social, and governance (ESG) factors that impact financial performance.

As part of our investment process, we use SASB's Materiality Map® to identify sustainability issues that will likely affect an Investee's financial condition or operating performance within an industry. In addition, 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. The standards assist us to:

- Assess corporate ESG data that is material to long-term enterprise value creation.
- Identify priority issues for corporate engagement.
- Improve our analysis by including information beyond financial statements.
- Expand risk reporting to include sustainability risks in addition to traditional risk measures.
- Develop a better understanding of sector-specific risks to inform risk allocation and management.
- Fulfil PRI signatory commitments.

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 Investee's E&S management systems (ESMS) in line with IFC Performance Standard 1.

Investment Lifecycle application

Even though our Impact and ESG processes are fully integrated, each aspect is separate in measurement, value addition, reporting and outcome. To ensure we deliver on both our Impact objectives and ESG practices, our investment lifecycle has been designed as two parallel and distinct 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.

IMPACT

Pre-screening includes evaluating if the potential investment is aligned with the Fund's Impact Targets and objectives. In addition, Summit assesses if its investment will contribute to delivering additional Impact.

Investees who can contribute toward the Fund achieving its Impact targets are recommended for investment. We will recommend an investment if we can demonstrate additionality and value-add.

The supporting investment paper contains a detailed analysis of the **Who, What, How Much, Contribution & Risk** concerning the proposed investment. In addition, the paper includes a section on how the Fund's investment increases Impact.

The Fund's value addition objectives are included in a post-investment and value creation plan (not to be confused with the ESG VAAP) that is pre-agreed with Investee management and other shareholders. The post-investment plan clearly sets out the Impact objectives.

Our value creation may arise from our provision of finance as well as Summit's hands on contribution across a broad spectrum of disciplines, including systems, operations, branding, business development, corporate finance etc.

Impact-specific data is collected quarterly from the Investee. The data is mapped to the SDGs, IRIS+, HPSO, JII and Jobs Fund criterion. Data is verified against the financial performance of the Investee. Quarterly impact data is provided to investors.

In selecting a preferred buyer, we will consider their approach to ESG specifically their previous track record. If a track record is not clearly demonstratable, we will look to understand to what extent the buyer will continue to support the Investee's ESG practices.

ESG

Upfront and before commencing full due diligence, each investment is pre-screened against excluded activities, which can result in adverse social and environmental outcomes, and therefore deemed off-limits.

A comprehensive ESG due diligence is undertaken by our ESG & Impact Team, using our ESG and ESMS Toolkit, which is based on our various framework partners' evaluation criteria.

The due diligence informs the ESG Value Add Action Plan ("**ESG VAAP**") detailing key ESG aspects to be implemented with the Investee. The ESG due diligence findings and the ESG VAAP is included in the supporting investment paper.

The ESG VAAP and other agreed-on value-addition items, as detailed in the value creation plan ("**VCP**"), are included in the new shareholder's agreements.

Value addition from an ESG perspective relates to implementing an ESMS and King IV Governance frameworks at the Investee, including the related policies and procedures.

ESG-specific data is collected from Investees every quarter. Where possible and if applicable, the data is mapped to a SASB and other framework standards. Data is checked, verified, and analysed; corrective action is implemented where required.

In selecting a preferred buyer, we will consider their approach to ESG, specifically their previous track record. If a track record is not demonstratable, we will look to understand to what extent the buyer will continue to support the Investee's ESG practices.

ORGANISATION & SCREENING



APPRAISAL & DUE DILIGENCE



INVESTMENT COMMITTEE APPROVAL



CONTRACTING



VALUE ADDITION



MONITORING & REPORTING



EXIT

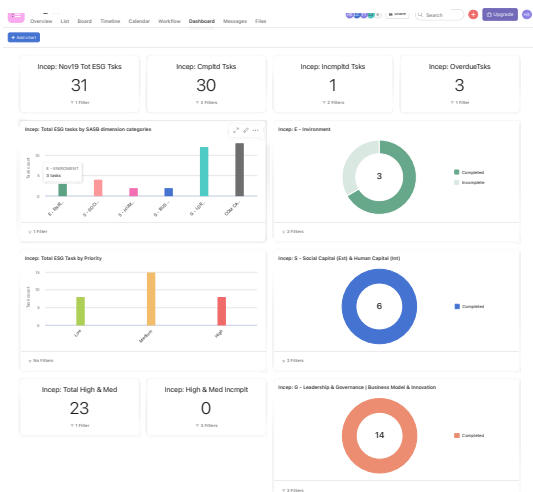


Collaboration and monitoring tools to improve Impact and ESG reporting

ESG VAAP Project Management

Developing sound ESG practices across all the Investees remains a continued priority.

We have developed and now utilise an online project management and collaboration framework to assist the Investees. The online platform is used to review the ESG Value Add Action Plan items for each Investee regularly, and track the Investee's progress through the dashboard.



#	Task name	Gen Iss Cat	ESG Flag	Risk/Oppor...	Priority	Time Mnths	TaskAddWhen
E_Environment							
1	Construct energy policy 1	Energy Mgmt	E - ENVIROMENT	No Risk	Low	12	Nov19
2	Reducing energy consumption at Efficient offices 2	Energy Mgmt	E - ENVIROMENT	No Risk	Low	12	Nov19
3	Generator optimisation at Efficient offices	Energy Mgmt	E - ENVIROMENT	No Risk	Low	12	Nov19
S_Social Capital							
1	Construct Human Rights and Community Relations Policy: 1	HumRight &...	S - SOCIAL CAP	No Risk	Low	12	Nov19
2	POPIA Optimisation	Customer Priv	S - SOCIAL CAP	Risk	Medium	18	Nov19
3	POPIA Optimisation	Data Security	S - SOCIAL CAP	Risk	Medium	18	Nov19
4	Construct a formal policy for selling practices to be applied at	Selling Prac...	S - SOCIAL CAP	No Risk	Low	12	Nov19
S_Human Capital							
1	Gender Equality to be addressed in Top Management.	Empl Eq, D&I	S - HUMAN CAP	No Risk	High	12-24	Nov19
2	Gender Equality to be addressed in Top Management.	Empl Eq, D&I	S - HUMAN CAP	Risk	High	24-36	Nov19
3	Improve the BEE Rating for BCI and EB	BEE	G - BUS MDL & L...	Risk	High	12-36	Nov19
G_Business Model & Innovation							
1	Investigate to what extent the current BCI investment manag	BusModl. Re...	G - BUS MDL & L...	Risk	High	24-36	Nov19
G_Leadership & Governance							
1	Construct Business Integrity Policy	Bus. Ethics	G - LDRSHIP & GOV	No Risk	Medium	6	Nov19
2	Rotation of Auditors at Efficient	Bus. Ethics	G - LDRSHIP & GOV	No Risk	Low	12	Nov19
3	Succession Planning needs to be addressed	Succ. Plan.	G - LDRSHIP & GOV	Risk	High	12	Nov19
4	Construct Code of conduct for suppliers of Efficient	Bus. Ethics	G - LDRSHIP & GOV	No Risk	Medium	6-8	Nov19
5	Include in policies - local authority reporting	Bus. Ethics	G - LDRSHIP & GOV	No Risk	Medium	3-6	Nov19
6	Whistleblowing concerns - 3rd parties reporting	Bus. Ethics	G - LDRSHIP & GOV	No Risk	Medium	3-6	Nov19
7	Whistleblowing policy needs to be reviewed	Bus. Ethics	G - LDRSHIP & GOV	No Risk	Medium	3-6	Nov19
8	Anti-corruption report to Fund Manager	Bus. Ethics	G - LDRSHIP & GOV	No Risk	Medium	3-6	Nov19
9	Whistleblowing training needs to be delivered	Bus. Ethics	G - LDRSHIP & GOV	No Risk	Medium	3-6	Nov19
10	Anti-corruption reporting by Directors - policy to be amended	Bus. Ethics	G - LDRSHIP & GOV	No Risk	Medium	3-6	Nov19
11	Reports on Anti-corruption to be constructed	Bus. Ethics	G - LDRSHIP & GOV	No Risk	Medium	3-6	Nov19
12	Annual reporting to be prepared	Bus. Ethics	G - LDRSHIP & GOV	No Risk	Medium	3-6	Nov19
G_Policy							
1	Develop Anti-Corruption policy and deliver training	Bus. Ethics	COM CAP TRACK...	No Risk	Medium	6	Nov19
2	Develop an ESG Policy in Efficient	BusModl. Re...	COM CAP TRACK...	Risk	High	12	Nov19

Summary	Actuals 2021				Actuals 2022			
	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22

(C) Transformation - Diversity & Inclusion								
(c1) Ownership / Senior management / Board								
Ownership - % black ownership (voting rights)	62.2%	62.2%	62.2%	62.2%	62.2%	62.2%	62.2%	62.2%
Ownership - % black women ownership (voting rights)	15.6%	15.6%	15.6%	15.6%	15.6%	15.6%	15.6%	15.6%
Ownership - % black ownership (economic interest)	62.2%	62.2%	62.2%	62.2%	62.2%	62.2%	62.2%	62.2%
Ownership - % black women ownership (economic interest)	15.6%	15.6%	15.6%	15.6%	15.6%	15.6%	15.6%	15.6%
Ownership - % women ownership	57.4%	57.4%	57.4%	57.4%	57.4%	57.4%	57.4%	57.4%
Management - Total # executive and senior management	9	9	12	13	13	11	11	11
Management - Total # black executive and senior management	0	0	3	4	4	4	4	4
Management - Total # women executive and senior management	6	6	7	6	6	5	5	5
Management - % of women executive and senior management	66.7%	66.7%	58.3%	46.2%	46.2%	45.5%	45.5%	45.5%
Board - Total # Board Members	7	7	7	7	7	7	7	6
Board - Total # Black Board members	3	3	3	3	3	3	3	2
Board - Total Number women board members	2	2	2	2	2	2	2	1
Board - % women board members	28.6%	28.6%	28.6%	28.6%	28.6%	28.6%	28.6%	16.7%
Board - Total Number directors NED	5	5	5	5	5	5	5	4
Board - % directors NED	71.4%	71.4%	71.4%	71.4%	71.4%	71.4%	71.4%	66.7%
(c2) Skills development								
% of total spend on expenditure on Training and Skills Development	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%
% Expenditure on Black employees with disabilities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
(c3) Apprenticeships								
No. of Black people participation in Learnerships as a % of total employees	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
No. of Black unemployed people participating in training as a % of total employees	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
(c4) ESD (procuring from black suppliers / supporting black businesses)								
Total B-BBEE Recognised Spend (% of Tmps)	76.0%	76.0%	76.0%	76.0%	76.0%	68.1%	68.1%	68.1%
Spend towards B0 enterprises (% of Tmps)	14.9%	14.9%	14.9%	14.9%	14.9%	39.0%	39.0%	39.0%
Spend towards B1V0 Enterprises (% of Tmps)	8.1%	8.1%	8.1%	8.1%	8.1%	6.5%	6.5%	6.5%
Spend towards OSES (% of Tmps)	9.0%	9.0%	9.0%	9.0%	9.0%	9.2%	9.2%	9.2%
Spend towards EMEs (% of Tmps)	19.3%	19.3%	19.3%	19.3%	19.3%	8.6%	8.6%	8.6%
Spend towards Designated Groups (% of Tmps)	0.0%	0.0%	0.0%	0.0%	0.0%	0.7%	0.7%	0.7%

2X Criteria								
1 ENREPERNEURSHIP								
1A. Share of women Ownership (251%)	OR	57%	57%	57%	57%	57%	57%	57%
1B. Business founded by a women (Y/N)		N	N	N	N	N	N	N
Share of black ownership (250%)		62%	62%	62%	62%	62%	62%	62%
Business founded by a black professional (Y/N)		N	N	N	N	N	N	N
2 LEADERSHIP								
2A. Share of women in senior management (230%) - refer to comment	OR	67%	67%	58%	46%	46%	45%	45%
2B. Share of board level women (30%)		29%	29%	29%	29%	29%	29%	17%
Share of black women professional in senior management (>20% / 20-29% / >29%)		0%	0%	17%	23%	23%	27%	36%
Share of black women professionals on the board (>20% / 20-29% / >29%)		14%	14%	14%	14%	14%	14%	0%
3 EMPLOYMENT								
3A. Share of women in the workforce (40%) - refer to comment	OR	92%	91%	93%	89%	91%	91%	92%
3B. Quality indicator beyond compliance (Y/N)		Y	Y	Y	Y	Y	Y	Y
Initiative to advance women in the workforce (beyond compliance) (Y/N)		Y	Y	Y	Y	Y	Y	Y
Initiative to advance black professionals in the workforce (beyond compliance) (Y/N)		Y	Y	Y	Y	Y	Y	Y

Data collection and reporting framework

In 2022 we finalised our comprehensive ESG and Impact data collection and reporting framework. Data is collected quarterly from each Investee, and the ESG & Impact team verify the data and analyse trends.

Data is collected for each of the Fund's impact themes (A) Job Creation, (B) Community Upliftment, and (C) Diversity and Inclusion. Data is also collected for all material ESG aspects per sector.

Where relevant, data points are mapped to the IRIS+ impact category codes and the SASB codes. In Q2 2024, further mapping will be done against the Harmonised Indicators for Private Sector Operations ("HIPSO") and the Joint Impact Indicators ("JII").

The ESG and Impact data report (in Excel) will be provided to Investors quarterly, commencing with Q4 2022.

The image features a teal-tinted aerial photograph of a forest. A white grid is overlaid on the image, with diagonal lines forming a diamond pattern. The text is centered in the right half of the image.

*Our commitment to
climate change and
2023-2025 action plan*

The Paris Agreement & the Task Force on Climate-related Disclosures

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

196 nations signed the Paris Agreement in December 2015 during the United Nations Framework Convention on Climate Change (UNFCCC). The agreement aims to keep global temperatures from rising more than 2°C above pre-industrial levels, with a preferred target of limiting warming to 1.5°C. To achieve this, countries have committed to reducing their greenhouse gas emissions and enhancing their efforts to adapt to the impacts of climate change.

Everyone must contribute to making a difference

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.

Overall, the focus on climate change is critical to ensure a sustainable future for current and future generations and to preserve the health and integrity of the planet's ecosystem.

TCFD – a framework we aspire to

The Task Force on Climate-related Financial Disclosures (“TCFD”) is a global initiative established by the Financial Stability Board (FSB) in 2015. Its goal is to provide a framework for companies and financial institutions to disclose climate-related financial risks and opportunities standardised and transparently.

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 related to transitioning to a low-carbon economy.

The TCFD framework encourages organisations such as Summit and our Investees to disclose our exposure to climate risks. And, importantly, it urges us to disclose our 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** involves disclosing the board's or senior management's oversight of climate-related risks and opportunities and the organisation's governance around climate-related issues.
- **Strategy** involves disclosing the organisation's climate-related risks and opportunities and how they might impact its business, strategy, and financial planning.
- **Risk Management** involves disclosing the organisation's processes for identifying, assessing, and managing climate-related risks.
- **Metrics and Targets** involve disclosing the organisation's metrics and targets used to assess and manage relevant climate-related risks and opportunities.



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 a company. 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 the company 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:

- **Lack of data:** Data on energy consumption and emissions from various sources is limited.
- **Limited capacity:** Summit and the Investees currently lack the technical capacity and resources to measure and report GHG emissions, making it difficult to comply with the TCFD reporting requirements.
- **Unreliable energy infrastructure:** Unreliable energy infrastructure, with frequent power outages, is resulting in the introduction of generators, introducing another level of complexity in measuring Scope 1 emissions.
- **Limited regulatory frameworks:** South Africa, like all African countries, has not enforced the requirement to measure emissions. This makes it impossible to determine all Scope 3 emissions as the Investee is reliant on suppliers' GHG emission reports.

Not being all things to all people

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 its Investees in combatting climate change. And 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 Investees.

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

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

The Scope sub-categories include:

SCOPE 1

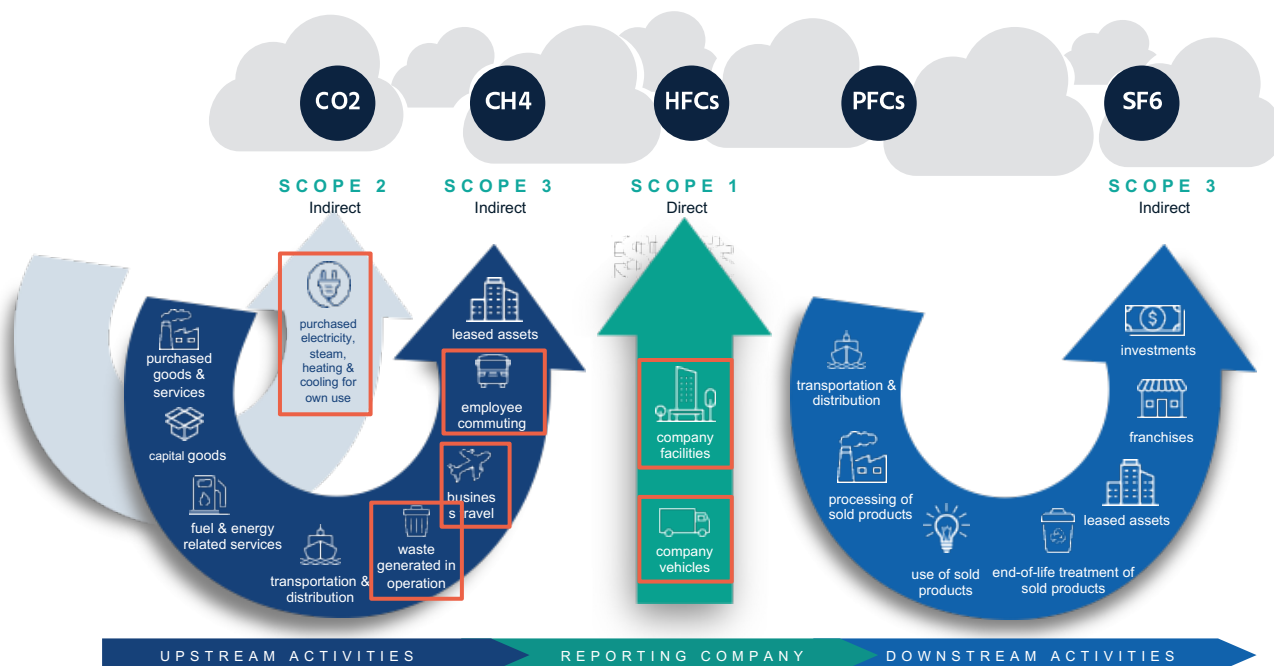
- 1.1 Power generated at owned offices or offices where the Investee is a sole tenant in a triple-net lease (i.e. responsible for building operations). Sub-let offices where power generation is the responsibility of the landlord will be included where possible, but can be more challenging; and
- 1.2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

SCOPE 2

- 2.1 Power purchased from the grid (Eskom).

SCOPE 3

- 3.1 Business Travel;
- 3.2 Waste Generation; and
- 3.3 Employee Commuting – the feasibility regarding the extent to which this can be measured is being investigated.



Current Investees and the Summit 2023 – 2025 Climate Action Plan



GROWTH WITH IMPACT

In completing the evaluation and using this data to formulate our 2023-2025 Climate Action Plan, we looked to understand the extent to which Summit and each of the Investees 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	Little	Little
Crestcare	Rented – small space in large office building	N - Landlord responsibility	None	Hardly	Hardly	Somewhat
Zoutpansberg Private Hospital	Owned	Y – it has generators	None	Lots - hazardous medical & general waste	None	Hardly
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 & Centurion Academy	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	Little	Somewhat (for site visits)
Custom Capital Finance	Rented - small space in large office building	N - Landlord responsibility.	None	Hardly	Hardly	Lots (for the Reps)

In line with our 2023-2025 Climate Action Plan, our focus in 2022 was (i) where possible, recording Scope 1 consumption (electricity procured from Eskom,) (ii) understanding generator usage, (iii) completing a Scope analysis per Investee, and lastly (iv) finalising our 2023-2025 Climate Action Plan.

The four biggest consumers of energy in our current portfolio are Zoutpansberg Private Hospital (“ZPH”), Life Path Health (“LPH”) with their eight hospital facilities, Efficient Group and NewBridge, with six campuses.

Summit, Crestcare, Apex Surgicentre, and Custom Capital Finance will start tracking electricity usage from 2023 onwards.

Investee	Energy Consumption Comments
Zoutpansberg Private Hospital (“ZPH”)	ZPH have tracked both their Grid (Eskom and Scope 2) and Generator usage during the course of the year. ZPH Scope 2 energy consumption was kWh2 205. 38% of total energy consumed came from on-site generators with fuel and maintenance costs totalling R276 315 for the year. The increase in load shedding has had a substantial impact on ZPH in Q4-2022. Generators that typically ran 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 Expansion building has been built using energy-efficient technologies (no solar).
Life Path Health (“LPH”)	<p>Since the Fund’s investment in Oct 2022, LPH has tracked their energy consumption at each of the 8 facilities. For Q4 2022 (3-month period), LPH Grid (Eskom and Scope 2) consumption was kWh299 398 at a cost of R777 768. Annualised LPH consumption is c. kWh1 197 591 at a cost of c. R3.1 million.</p> <p>The Q4 2022 generator expense was R570 537 and annualised this amounts to R2.3 million. Total Grid cost (Scope 2) to Generator (Scope 1) is 58% / 42%. Six of the eight 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.</p>
NewBridge (“NB”)	<p>NB’s focus since the Fund’s investment (and its simultaneous acquisition of Centurion Academy) has been on improving academic and operational capacity across the merged NB and Centurion Academy business (please refer to the Investee report for more details), a process which will continue through 2023. NB will commence tracking energy data from Q3 2023. NB has implemented a 3-day campus week (2 days are online teaching), thus reducing student travel and energy usage for 2 days a week.</p> <p>NB 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”)	EFG continues exploring the opportunity of installing solar at its head office in Centurion. Although solar is not an option at the Belville office, as reported in Q3-2022, LED lights were installed to reduce energy consumption.

Climate Action Plan 2023 – 2025 (“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 the Investees 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:

- A. Implementation of the TCFD framework and aligning each Investee with its specific principles.
- In essence, this will include Summit and each of the Investees 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.

- B. 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 Investee. 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 Investee 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.
- C. Finding and deploying technology that tracks activities such as employee commuting, business travel, etc.

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



Environment

*Our Impact Themes,
Fund Targets and ESG
practices*

Social

Governance

Impact Themes and Targets

Summit has set specific Impact targets for each of its 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 our African society through innovative solutions that deliver sustainable value for all stakeholders", our investment philosophy embodies the following overarching principles:

- We make investments on behalf of and alongside our Investors (predominantly Retirement Funds and Development Finance Institutions). As responsible stewards, we strive to provide investment solutions that create sustainable value for our 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, Specialist (and transformative) Financial Services and mission-critical ICT Services, which support the Education, Healthcare and Financial Services sectors ("**Target Sectors**").

Our investment framework built through the Theory of Change principles 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.

In driving our Impact objective of delivering a **tangible social return**, the Fund looks to make investments in the following four sectors;

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 Summit Private Equity Fund I (the "Fund") 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 have developed (and continue to develop) 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 an Investee.

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 the Investee's E&S and Governance practices, identifying areas of ESG risk and ESG opportunities, with these culminating in an ESG Value Add Action Plan (“ESG VAAP”).

IFC Performance Standards (PSs)

Each Investee 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 Tool itself) and ESG reports are shared with the Investee 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 an Investee's E&S practices. We identify each Investee's commitment, capacity and track record and use the findings to inform the ESG VAAP. In addition, Investee board and

management training is conducted with specific focus on PS1 and the nine elements of effective E&S management. Through this process, Investees 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 an Investee, 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 Zoutpansberg Private Hospital 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.



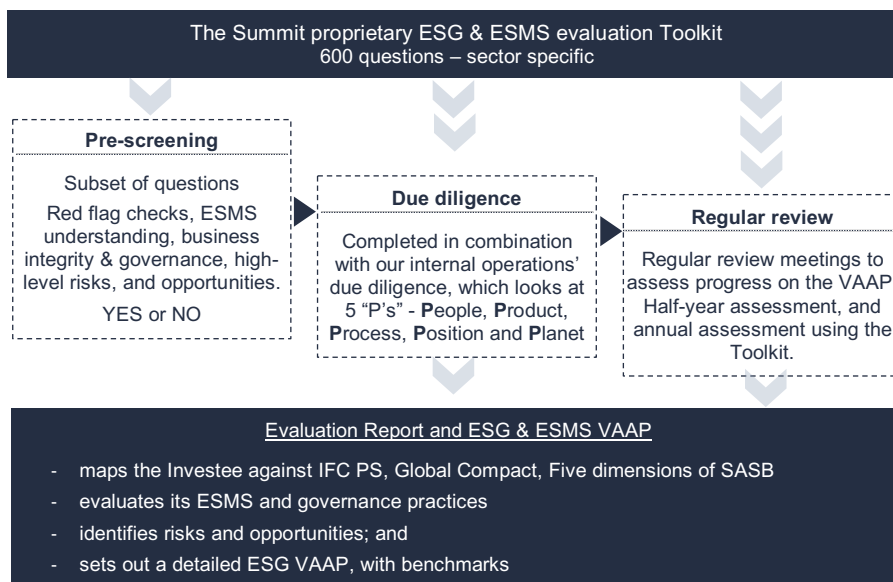
ESMS Rating

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 Investee'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



ESG Rating

An Investee's ESG assessment is rated (high, medium & low) based on the current level of ESG risk that the Investee 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 an Investee (for instance, Zoutpansberg Private Hospital's expansion will introduce 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.

Investee 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 Investees, we assess the extent a potential Investee complies with King IV. In doing so, we have developed a list of minimum requirements that an Investee 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, incl. 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 an Investee and is focused only on the board's operations.

Assessment

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

Through regular board meetings and ESG reviews, we assess an Investee's compliance with the framework.

Report Card

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

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 has a low adoption of the 'minimum framework (usually only at the time of investment).

The reporting period 2022

The success of rolling out our governance framework has varied across Investees. The core reasons relate to the stage of the Investee within its lifecycle (i.e. developing or mature). As an example, the expansion at Zoutpansberg Private Hospital has introduced several temporary additional operational requirements placing an enormous strain on management. The merging of NewBridge and Centurion Academy's operating and teaching environments, although very successful, also required management's absolute attention, allowing time for only limited implementation of the governance framework.

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

The table below illustrates each Investee's current rating.

	2021	2022
Crestcare	50%	75%
Zoutpansberg private hospital	50%	75%
Efficient Group	100%	100%
Apex Surgicentre	50%	50%
NewBridge	----	50%
Life Path Health	----	50%
Custom Capital Finance	----	50%






Fund Impact Themes, Targets & Investee Report Card



GROWTH WITH IMPACT

The Three Impact Themes unpacked

The Summit Private Equity Fund | 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 	Education 	Financial Services 
	Access to Quality Affordable Healthcare (SDG 3)	Access to Quality Affordable Healthcare (SDG 4)	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 across all Investees is measured using the Jobs Fund’s monitoring framework. Job creation, BBBEE status, black 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 independently audited annually.








(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 upfront qualified in terms of which Impact category it qualifies under. In addition, as part of our desktop evaluation and pre-acquisition Impact due diligence, we use the IRIS+ five dimensions of Impact (Who, What, How Much, Contribution and Risk) to evaluate the extent a prospective Investee 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:	The IRIS+ Access to Quality Education  Impact categories adopted by the Fund include:	The IRIS+ Impact Target Financial Inclusion  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 	<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 	<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 Investees.

Each Investee develops a transformation plan within 3 - 6 months of investment. The plan is monitored and reported to Fund Investors bi-annually.

In addition to the Fund's 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, 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")



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

Principle 4 of the Impact Principles requires that Summit, in advance and, where possible, quantify the concrete, positive impact potential 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? (ii) **How** significant is the intended Impact?

As part of the investment selection process, each opportunity is assessed against the six 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 six-dimension 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 Investee, 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 Investee 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 Investee's initial Impact assessment, across each of the five dimensions, updated for current performance.

Our Specific Fund Impact Targets

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 an Investee)	7
Number of hospital beds under management and ownership of the Fund	500
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 transformation plan is developed for each Investee 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 Investee:

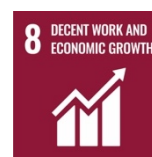
Transformation
Ownership – Black, Black Women and Women
Diversity and inclusion
Number of full-time employees (growth)
Full-time Employees – Women/Male [black and non-black]
% Black executive and senior management
% Women executive and senior management
% Black women executive and senior management
% 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 annually serve:


30 000 patients


3 000 students


50 000 clients with savings



A close-up photograph of a woman wearing a light-colored headscarf, smiling broadly. The image is overlaid with a white grid pattern that divides the frame into squares and triangles. The text is positioned in the upper right quadrant of the image.

*Our commitment to
gender equality,
diversity and inclusion*

Letters from our Board and Investment Committee



Summit continues to make noticeable strides as an organisation in terms of the Impact outcomes it is achieving through its first fund, the Summit Private Equity Fund I (the “Fund”).

In the past year, the board has been pleased to see an even further increase in Summit’s own alignment with King IV, and the current governance frameworks for a company of its size are highly commendable.

As an Impact investment manager, our focus extends beyond a financial return and includes delivering on our Impact Themes. One of these includes Diversity and Inclusion. “Diversity is not about how we differ. Diversity is about embracing one another’s uniqueness.” This quote from Ola Joseph perfectly captures my belief that diversity and inclusion are essential components of a successful investment management company.

By prioritising diversity and inclusion in our investment process and post-investment plans for portfolio companies, we can tap into a broader range of perspectives and experiences, identify overlooked opportunities, and build a more equitable and sustainable global economy.

Through the investments we steward, we have the power to promote and enable diversity and inclusion. This means seeking out opportunities that prioritise these values and using our position as investors to advocate for change and drive positive

outcomes. The 2X Challenge seeks to catalyse investment in women economic empowerment, and by investing with a diversity and inclusion lens, we can help to achieve these objectives.

Investing with a diversity and inclusion lens is not just a wise business practice - it’s the right thing to do. By using our investments to promote and enable diversity and inclusion, we can assist in levelling the playing field for women and other underrepresented groups and promote a more inclusive and sustainable future for all.

I am proud of the Fund’s achievements in gender and racial equality, and we recognise that much work remains.

Notably, promoting diversity and inclusion is not just about the companies we invest in - it also applies to our organisation. Creating a workplace culture that celebrates diversity, embraces inclusion, and promotes equity is essential to attracting and retaining top talent, building stronger relationships with clients and investors, and ultimately achieving our investment objectives.

Our commitment to each other and society requires that we remain deliberate, intentional, and accountable for creating the peaceful, prosperous, and sustainable world we all desire. With our continued commitment to diversity and inclusion, I am confident that we can continue to make a meaningful impact in the world and leave a lasting legacy for generations to come.

Kind regards

Buhle Hanise

Chairperson of the Summit Board



As a member of the Summit Private Equity Fund’s investment committee (“IC”), I am proud to be part of an organisation that has adopted the Operating Principles for Impact Management.

These principles provide a clear framework for assessing and measuring the Impact of our investments and ensure that we contribute to positive social and environmental outcomes.

Using the Impact Principles, Summit has defined clear Impact Theme objectives with deliberate targets.

In all investment papers presented to the IC, the team describes the Impact a proposed investment will deliver in detail and how these will contribute toward the Fund Impact Themes and targets, ultimately focussed on uplifting the community.

The five dimensions of Impact (Who, What, How Much, contribution and Risk) assist our understanding of the need, affected stakeholders and the scale of what an Investee can achieve through our value addition.

One of the key aspects of our Impact investment process is our focus on outcomes measurement. We recognise that to truly make a difference, we must be able to measure and track the impact of our investments over time. Therefore, the team works closely with Investee companies to set measurable Impact goals and regularly monitor progress towards achieving these goals.

In addition to the focus on Impact, all IC investment papers provide detailed findings regarding the ESG due diligence, and a comprehensive ESG Value Add Action Plan is included for our review.

The individual processes (Impact and ESG) combined provide a comprehensive base against which the IC can measure the intended and actual environmental and social outcomes of an investment.

It is to be celebrated that the Fund is on target to deliver on its financial return and social impact objectives. This report comprehensively outlines the achievements to date and the additional work required to further deliver a continued impact.

Kind regards

Yvonne Maitin

Independent Investment Committee member of the Fund



Our Commitment to Gender Equality



GROWTH WITH IMPACT

"Women belong in all places where decisions are being made... It shouldn't be that women are the exception."

Ruth Bader Ginsburg

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
- 65% black women directors.

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 \$3 billion in commitments 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 Investee to set Transformation and Diversity & Inclusion Targets.

In this report, we indicate each Investee's 2X Challenge scoring.

Our 2X Challenge categories

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

Assessing alignment

Per our Impact Theme '(C) Transformation, Diversity & Inclusion, we evaluate prospective Investees against the criterion. Informed by this outcome, we work with each Investee to set Transformation and Diversity & Inclusion Targets.

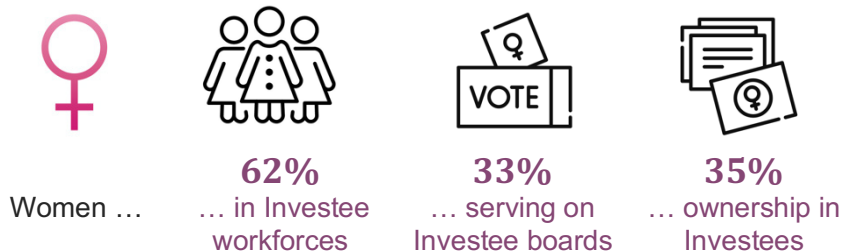
In this report, we indicate each Investee's 2X Challenge scoring.

Evaluating & reporting

On a quarterly basis, we assess each Investee against the criterion. The tables on the following page summarise both Summit and the Fund's Investee companies (on an aggregate basis) scoring for the periods 2021 and 2022.



Gender Lens Report Card



Orange indicates fulfilled criteria.

Summit as Investment Manager - Gender Lens			
(C2) Diversity & Inclusion			
	2021	2022	
% Women ownership			
Total	64%	64%	
Black	29%	29%	
% Women staff			
Total	50%	58%	
Management	29%	0%	
Board	67%	67%	
% Black Women staff			
Total	25%	25%	
Management	29%	0%	
Board	67%	67%	

The Fund aggregated - Gender Lens			
(C2) Diversity & Inclusion			
	2021	2022	
% Women ownership			
Total	37%	40%	
Black	16%	15%	
% Women staff			
Total	64%	67%	
Management	31%	30%	
Board	24%	27%	
% Black Women staff			
Total	27%	35%	
Management	7%	10%	
Board	16%	12%	

2X Challenge – Categories		2X Challenge Thresholds	Summit		Fund		
			2021	2022	2021	2022	
1	Entrepreneurship	1A. Share of women ownership	51%	64%	64%	37%	40%
2	Leadership	2B. Share of women on the Board or IC	25%	67%	67%	24%	27%
3	Employment	3A. Share of women in the workforce	FS - 40% E&H - 50%	50%	58%	64%	67%
		3B. One "Quality" indicator beyond compliance ¹	Yes/No	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



GROWTH WITH IMPACT

Fund portfolio 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 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 Investee companies	6-9	2	2	1- 2
@ 31 Dec 2023	4	1	2	---
Target Fund allocation	30-35%	30-35%	30-35%	<10%
@ 31 Dec 2023	25.32% ^{*1}	6.68% ^{*1}	26.19% ^{*1}	---
<i>Note*1 Investments concluded as a percentage of total Committed Capital</i>				
Target investment amounts	R480m – R560m	R480m – R560m	R480m – R560m	<R160m
@ 31 Dec 2023	R409.0m	R108.0m	R423.0m	---



5 383
patients treated



379
beds owned & managed



885
Permanent Jobs













R346bn
savings related services



38 192
clients with savings & ins. product

Fund's Investee Portfolio @ 31 December 2022

Sector	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 initial amount invested is R16.4 million. Crestcare has invested in a new 88-bed acute hospital in Malmesbury. Construction is underway. To be completed in Q2 2024. Investment amount of R53 million. Crestcare will commence the construction of a second hospital in Q2 2023, with target completion in Q1 2025. The investment amount allocated is R25 million. 	74.3%	<ul style="list-style-type: none"> Sought after expertise that enables execution of the healthcare sector strategy. Opening two greenfield hospitals in rural/peri-urban areas. 	Sep'19	R 16.4m R 46.7m ¹ <u>R 25.0m²</u> R 88.1m	 ¹ Malmesbury commenced not yet fully drawn. ² Mokapane approved not yet drawn.
	 <ul style="list-style-type: none"> Zoutpansberg Private Hospital provides healthcare services at a 32-bed acute hospital in Louis Trichardt, Limpopo. The facility's expansion to 92 beds is underway and on track to be completed in Q4 2023. 	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 <u>R155.5m¹</u> R168.6m	¹ Expansion commenced not yet fully drawn – R71.7m drawn.
	 <ul style="list-style-type: none"> Apex Surgicentre is a provider of healthcare services at its 24-bed three theatres day hospital in Soweto. It also has licenses for constructing and commissioning four additional day hospitals around South Africa. 	55.0%	<ul style="list-style-type: none"> Well-located day hospital in a Township area. Licenses for four additional hospitals 	Nov'21	R 22.1m	
	 <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 eight facilities, targeting to expand to 12 in the next few years. 	51.1%	<ul style="list-style-type: none"> Has eight facilities across Western Cape and Gauteng. Four additional facilities are planned. 	Oct'22	R122.0m <u>R 8.2m¹</u> R130.2m	¹ Additional to be paid against agreed conditions.
	sub-total				R409.0m	25.32%
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 the largest independent financial advisory group. 	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 R2bn secured for lending. 	Dec'22	R163.8m	
	sub-total				R423.0m	26.19%
Education	 <ul style="list-style-type: none"> NBs offering enables distance students to access an entire campus life (in his/her immediate vicinity). NB has one campus. 	55.0%	<ul style="list-style-type: none"> Corporates provide substantial bursaries. Targeting to open an additional 5-8 campuses. 	Apr'22	R108.0m	Education
	 <ul style="list-style-type: none"> NB bought Centurion Academy ("CA") through the Fund's investment. CA is a private higher education institution with four campuses. 					
	sub-total				R108.0m	6.68%
FUND Total Invested					R940.0m	58.2%

The Summit Private Equity Fund – Report Card

Capital invested + approved

2022 – invested+approved+ allocated	R924m
2022 - invested	R850m
2021 - invested	R308m
2020 - invested	R280m
2019 - invested	R 4m

Impact Theme Target alignment

	2020	2021	2022
(A) Job Creation – total employees			
Total permanent	579	600	1092
Total permanent Black	166	199	468
Total permanent Women	354	384	749
Total perm.Black Women	145	168	377
New Jobs – Fund start	13	27	72
Target 2 000 new jobs			
Temp. Jobs – Fund start	---	---	891
Target 1 000 temp jobs			

(B) Community Upliftment investments

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

(C₁) Transformation

Black ownership	58%	59%	57%
% Black employees	30%	32%	43%
% Black executive & senior management	8%	19%	15%
% Black board members	21%	40%	35%
B-BBEE recognised spend	87%	89%	87%
Spend towards BO enterprises (% of TMPS)	13%	17%	25%
Spend towards QSEs (% of TMPS)	6%	5%	5%
Spend towards EMEs (% of TMPS)	15%	15%	11%

(C₂) Diversity & Inclusion @ 2021 & 2022

Please refer to Page 29 – Gender Lens

Governance

% Non-exec directors	37%	54%	44%
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Investees with a:

ESMS policy	0 of 2	1 of 4	2 of 7
Data Protection policy	1 of 2	2 of 4	4 of 7
Board charters	2 of 2	3 of 4	3 of 7
Whistleblowing	1 of 2	2 of 4	4 of 7

(B) Community Upliftment Fund Impact Targets vs. Actuals

	Target	Actuals @ 31 Dec 2022
Healthcare - Access to Quality Health Care		
% of the Fund Commitments R484m – R565m	30 - 35%	R409.0m Invested & allocated (25.32%)
No. of hospitals/facilities owned (including indirect through an Investee)	7	1 Zoutpansberg 1 Apex 1 Malmesbury – Q2 '24 <u>8</u> Life Path Health 11 Life Path Health
No. of hospital beds under management and ownership of the Fund	500	32 Zoutpansberg +60 Zoutpansberg expansion – Q4 '23 24 Apex 30 New Era – managed by Crestcare +88 Malmesbury – Q2 <u>293</u> Life Path Health 527 Total
No. of new hospital beds commissioned by the Fund in peri-urban/rural/township areas	200	+ 60 Zoutpansberg expansion started + 88 Malmesbury – Greenfield <u>+ 36</u> Life Path Health PMB Q1 '23 184 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
The pass rate of enrolled students	>70%	70% pass rate for 2022
No. of Students who are employed or self-employed 24 months after becoming qualified. i.e., students completed their studies	>50%	To start tracking in 2023

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 +	Effient Group 35 496 No. vol. saving clients 22 550 No. comp. saving clients <u>28 591</u> No. ShortT insurance clients 86 637 Total
Improving access to financial services products, in terms of demographics		CCF will be releasing new products in 2023 specifically aimed at Black owned and run women business.
No. of financial transactions that support decent jobs and foster economic development	2 000	Custom Capital Finance Investment concluded in Dec'22. As at 31 Dec 22 CCF financed in excess of 6 400 SMMEs. The target number during the life time of the Fund is over 25 000.

Investee Report Cards

Company overview, impact thesis and impact and ESG reports



Interpreting an Investee Impact and ESG Report Card

Our report card was developed to improve our understanding of each Investee's E&S and governance practices and to monitor Impact outcomes. Using data categories from our framework partners, we can track and identify the risk 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 Investee's Overarching Impact Target. Location indicates peri-urban, rural, township etc. The Fund targets investing at least 50% of Committed Capital in Investees 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 Zoutpansberg Private 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 – Scope 1-3	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 Investee. The detail indicates to what extent the Investee contributes toward each of the IRIS+ strategies goals in terms of Impact on people.

6 (C1) Transformation – each Investee 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 Investee 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 Investee 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 an Investee. 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 2023 report.

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%

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	
Summit Board & non-exec	1 / 3
King IV governance framework adopted	75%
Diversity & Inclusion Policy	not yet
Data Protection Policies	✓
Whistle Blowing Policy	✓
Anti Corruption Policy	In progress
Conflicts of Interest Policy	✓
Risk Management & Compliance Program	In progress
Cybercrime Prev. & Incident Management Plan	not yet

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

10 E&S Management Systems (ESMS) – key to managing ESG risk and opportunity is an effective ESMS. This section focuses explicitly on IFC PS1 and the level of ESMS integration within the Investee.


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

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









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

Fund Investment	
Investment date	September 2019
Investment amount to date	R16.4m
Malmesbury Hosp. approved amnt.	R46.7m
Total investment amnt.	R63.1m
Mokopane Hosp. budgeted amnt.	R25.0m
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 & Compliance Program	50% 
Cybercrime Prev. & Incident Management Plan	No



Revenue	
2022	R 11.9m
2021	R 7.0m
2020	R13.1m
2019	R11.4m




Impact Theme Target alignment			
	2020	2021	2022
(A) Employment / Job Creation			
Employees	14	14	7
Temp. jobs created	0	0	0
New jobs since Inv.	0	5	-2




(B) Community Upliftment			
	2020	2021	2022
Beds CC manages	30	30	86


(C ₁) Transformation* ¹			
	2020	2021	2022
BEE Level	2	2	3
Black ownership	80%	80%	74%
B-BBEE recognised spend	53%	53%	76%
% Black employees	43%	43%	29%
% Black exec. & senior management	33%	33%	0%
Skill dev. spent on black people	0	0	0

(C ₂) Diversity & Inclusion (and 2X)		
	2021	2022

% Women ownership			
	2021	2022	
Total	51%	47%	
Black	21%	21%	

% Women staff			
	2021	2022	
Total	50%	57%	
Management	33%	40%	
Board	0%	0%	

% Black Women staff			
	2021	2022	
Total	29%	29%	
Management	17%	0%	
Board	0%	0%	

No. of 2X Challenge criteria categories fulfilled	2	
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Crestcare Summarised

Established in 2004, the highly experienced team at Crestcare provide end-to-end hospital operating management services to acute and day hospitals. Amongst its clients are facilities owned by the Fund, including Apex Soweto Day Hospital (“Apex”) and Zoutpansberg Private Hospital (“ZPH”).

To evolve from being just a hospital operations service provider to being an owner and operator of its own hospitals, in 2021 Crestcare acquired the licence for a new 88-bed acute hospital in Malmesbury, Western Cape, and also secured the licence for a new 65-bed acute hospital in Mokopane, Limpopo. The new hospitals support the Fund’s healthcare thesis of investing in 2 new (greenfield) facilities through Crestcare.

Crestcare has the necessary experience to design, plan, oversee building, commission and run healthcare facilities, having done so for several clients.

The year 2022

After concluding the acquisition of Samaritan Healthcare in April 2022, re-aligning Crestcare services strategy with a focus on Fund-owned hospitals (directly and through Crestcare) has resulted in substantial progress achieved by the Crestcare team in each of the Fund’s hospitals.

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

Construction activities for the new 88-bed acute Crestcare Malmesbury Private Hospital (“MPH”) commenced in Q3 2022, undertaken by Twin City Developments. The design, planned healthcare services and operating model designed by Crestcare have garnered the support of several local doctors and specialists who will become equity owners (>20%) alongside Crestcare. The targeted date for opening MPH is Q2 2024.

Twin City Development’s project team and Crestcare have refined the project designs for the Crestcare Mokopane Private Hospital. Construction will commence in Q2 2023; the targeted opening date is Q1 2025.

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

Crestcare's contribution toward delivering Impact is two-fold. Firstly, it provides hospital management services to healthcare facilities in which the Fund is invested (e.g. ZPH and Apex) and third-party-owned facilities such as New Era Health, enabling them to provide affordable quality healthcare. Secondly, Crestcare's most significant impact will come from building, commissioning and managing its own 88-bed Malmesbury Private Hospital ("MPH") and 65-bed Mokopane Private Hospital.

These new builds will contribute to job creation and increase access to affordable quality healthcare in two rural / peri-urban areas.

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

WHAT is the social challenge?

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

WHO are the stakeholders?

MPH 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

MPH will be a National Hospital Network ("NHN") hospital providing more medical disciplines at affordable rates, bringing increased access to quality healthcare for the local community.

The 88-bed and four theatre hospital, with an emergency unit and delivery rooms, will bring medical specialists to the local community, improving the responsiveness of the medical system. In addition, various

specialised services, including Gastroenterology, Neurology, Paediatrician, Physician, Pulmonology, ENT, General Surgery, Maxi-Facial, Neurosurgery, Obs & Gynae, Ophthalmology, Orthopaedics, etc., will be provided.

(A) Job Creation

MPH will create approximately 94 (clinical - 65 & non-clinical 29) permanent jobs on opening. The number of jobs will increase to 161 (clinical 103 & non-clinical 58) based on a 65% occupancy rate after four years.

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 Schnetler Corbett, who will provide the area with the latest diagnostic equipment, including an MRI scanner.

The facilities and medical equipment have resulted in MPH 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 ±80% of MPH, 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 ±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 as a developer to finance and build the Malmesbury hospital at ±R150 million. In addition to Twin City's commitment, the commissioning of MPH will cost ±R112 million, which will be funded through a combination of equipment finance (secured by Summit) and equity finance to be 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 the charting of 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.

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 "needing more doctor support, covering a broad range of specialities" as a risk. 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



individuals appointed and responsible for ESG.

- The ESG VAAP tool has been rolled out to all the healthcare facilities under Crestcare management (ZPH, Apex etc.).
- Specifically, as it relates to managing E&S aspects once MPH is commissioned, the IBIS framework and related processes will comprehensively address these aspects.

PS2 - Labour

- Twin City's contractors adopt the highest labour and health & safety standards. To date, no H&S incidents have occurred during the construction period.

PS3 - Resource Efficiency

- An Environmental Control Officer was appointed in Q4 2022. However, Crestcare is not directly responsible for ESG and ESMS practices during construction.
- The project team has identified water and energy-saving measures adopted in the MPH designs.
- Concerning resource efficiency, energy-efficient lighting in the form of LED will be installed throughout the facility, and HVAC systems are still under design. The Crestcare team are playing an active role with Twin City to ensure that MPH is built to be as resource efficient as possible.

PS4 - Community

Community Health, Safety and Security

- A stakeholder management program/plan was completed before construction commenced.
- Adequate measures are implemented to ensure community safety, particularly road access and entry to the building site, storing and removing building waste and noise management.
- The program includes regular engagement with affected communities and parties throughout the construction phase, focusing on ongoing communication with the community to ensure community health and safety.

commissioning of the Crestcare Malmesbury Private Hospital ("MPH"). 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 greater Fund Healthcare strategy, Crestcare will be responsible for aligning all hospitals owned by the Fund to a common ESG framework.

The MPH development

Twin City Developments ("Twin City") is the property developer and owner of the new MPH building. Crestcare Opco will rent the hospital property from Twin City.

Crestcare is not directly responsible for ESG, and ESMS practises during construction. However, in keeping with good practice, Crestcare and Summit continuously review the Health & Safety and Environmental reports ensuring that best practice standards are followed.

Twin City has appointed a Health & Safety ("H&S") consultant who audits the site every two weeks and submits reports.

The principal agent, through ongoing engagement, ensures that the agreed standards are maintained and E&S risks are monitored and reported. Summit meets the principal agent and Twin City regularly.

ESG – Value Add Action Areas

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

To bolster this framework, Summit and Crestcare approached IBIS Consulting to further develop and standardise the Environmental & Social Management System ("ESMS") and related framework.

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

The project will commence in Q1 2023.

PS1 – Risk Management

Assessment and management of E&S risks and impacts

- The online ESG Value Add Action Plan ("ESG VAAP") tool, which Summit rolled out to Crestcare in Q3-2022, is being fully operationalised by key

ESG risks and opportunities

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

¹once the development of MPH commences, these will move to Medium.

The risk rating remains Low as the construction is being completed by a third-party developer. Crestcare will be renting the property. TwinCity is responsible for E&S related matters.

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

E&S Management System (ESMS)

ESG focused person	Yes - 2
E&S Policy	No Q3 '23
Comprehensive risk register	No Q3 '23
Regular ESG review meetings	Yes
Standard of ESG reporting	Low
Summit ESMS rating per the IFC PS1 (refer to page 9)	(2.5) 2022 (2.5) 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

Crestcare does not directly have any environmental matters to address. However, this will change post the

Zoutpansberg Private Hospital ("ZPH")



Summary

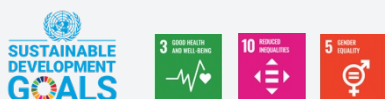
Impact Target	Access to Quality Healthcare
Location	Louise Trichardt
Location classification	Peri-urban
SASB Sector	Healthcare
SASB Industry	Health Care Delivery

Fund Investment

Investment date	May 2020
Initial investment amount	R 13.1m
Expansion approved amount	R135.0m
Total Inv. after the Expansion	R148.1m

Fund shareholding	71.51%
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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

2022	R36.9m
2021	R28.6m
2020	R33.1m

Impact Theme Target alignment

	2020	2021	2022
2(A) Employment / Job Creation			
Employees	93	89	91
Temporary jobs	8	14	15
New jobs since Inv.	2	8	7

(B) Community Upliftment

	2020	2021	2022
No. of beds	32	32	32
No. of theatres	1	1	1
Patients treated	4 111	4 199	4 484
Maternity cases	691	509	541
Surgeries performed	832	858	930
Payment plans	4	5	182
Health campaigns	10	16	10

(C1) Transformation*

	2021	2022	2022
BEE Level	2	2	2
Black ownership	55%	55%	62%
B-BBEE recognised spend	62%	62%	68%
% Black employees	70%	73%	76%
% Black executive & senior management	0%	0%	36%
Skill dev. spent on black people	R0	R0	R0

(C2) Diversity & Inclusion (and 2X)

	2021	2022
% Women ownership		
Total	57%	62%
Black	16%	16%

% Women staff

	2021	2022
Total	89%	92%
Management	71%	45%
Board	29%	17%

% Black Women staff

	2021	2022
Total	69%	73%
Management	0%	36%
Board	14%	0%

No. of 2X Challenge criteria categories fulfilled	4
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ZPH Summarised

Founded in 2001, ZPH is 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 the city of Johannesburg.

ZPH 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.

ZPH is a member of the National Health Network ("NHN"), an association of independent hospitals whose function includes the negotiation of 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 2022

With the Covid-19 pandemic officially ending at the beginning of 2022, ZPH shifted its attention back to finalising the design and construction planning for expanding the hospital from 32 beds to 92 beds and increasing its theatres from 1 to 4 ("Expansion").

Construction activities commenced in Q1 2022. At the end of the year, the top structure was substantially progressed.

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

Total employment from main contractor to subcontractor relating to construction activities has resulted in more than 292 jobs being created.

The target date for opening of the expanded hospital is November 2023.

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

WHAT is the social challenge?

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

ZPH is located in a peri-urban area and offers limited specialist health services. Due to a lack of specialist medical facilities in the area, several illnesses can only be treated by the local community travelling between 1-4 hours to major metropolitan hospitals. In certain instances, patients must wait for ambulances to travel to these hospitals, resulting in 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 are seeking to self-pay for medical services. Catchment areas are Louis Trichardt, Limpopo, 105km north of Polokwane, 473 km from Johannesburg and one hour's drive from the Zimbabwean border at Beitbridge.

HOW MUCH - scale of the Impact

As an NHN hospital, the expanded ZPH will provide more medical disciplines at affordable rates, increasing access to quality healthcare for the local community.

Medical disciplines which will now be available at ZPH will 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.

(A) Job Creation

The Expansion has resulted in the employment of 292 contractor and sub-contractor employees.

Of these, 164 were permanent, and 128 were temporary jobs filled by the local community. In addition, 246 were black males, and 12 were black females.

Post-completion, ZPH will create over 60 permanent jobs (based on a conservative assumption of 35% occupancy). The number of permanent jobs created at ZPH will increase to over 125 based on a 50% occupancy rate.

(A) Community Upliftment

Access to Quality Health

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

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

Year	Patients	Surgeries	Comments
2021	4 593	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	

(B) Transformation Diversity & Inclusion

The Fund, as a BBBEE investor, owns 71.51% of ZPH.

In terms of diversity and inclusion, the targeted split at the time the facility runs at 50% occupancy with a total staffing of 214 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 to join as new shareholders in the Expanded hospital are BBBEE.

+ CONTRIBUTION – what if ZPH did not exist?

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

Without ZPH and, particularly relating to the Expansion, the medically insured community would need to continue travelling between 2-4 hours to access much-needed healthcare.

As a National Hospital Network (NHN) hospital, the expanded ZPH will provide more medical disciplines at affordable rates, increasing access to quality healthcare for the local community.

Additional medical disciplines which will now be available at ZPH will 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 will cost ±R175 million. The Fund has committed to financing up to R135 million. Summit has secured the balance of the funding from equipment financiers and the new Doctors.

In addition, Summit has actively (i) assisted ZPH 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 specialist who will independently and regularly report to the board of ZPH regarding E&S matters, (iii) assisted with recruiting of several new doctors, (iv) developed several financing, reporting and other processes and systems required to monitor all activities regarding the Expansion.

Led by Summit, Crestcare continues progressing on the new Crestcare "brand" and Hospital Information Management, which ZPH will implement.

As part of the Expansion, ZPH will be 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 specialities".

This risk has been mitigated, and the support received from local doctors and specialists has been overwhelming. In addition, ZPH making available equity for new doctors has resulted in over 15 new doctors joining as shareholders, 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	5
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 - 2
E&S Policy	75% complete
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)	(3.0) 2022 (2.5) 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

ZPH 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.

The impact of Covid-19 and the Expansion has left little time for ZPH to focus on improving its Environmental and Social Management Systems (“ESMS”) and related policies and procedures. Notwithstanding, ZPH substantially improved its risk identification (register) and monitoring framework.

To assist ZPH in further aligning all its ESMS practices with international best practices, Summit and Crestcare contracted IBIS Consulting to develop an ESMS and related ESG framework to be rolled out to all Crestcare and Fund-owned hospitals. The framework will be aligned with local regulations and international best practice standards and implemented at ZPH in Q3 2023.

Summit has deployed an online ESG Value Add Action Plan collaboration tool at ZPH. The software will assist Summit, ZPH and Crestcare to plan and monitor the various ZPH ESG-related action items.

The Expansion

The target completion date for the ZPH expansion is November 2023. Construction activities are on track. The independent Principal Agent and independent Health & Safety (“H&S”) and Environmental consultants (the “Consultants”) appointed by ZPH are continuously monitoring construction activities.

PS1 – Risk Management

Assessment and management of E&S risks and impact

- **Hospital:** ZPH submitted a detailed Risk Register to the Department of Health (“DOH”) in Q4-2022 detailing various operational aspects. The DOH approved the Risk register.
- **Expansion:** The board and Summit receive 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 allows the ZPH Board and Summit to manage any risk areas proactively. Any incidents on site are immediately reported to the Consultants and escalated to the board and Summit.



PS2 - Labour

- **Hospital:** Two incidents occurred in 2022. Neither was a major incident (a needle stick incident and hand injury). Both were treated at the hospital.

ZPH maintains a great working environment, and employees are happy and looked after.

- **Expansion:** Three injuries were reported in 2022 relating to construction activities. None were severe, and all individuals could continue working the following day.

Working hours are monitored and maintained well within regulation. No underage labour whatsoever is used.



PS3 - Resource Efficiency

- **Waste Management** - During the year, ZPH substantially improved its waste management processes. The DOH approved interim measures required to deal with construction activities. Waste has been appropriately managed during the Expansion, with no reported negatives.
- **Water** - Increased water supply was a significant concern for the Expansion. It was resolved through a combination of drilling holes, contributing capex to the council to expand supply and sourcing water from the school across the road.

- **Energy** - The increase in load shedding has had a substantial impact on ZPH in Q4 2022. Generators which typically ran 250 hrs in a year (2019) now clock those hours in a month. To ensure Green House Gas emissions are minimised, the generators are serviced every 250 hrs (at the moment, monthly).



PS4 - Community

Stakeholder feedback and management

- **Hospital:** Community engagement is successful and ongoing.
- **Expansion:** Several measures have been implemented to ensure community safety, particularly road access and entry to the building site, storing and removing building waste and noise management.



Apex Surgicentre ("Apex" and "Apex Soweto")



Summary

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

Fund Investment

Investment date	November 2021
Initial investment amount	R22.1m
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	not yet started
Cybercrime Prev. & Incident Management Plan	not yet started

Revenue

2022	R10.9m
2021	R5.8m

Impact Theme Target alignment

	2021	2022
(A) Employment		
Employees	14	13
Temporary jobs created	0	0
New jobs since inv.	0	-1

(B) Community Upliftment

	2021	2022
No. of beds	24	24
No. of theatres	2	2
No. of procedure rooms	1	1
Patients treated	498	724
Surgeries performed	481	724

(C₁) Transformation*1

	2021	2022
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%	75.0%
Skill development spent on black people	to be tracked	to be tracked

(C₂) Diversity & Inclusion (and 2X)

	2021	2022
% Women ownership		
Total	36%	37%
Black	16%	11%
% Women staff		
Total	85%	59%
Management	25%	21%
Board	20%	30%
% Black Women staff		
Total	69%	17%
Management	25%	0%
Board	20%	20%
No. of 2X Challenge criteria categories fulfilled	5	

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 a National Hospital Network (NHN) member, giving access to all major medical schemes and providing affordable healthcare to their patients.

Current services offered at the hospital include; General Surgery, Maxillo Facial Surgery, Gastroenterology Gynaecology, ENT – Ear Nose and Throat Plastic Surgery, Urology Pain Management, Paediatric Dentistry, 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 with a further objective to increase the number of facilities it owns over time.

The year 2022

After a slow start, resulting in Apex operating below its breakeven number of theatre cases p.m. (approximately 50 cases p.m. versus its breakeven target of 80 theatre cases p.m.), the hospital generated positive EBITDA for the first time in June 2022 (121 cases). Various Crestcare initiatives resulted in improved theatre utilisation. This positive trend continued with 205 cases in July 2022. However, during the last quarter of 2022, monthly cases only averaged 45 p.m.

As part of British International Investment's ("BII") BII Plus technical assistance program, BII, Summit and Crestcare (Crestcare is the operations manager of Apex) completed a detailed market assessment to understand ways to make the services provided by Apex more known and accessible to the public. This resulted in the identification and implementation of various initiatives that will help propel Apex Soweto's occupancy rate in 2023.

The Crestcare team, as the operation manager of Apex, continues to have a substantial impact regarding general operations, finance, clinical procedures, human resources etc. In addition, Crestcare is overseeing the implementation of various ESG frameworks.

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



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 rather than at an acute 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 general hospitals due to its 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, which results 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 the Apex site) has a population of over one million.

The independent commercial DD 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.

Apex Surgicentre has additional licenses to commission other Day Hospitals, extending this Impact.

Summit, with Apex is evaluating commissioning a second Day Hospital in the Waterfall area of Johannesburg.

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 over the next 18-24 months, 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 will be employed (13 to 29). This should be over an 18-24 month period.

Apex's target for a 2nd Day Hospital will likely be Waterfall. The license is for 30 beds and four theatres.

Apex Waterfall will result in a minimum additional 20 permanent employees.

(C) Community Upliftment Access to Quality Health

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

Year	Patients
2021	498
2022	729
2023	1 529
2024	1 765
2025	3 165

The number of patients treated in 2022 was 50% of the forecasted numbers at the time of investment. Crestcare, under the direction of Summit, has implemented various initiatives to increase hospital usage.

(D) Transformation Diversity & Inclusion

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

In terms of diversity and inclusion:

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

The target set by Apex Soweto is always to employ at least 50% of Black women employees (through the growth of Apex Soweto and new facilities).

+ 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 private hospitals, which are more expensive and don't provide the benefits noted under WHAT.

▲ Summit's Value Add

Crestcare (74% 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 a substantive 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.

△ RISK – what is the risk?

In addition to the risks (and mitigations) detailed on the following page, things that could go wrong include needing more doctor support.

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

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
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	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. Auxiliary facilities on the site are the responsibility of the landlord.

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

Staff shortages have made adopting and implementing new and enhanced processes challenging for Apex.

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 and Crestcare have 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 Q3 2023.

PS1 – Risk Management

Assessment and management of E&S risks and impacts.

- In Q4 2022 Crestcare and Apex Soweto formulated a comprehensive report on risk areas that need addressing. No material risks were identified. The team will implement proactive risk mitigation measures commencing Q1 2023 to manage identified risks.
- The online ESG Value Add Action Plan tool rolled out to Apex Soweto in Q4-2022, will be fully operationalised by Crestcare in Q2 2023.

PS2 - Labour

- Apex Soweto has a very competent theatre manager. As a result, permanent staff are happy with their roles, and patient satisfaction is high.
- From an Operational Health & Safety perspective, the most severe staff incident related to a nurse fainting - the air con in a theatre was temporarily not working, and a nurse became lethargic and fainted. She was immediately treated and was able to continue working soon after that. The air con was serviced and operational that very same week.



- Crestcare implemented several policies and procedures in Apex. The development of further policies will continue in 2023.

PS3 - Resource Efficiency

- To date, the site 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 and regularly disinfected by an external contractor. In addition, water samples from the tank and taps are periodically tested.

Waste Management

- A Waste Management and Hazardous Waste Management review was completed in Q3 2022, confirming that all required policies and processes are in place, waste segregation happens at the generation source, and staff handling waste always use the provided PPE. In addition, waste is stored in rigid-walled leak-proof containers or boxes.
- Waste is handed over to the waste company, which weighs and leaves a copy of the manifesto. No areas of improvement were identified.

PS4 - Community

Community Health, Safety and Security

- A Department of Health inspection took place in Q4-2022. The facility was fully compliant, and all checks were passed.
- An incident occurred when a patient transferred from an operating table became impatient. The patient sustained a bruise when climbing off the operating table too quickly. No significant harm was caused to the patient.
- Apex Soweto has a questionnaire 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 & CComplianceProgram	✓
Cybercrime Prev. & Incident Magangement Plan	✓

Revenue

(R'000)

2022	R2 122 474
2021	R1 946 635
2020	R1 531 587

Impact Theme Target alignment

	2020	2021	2022
(A) Employment / Job Creation			
Employees	459	469	366
- Permanent	268	292	366
- Contract (RFAs)	191	177	171
New jobs	8	18	86
(B) Community Upliftment			
Voluntary saving	14 420	22 707	35 496
Comp. saving	13 122	15 485	22 550
Short-term insur.	7 093	8 886	28 591
Using trusts	689	682	575
AU Advice (EW)	R25bn	R32bn	R35bn
AU Mngmnt. (BIP)	R24bn	R32bn	R32bn
AU Consult. (BIP)	R39bn	R46bn	R47bn
AU Admin. (BCI)	R174bn	R236bn	R268bn
Total Savings	R263bn	R346bn	R382bn

(C₁) Transformation¹

BEE Level	non-compliant	7	
Black ownership	37.4%	37.4%	37.4%
B-BBEE recognised spend	86%	86%	84%
% Black emplys	20%	23%	27%
% Black executive & senior mngmnt	9%	6%	5.1%
Skill dev. spent on black people	R357k	R257k	R307k

(C₂) Diversity & Inclusion (and 2X)

	2021	2022
% Women ownership		
Total	31%	37%
Black	11%	11%
% Women staff		
Total	59%	59%
Management	16%	21%
Board	30%	30%
% Black Women staff		
Total	17%	20%
Management	0%	3%
Board	20%	20%
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 SA.

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 SA.

The year 2022

EFG's steady growth continued through 2022, increasing assets under ("AU") - Advice, Management, Consulting and Administration by R36 billion. In addition, its short-term insurance offering expanded after the acquisition of Galileo (rebranded to Efficient Insure) with an annual gross written premium of R340 million.

Various workstreams progressed EFG's transformation agenda. These included launching a product/service offering to pension and provident funds whose members are predominantly previously disadvantaged individuals ("PDIs") and finalising an investment in a black-owned and run RFA firm. In addition, EFG, under the guidance of Siyakha (a transformation consulting firm), completed the group's B-BBEE transformation audit, which resulted in a detailed transformation strategy presented to the board.

In December, EFG received an offer from Apex Group to purchase BCI. At the time of publishing this report, the transaction was only subject to the competition commission.

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 ("SA"). Today, SA's saving rate is 16.3%, which places it as 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 recent study by a leading data analytics firm, Kantar, revealed that contrary to widely held perceptions, most South African's 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 the EFG/Summit Value Add Action Plan 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 the BCI platform, enabling investment managers to establish saving products (CIS Funds).

Specifically concerning the Fund's impact themes:

(A) Job Creation

EFG has created 86 new full-time jobs since the Fund 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 more than 87 200 clients. At the time of investing, Efficient Wealth had 35 323 clients. This represents an increase of 51 899 clients during the Funds investment.

67% of these clients (58 046) have some form of savings product. During the Fund's investment, 30 514 new clients have invested in savings products.

(C) Transformation Diversity & Inclusion

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

From a transformation perspective, the board approved the B-BBEE strategy for 2023, which will increase the EFGs recognition level from the current Level 8 to at least a Level 5 by 2023 (although targeting a Level 4). At the time of the Fund investment, the recognition level was 'non-compliant'.

Specific actions items for 2023 include:

- 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 increases the number of black financial planners.

From a Diversity & Inclusion perspective, 37% of the board is represented by women, and 20% are black women. At the time of investing, the board only had one white woman.

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 20.5% in 2022.



+ CONTRIBUTION – what if EFG did not exist?

EFG's products and services are necessary for many households to access financial advice and saving products. As 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, some of EFG/Summit's Value Creation activities this past year included:

- Establishing Efficient Corporate (led by two prominent black employment benefits specialists), focused on servicing institutional clients (retirement funds whose members are predominantly previously disadvantaged individuals ("PDIs"). Efficient Corporate secured its first significant pension fund client in 2022.
- Acquiring 49% of a black-owned and managed RFA firm, focusing on scaling this platform business (through integrating the various EFG RFA-related services) to provide financial planning services to predominantly PDIs.

▲ Summit's Value Add

The Fund's investment in EFG has been a catalyst for the EFG 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 black industry experts 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 2022

ESG Data/Performance

Significant staff grievances reported	none
Health & Safety incidents	none
Do staff belong to a union	Yes
Industrial action	none
Number of data breaches	1
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) 2022 (2.0) 2021

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 Value Add Action Plan action items initially identified at the time of investment

and included in the shareholders' agreement. Through its ESG Committee, 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 Dec 2022, the Board approved the EFG ESG Statement, which details the company's ESG values, processes and the reporting obligations of the ESG Committee to the Remuneration, Social and Ethics Committee.

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, EFG created an Environmental, Health and Safety ("H&S") page on its intranet, accessible to all employees. It displays the photos and names of the H&S personnel and other health and safety information. The page also has an online tool enabling employees to log any health and safety risks or incidents. In addition, the Environmental and H&S representatives, first aiders and fire

marshals received refresher training during Q4 2022 to ensure they are up to date and fully equipped to fulfil their roles.



PS3 - Resource Efficiency

- EFG continues exploring installing solar at its head office in Centurion. Although solar is not an option at the Belville office, as reported in Q3 2022, LED lights were installed to reduce energy consumption.
- 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 data breach reported in Q3 2022 (no material impact resulted from the data breach), EFG included 'Data Security and Protection of Personal Information' in the employee induction training to ensure employees completely understand data protection.
- The EFG Data Security Breach procedures were reviewed and refreshed in Q4 2022. In reviewing the enhanced procedures, Summit is confident that EFG has implemented adequate procedures to mitigate another data breach of this nature from happening in the future.

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.

Summary

Impact Target	Access to Quality, Affordable Education
Campus Locations	Durban Centurion x 2 Klerksorp Witbank Tygervalley
No. of Campuses	6
Campus Capacity	+4 000
Learning deliver	In-person Distance (online)
Location classificaton	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	not yet
Data Protection Policies	not yet
Whistle Blowing Policy	✓
Anti Corruption Policy	not yet
Conflicts of Interest Policy	not yet
Risk Management & Compliance Program	not yet
Cybercrime Prev. & Incident Management Plan	not yet

Revenue

2022	R75.6m
2021	---

Impact Theme Target alignment

	2021	2022
(A) Employment		
Employees	---	165
Temporary jobs created	---	21
New jobs since inv.	---	-14


(B) Community Upliftment

No. Full-time learners	---	1 142
No. Vocational/Tech. learn.	---	282
No. Employee learnships	---	16
No. Online learners	to start in 2023	
Total learners	---	1 440
No. Bursaries provided	---	200
Value of Bursaries provided	---	R8m
No. Higher-edu. courses	---	22

(C₁) Transformation**

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

(C₂) Diversity & Inclusion (and 2X)

	2021	2022
% Women ownership		
Total	---	46%
Black	---	16%
% Women staff		
Total	---	61%
Management	---	40%
Board	---	33%
% Black Women staff		
Total	---	12%
Management	---	0%
Board	---	0%
No. of 2X Challenge criteria categories fulfilled	5	

Newbridge Summarised

Founded in 2018, NB provides 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. NB's offering enables distance students to have access to an entire campus life (in his/her immediate vicinity) that includes: student support; sports and social engagement; study groups; personal and professional development; independent tutors who are subject matter experts that assist students in navigating complex academic concepts and bringing practical explanations to how academic teachings may be applied in the working world; tools required to excel in a professional environment, including International Short Learning Certifications, Industry Aligned Work Experience etc.

Centurion Academy ("CA") was founded in 1999 as a private higher education institution to equip students with the required knowledge and skills to meet the growing economic and social demands of South Africa. 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).

With its investment in NB, the Fund facilitated NB's 100% acquisition of CA. "NB Group" refers to NB and CA.

The year 2022

The NB Group's primary focus during 2022 was on integrating the operational and academic departments of NB and CA and increasing access to education.

At 31 December 2022, several activities have resulted in the NB Group having registered 45% more learners for the 2023 academic year than achieved during the same period for the 2022 academic year.

A noteworthy achievement in Q4 2022 was NB Group securing ±R8 million student bursaries from sponsoring corporates. As part of the 2023 enrolment, NB Group will allocate these bursaries to qualifying previously disadvantaged students.

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

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 NB Group will assist the 700,000 youth (15-24) who are categorised as NEET to gain access to meaningful blended Post-School Education and Training ("PSET") education (tertiary degrees and diplomas, TVET, SETA).

NB'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 term.

The immediate focus is to optimise the capacity of the existing Campuses, which can take up to 2 500 students. Concurrently the NB Group will increase its number of Campuses from the current 6 to between 12-13 during the Fund term, creating more jobs and increasing learner capacity.

(A) Job Creation

The opening of the additional Campuses will create up to 390 New Jobs (169 Permanent Jobs and 221 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 8,376 admitted students in 2028.

Over the next seven years, the NB Group will enable over 32,000 students' years of teaching. Important to note that NB will provide both one-year and three-year courses. As such, the number of students who will be taught from 2022 to 2028 is estimated to be between 7,500 – 9,000.

(C) Transformation Diversity & Inclusion

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

Further to the above, Summit with management are finalising NBs 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?

The NB Group, through both their Campus learning and soon-to-start online learning, provides access to quality, affordable education.

The significant shortage of higher learning facilities and courses continues to negatively affect youth and the economy. Without higher learning institutions such as the NB Group, the situation worsens.

▲ Summit's Value Add

The Fund facilitating the subsequent 100% acquisition of Centurion Academy has substantially contributed towards NB Group being able 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 NB 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);
- Assist NB with developing its Environmental & Social Management System (ESMS) policy and framework and implementing associated ESG practices.
- Assist 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	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	varies per campus

E&S Management System (ESMS)

Dedicated ESG person	Crestcare
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) 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

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

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

In addition, a new student administration system was implemented, which bolstered academic governance and compliance with Department of Education regulations. Student enrolment strategy was a focus and more so ensuring an increase in intake of previously disadvantaged students.

Summit has deployed its online ESG Value Add Action Plan ("ESG VAAP") collaboration tool in NB Group. The software will assist Summit and NB in planning and monitoring the various NB ESG-related action items

ESG – Value Add Action Areas

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

PS1 – Risk Management

Assessment and management of E&S risks and impacts.

At present, NB does not have a comprehensive risk register. The ESG VAAP includes establishing a risk register and associated risk management framework per the IFC principles. Even though the intention was to complete this in Q4 2022, prioritisation was given to integrating the NB and CA operations and teaching academies. A new target has been set for Q3 2023.

- Additional priorities for Q3 2023 include (i) finalise the design and implementation of the board and related committee frameworks and charters, (ii) hiring an individual who will be allocated responsibilities concerning ESG, (iii) implementing a Cybercrime Prevention policy and Incident Management Plan, finalise and implement a Personal Information Protection Policy and a Personal Information Retention Policy.

PS2 - Labour

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



PS3 - Resource Efficiency

- NB has implemented a three-day campus week (two days are online teaching), which reduces student travel for two days a week. The change results in the saving of time and cost. In addition, during these two days, the empty campus buildings' electrical requirements are drastically reduced, and there is no requirement for students to travel, which results in a reduction in Green House Gasses ("GHG").

- NB is investigating options for cost-effective, alternate-energy solutions to ensure that its owned campuses are equipped to deal with the energy challenges encountered by load-shedding. Phase I will ensure that online classes run uninterrupted by fitting inverters on each campus.

- Phase II will focus on solar energy generation to replace the reliance on generators and deal with erratic grid supply. Solar is being considered for the campuses owned by NB, which include the two Centurion Academy campuses in Centurion and one campus in Klerksdorp.

Summit is investigating if Custom Capital Finance can finance these installations. CCF, an alternative financier of energy-related and other assets, is owned 51% by the Fund.

PS4 - Community

Community Health, Safety and Security

- NB 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 contribute toward dealing with malicious cybercrime attacks.
- Occupational Health and Safety are taken seriously at all campuses. The Health and Safety Policy and Procedure highlight all the procedures and designated persons responsible.



Life Path Health ("LPH")



Summary

Impact Target	Access to Affordable Quality Healthcare
Facility Locations	Western Cape x 7 Claro, Tygervalley, West Beach, Tijger, Helderberg, Pines, Sereno
	Gauteng x 1 Soweto
No. of Facilities	8
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

2022	R149.5m
2021	---

Impact Theme Target alignment

	2021	2022
(A) Employment		
Employees	---	225
Temporary jobs created	---	0
New jobs since inv.	---	-4

(B) Community Upliftment

	2021	2022
No. of facilities	---	8
No. of beds	---	293
No. patients – psychiatry	---	581
No. patients – addiction	---	231
Total patients treated	---	812
No. patient days – psyc.	---	6 106
No. patient days – addict.	---	3 834
Total patient days	---	9 940

(C1) Transformation*

	2021	2022
BEE Level	---	not rated
Black ownership	---	51%
B-BBEE recognised spend	---	to be tracked
% Black employees	---	77.8%
% Black executive & senior management	---	0%
Skill development spent on black people	---	to be tracked

(C2) Diversity & Inclusion (and 2X)

	2021	2022
% Women ownership		
Total	35%	
Black	16%	
% Women staff		
Total	85%	
Management	50%	
Board	50%	
% Black Women staff		
Total	67%	
Management	0%	
Board	25%	
No. of 2X Challenge criteria categories fulfilled	6	

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 (289 beds across eight healthcare facilities - 7 in the Western Cape and 1 in Gauteng). LPH is tied as the 2nd largest provider of mental health services in South Africa by the number of mental healthcare hospitals. The Group has completed the construction of its 9th facility, a 36-bed clinic in Pietermaritzburg (its first facility in Kwa Zulu Natal). It is awaiting the final council occupation certificate to commence trading.

In addition to its current footprint, LPH has secured department of health licenses for additional locations. Places where licences have been secured include Empangeni, Stellenbosch, Panorama, Hermanus, Foreshore Cape Town, Vanderbijl Park, Rustenburg, Westville, Ballito, and Hillcrest.

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 2022

The Fund concluded its investment in LPH in October 2022. LPH continued their focus on readying LPH Pietermaritzburg, targeting an opening in Q2 2023.

Immediately after the investment, Summit started working with LPH regarding various IT aspects, resulting in changes to core suppliers. In addition, a core system review was started to find software which can further accommodate LPH growing requirements.

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

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. Covid 19). 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 ("SA") 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 SA only has 28 private beds available per a population of 100 000. Public available beds are 11 per 100 000. The combined 38 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, those requiring treatment are the primary stakeholders. 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. LPH will commission four other facilities, securing sufficient psychologists and psychiatrists to provide the required services.

(A) Job Creation

LPH will create approximately 200 permanent jobs by 2026 by opening at least four new facilities (including LPH Pietermaritzburg).

(B) Community upliftment Access to Quality Healthcare

The projected number of patient days for 2023 is 80 328 resulting in 7 761 patients being treated. Adding three new facilities (as a direct result of the Fund's investment) will add another 122 beds to LPH and allow it to increase its capacity patient days by 2028 to 122 789 (11 864 patients) – assuming a 75% occupancy. This will represent an increase of 5 713 additional patients being treated annually.

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 low-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 225 people, 78% of whom are Black and 85% 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 LPH), 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 those communities who otherwise would not have access to these types of services.

▲ Summit's Value Add

LPH and Summit have identified the opportunity for LPH to open satellite mental health clinics alongside Acute/Day hospitals owned by the Fund, especially in rural, peri-urban and township areas where no such services currently exist, e.g. Louis Trichardt, Malmesbury, and Mokopane.

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 build further 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 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	Partially monitored
Back-up power available	Generators

E&S Management System (ESMS)

Dedicated ESG person	In progress
E&S Policy	75%
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)	(3.5) 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

Summit commissioned IBIS to complete an independent ESG due diligence (“DD”) on LPH. The DD established that LPH already has 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 being developed at the LPH Head Office and implemented across the 8 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 Value Add Action Plan (“ESG VAAP”).

Since concluding the investment in October 2022, Summit configured its online ESG VAAP tool for LPH, detailing the ESG action items to be implemented over the next year. In addition, the project management tool was rolled-out in Q4 2022, and LPH was trained.

ESG – Value Add Action Areas

Summit has monthly 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 has developed an excellent risk register. However, the risk register requires enhancements to consider additional environmental and social aspects. This action item has been detailed in the ESG VAAP Plan.
- LPH has implemented a very effective incident management process across all its facilities. The success of this process 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 developed a very professional and happy working environment. The Summit team visited several Facilities during the DD phase, and staff were interviewed. Constant feedback from the staff was that they enjoy working at LPH.
- The agreed Human Capital related ESG VAAP items include: (i) appointing a group-level ESG individual,(ii) inserting ‘commitment to freedom of association’ in employment contracts and HR Manual, (iii) improving the current grievance mechanism, (iv) undertaking a risk assessment related to opening additional facilities, (v)

installation of suggestion boxes at facilities, (vi) providing updated training on IMPI (LPH incident management system) and (vii) development of a BBEE and Transformation policy.



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 eight 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 mostly LED lighting and are progressively phasing out fluorescent lights.

PS4 - Community



Community Health, Safety and Security

- Several social-related work streams are included in the ESG VAAP, and LPH has already progressed several. Some items include the development of a Stakeholder Engagement Plan, establishing an LPH Group level security Risk Assessment, providing training to equip staff for difficult patient situations, improving access control procedures at each hospital, etc.
- Training for 2023 will include using firefighting equipment. In addition, LPH will conduct regular fire drills at each hospital.
- A complaint regarding the level of noise pollution from the generator at the Heidelberg Clinic initiated an exercise to check the level of noise pollution, which was confirmed to be high and was remedied.

Custom Capital Finance ("CCF")



CUSTOM CAPITAL

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 includes Rental Finance and Invoice Discounting products.

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 today without having to secure significant upfront capital to purchase the equipment. The SMME benefit 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 large and 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 third largest operator of its kind in South Africa.

The year 2022

Summit commenced various valued add services during the contracting process. Most notably, Summit with Rand Merchant Bank ("RMB") developed a Debt Note Program, which would result in CCF securing up to R2 billion in debt finance over the coming years (the "Note Program"). The Note Program will be launched in January 2023.

In addition, Summit commenced evaluating CCFs software system requirements, particularly regarding introducing products/ services unavailable in South Africa. The combination of the enhanced ICT systems and the availability of debt finance to finance SMMEs has laid the foundation for CCF to achieve the envisaged impact targets.

Summary

Impact Target	Financial Inclusion
H/O Location	Umhlanga
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

2022	R95m
2021	---

Impact Theme Target alignment

	2021	2022
(A) Employment		
Employees	---	18
Temporary jobs created	---	0
New jobs since inv.	---	0

(B) Community Upliftment

No. Rental Finance	---	6 452
No. Inv. Discount. SMMEs	---	20
Total SMMEs financed		6 472

Rental Fin. – Book value	---	R539m
Inv. Discount. – Book value	---	R 19m
Total book value		R558m

(C₁) Transformation*1

BEE Level	---	not rated
Black ownership	---	51%
B-BBEE recognised spend	---	to be tracked
% Black employees	---	33.3%
% Black executive & senior management	---	0%
Skill development spent on black people	---	to be tracked

(C₂) Diversity & Inclusion (and 2X)

	2021	2022
% Women ownership		
Total	---	13%
Black	---	13%
% Women staff		
Total	---	78%
Management	---	40%
Board	---	33%
% Black Women staff		
Total	---	28%
Management	---	20%
Board	---	33%
No. of 2X Challenge criteria categories fulfilled		6



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

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 struggle 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 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 will have access to increased Debt Finance (through the RMB Notes Program) over the next five years enabling CCF to provide financing solutions to an increased number of SMMEs.

(A) Job Creation

Direct Jobs: It is envisaged that CCF, over the next five years, 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).

Indirect Jobs: On the assumption that CCFs 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.

(B) Community Upliftment Financial Inclusion

CCF will provide alternative finance to at least 19 469 new SMMEs during the Fund's investment term. These SMMEs, in turn, will grow their businesses, employing more people and driving GDP growth.

With increased access to Debt Finance (through the RMB Notes Program), CCF will finance at least another 19 469 Rental Finance agreements for SMMEs (refer to the table below), of which at least 5,061 would be enterprises with a turnover of less than R2 million (classified as Micro & Very Small), and a further 7,982 with a turnover between R2- R5 million (classified as Very Small).

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 18 people, 78% 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 women.

As part of the Value Creation Plan agreed with the founders, over the next 12-24 months 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 third biggest rental finance alternative lender in South Africa (behind Sasfin and Mercantile Bank), 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 will provide value add 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 will assist CCF in implementing risk management and governance frameworks, processes, and system (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.



CUSTOM CAPITAL

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	not yet
E&S Policy	not started
Comprehensive risk register	75%
Regular ESG review meetings	not started
Standard of ESG reporting	Low
Summit ESMS rating per the IFC PS1 (refer to page 9)	(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 auxiliary

facilities on the site are the landlord's responsibility.

Summit will deploy its online ESG Value Add Action Plan ("ESG VAAP") collaboration tool within Q1 2023. The software will assist 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, form part of CCFs ESG VAAP, and will be worked on during 2023. These include developing policy frameworks for Cybercrime Prevention, Incident Management, External Grievances, Stakeholder Engagement, Environmental Social Management Systems (ESMS), and implementing KingIV, 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 does not include all aspects regarding social and governance (specifically compliance). Specific risks and weightings do not align with some of the Operations and ESG DD observations, and the risk register and related combined assurance model will be expanded by Q2 2023.
- In addition to the policies detailed above, CCF does not have a specific Governance and Compliance Policy.
- CCF will look to assign the E&S management responsibility to a team member. Summit will assist with training of such team member.
- At present CCF does not have a formal external grievance procedure or mechanism.

The above and other policies will be developed and implemented during 2023.

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. For example, during Covid, CCF hired a Life Coach whom the team could "confide" in and who would assist with personal development.
- Whistleblowing is documented in the

Human Resources Policies and procedures documented. However, as part of its ESG VAAP, Summit identified the requirement for a stand-alone policy, which can be published on the CCF website.



- During 2023 specifically concerning Labour, CCF will implement 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. CCF does not currently understand its electricity usage or the cost/impacts of using generators. And although environmental issues are not highlighted as a concern for the Financial Services sector (SASB), the IFC Performance Standards strongly advocate for improving the environmental performance of all organisations through implementing a management system which tracks the use of electricity and identifies areas to optimise.
 - CCF can contribute to a more Resource Efficient society by financing SMMEs green related assets, such as Solar, Inverters etc.
- Considering the current dire situation in South Africa regarding load shedding, CCF is actively pursuing providing finance to SMMEs who are fitting their offices with alternate energy solutions.

PS4 - Community



Community Health, Safety and Security

- CCF does not have a formal external grievance procedure or mechanism at CCF. However, as part of the ESG VAAP, this will be implemented in 2023.
- 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.