

The logo consists of the word "ETHOS" in a bold, white, sans-serif font. It is centered within a solid black square. This square is itself centered within a larger, thin-lined black square frame. The background of the entire page is a dark, textured wood grain, overlaid with a network of black lines forming various geometric shapes like triangles and polygons.

ETHOS

SUSTAINABILITY
REPORT
2021



“What you do
makes a difference,
and you have
to decide what
kind of difference
you want to make.”

Jane Goodall

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LETTER FROM THE CEO



"Our investment mission is to deliver returns by building better businesses and we see a significant opportunity for Ethos to leverage its investment and value-add expertise and experience in elevating our ESG impact in the future."

Stuart MacKenzie, CEO

Our last Sustainability Report was issued in 2019 and focussed on 2018 activities while setting the medium- and long-term ambitions for our Firm's Environmental, Social & Governance (ESG) impact. At that time, we had no idea of the extraordinarily challenging environment waiting for us in 2020 and 2021. The COVID-19 pandemic has wreaked havoc on our Portfolio Companies (PC) and challenged the strength, fortitude, and resilience of our management teams, way beyond any crisis that the Partners and I have had to weather in prior cycles. The COVID-19 pandemic ushered in societal and economic shutdowns in our core markets with accompanying supply chain disruptions and liquidity challenges. Adding further friction to already disappointing growth rates in these markets prior to the pandemic. A toxic cocktail for value creation aspirations and planned exits.

Whilst setbacks in value creation and delays in exits are disappointing consequences of the pandemic, the power of the Private Equity ownership model has proven to be a key advantage for our PC. Our management teams entered the crisis fighting fit. Rigorous governance frameworks for strategic and operational execution, as well as strong relationships with our management teams, enabled us to react swiftly to contain negative outcomes and stabilise our portfolios. Our reputation for capital preservation and value protection served us well in restructuring our portfolio company balance sheets, buying us both time to trade through the worst months, and space to look for potential opportunities that would inevitably emerge from the crisis.

As a result, our PC are emerging from the crisis stronger and nimbler with many of them poised to gain market share as demand returns.

In a crisis, survival becomes a key goal, but survival alone would be a hollow victory if the environment into which we emerge is devastated. Our commitment to having a positive social and environmental impact is critical to being able to thrive in the future. The need to marry profit and impact in Africa is an investment imperative and one that Private Equity players are ideally positioned to do well.

Strategic change and renewal have continued at pace in the firm since we published the 2019 report. Ethos took on the management contracts for Brait SE in March 2020 and the Ninety One Africa funds in December 2020. In doing so, we have grown our investment and geographical footprint across Sub-Saharan Africa (SSA) and West Africa, increased our presence in East Africa and are now in Northern Africa. 2020 was a year of gathering momentum and building on the actions set in place in previous years, as demonstrated through the publication of our Responsible Investment (RI) Policy and updated Environmental Social Governance Management System (ESGMS). We continue to use the IFC Performance Standards (IFC PS) as our reporting framework but have also increasingly placed more emphasis on our contribution to the UN Sustainable Development Goals (UN SDGs) as we continue to analyse and measure our positive impact. Ethos is proud of the role that we are playing, alongside LPs and investee

companies to improve ESG performance and the steps we are taking to drive positive social and environmental change.

In this context it gives us great pleasure to present our 2021 Sustainability Report. The report documents our PCs operations and their most recent ESG performance for the year 2020. Preparing the report provided us with an opportunity to reflect on what we do and how we do it, and a chance to assess our performance as an active asset manager. It is particularly gratifying to be able to exhibit numerous case studies of how, through focus, alignment, and commitment we have been able to partner with our investors and management teams to drive profound, positive impact through the activities of our PCs.

Through the Vertice MedTech Group we can not only showcase our ability to build a scaled medical technology business through the successful execution of a buy and build strategy but also how the power of innovation, digitalisation and technology solutions can be harnessed to deliver essential health care services to communities that would otherwise be excluded from, or find it extremely difficult to access, such services.

Our out-growers scheme and Tavern Mamas programme in Chibuku showcases an exciting model of how our PCs can engage local communities to create micro businesses that become core to the supply chain in a sustainable manner, contributing to meaningful job creation. The Tavern Mamas programme empowers women to take on community leadership roles.

This model has been in place for some time and the benefits of these structures were highlighted during the COVID-19 lockdowns where Chibuku was able to work with the Tavern Mama's to provide community support at a critical moment.

One in ten girls in South Africa and one in fourteen girls in the UK miss school because of their periods each year. Premier's Lil-Lets, is tackling this challenge head on through various initiatives that both provide support for young women and address the root cause issues.

"Our portfolio companies are emerging from the crisis stronger and more agile, with many of them poised to gain market share as demand comes back."

Channel VAS, one of the most exciting FinTech businesses that most people haven't heard of, is providing innovative and affordable credit products to underbanked populations across the globe through AI driven technology solutions.

"New Look Kind" is core to New Look's brand positioning and has put the spotlight on addressing and influencing responsible production, consumption, and supply chains in the UK fashion industry.

The Richfield Institute is focussed on providing affordable and quality education solutions in South Africa. In this country gaining access to a quality, affordable tertiary education remains a significant challenge that needs to be solved to sustainably manage the critical issue of youth unemployment.

Finally, we continue to be inspired by the power of the private equity model to drive both returns and impact. When PE managers partner with investors and management teams to define and execute ESG plans with commitment and focus, their businesses become more investable and more valuable. The Turaco investment provides a fantastic live case study of this process. Our due diligence (DD) highlighted ESG gaps, the management team saw the long-term value in closing those gaps and through a collaborative and focussed programme of implementing initiatives. We are on track to position Turaco as a blue chip fast-moving consumer goods (FMCG) business in Ethiopia.

In the two years since our last report the world and markets we operate in have become more uncertain, more volatile, and more complex, stretching the leadership capabilities and resilience of our firm and management teams. As the window narrows to respond to climate change and transition to a net zero scenario by 2050, the risks of an economic and infrastructure transition will test our portfolio and investment approach.

As we start to emerge from the pandemic, we are focussing on the many positive learnings to take forward. The new ways of working that provide greater freedom and flexibility, the new ways of engaging our staff, customers and suppliers that draw on collaborative and sustainable partnership models and the new ways of approaching ESG programmes and addressing climate change, through collaboration across the financial, business, and scientific community will drive both financial and developmental gain. We are determined to play our part to marry profit and impact in Africa.



Stuart MacKenzie, CEO

ETHOS IMPACT

"At Ethos, we have focused on delivering impact and continuing to work through turbulent times. While each of our portfolio companies have been impacted differently by the crisis, we have worked with our companies to ensure that they responded proactively and with urgency."

WE SUPPORT JOB CREATION,
FINANCIAL INCLUSION AND
DIVERSITY



Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision making.

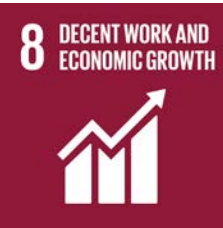
35%

Of employees across the entire portfolio are women.

59%

Of Ethos portfolio companies have female representation at board level.

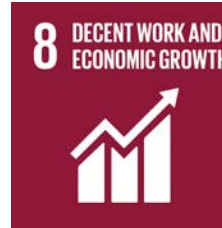




Achieve full and productive employment and decent work for all women and men.

EMPLOYEES
50,000
ACROSS THE
PORTFOLIO

NEW
STARTERS
5,000
OPPORTUNITIES
CREATED



Protect labour rights and promote safe and secure working environments for all workers.

EMPLOYEES
45%
ARE UNION
MEMBERS

EMPLOYEES
38%
COVERED BY
COLLECTIVE
BARGAINING
AGREEMENTS

LOST
TIME INJURY
(LTI) RATE
0.8
ACROSS ETHOS
PORTFOLIO





Empower and promote the social, economic and political inclusion of all

88%

of employees in South African portfolio companies are people of colour

24 SMMEs

supported by our portfolio companies



24 SMMEs
IN TURN
SUPPORT

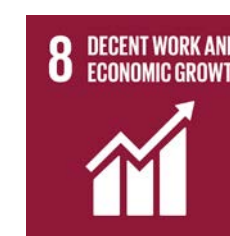
**1,243
JOBS**



WE PROMOTE SUSTAINED INCLUSIVE ECONOMIC GROWTH THROUGH INVESTING IN INCLUSIVE AND EQUITABLE QUALITY EDUCATION FOR ALL



Ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education.



Substantially reduce the proportion of youth not in employment, education or training.

440

bursaries provided in 2020 by Richfield Institute

13,528

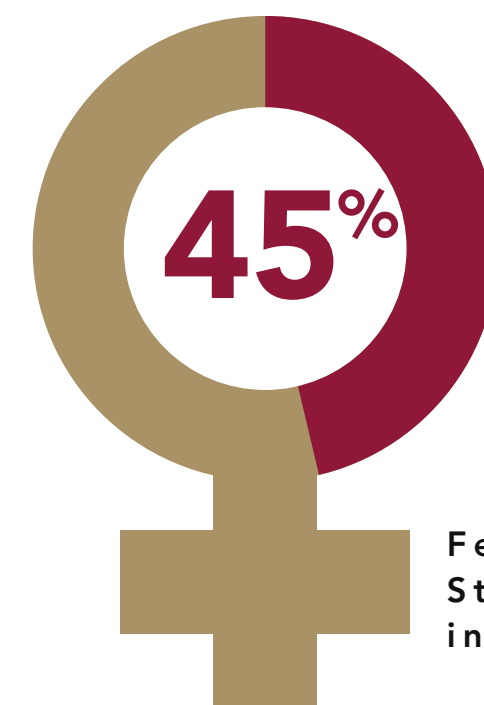
Total students for 2020 at Richfield Institute

7 ETHOS PE Bursaries provided in 2020

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

Year end pass rates at Richfield Institute in 2020

80%

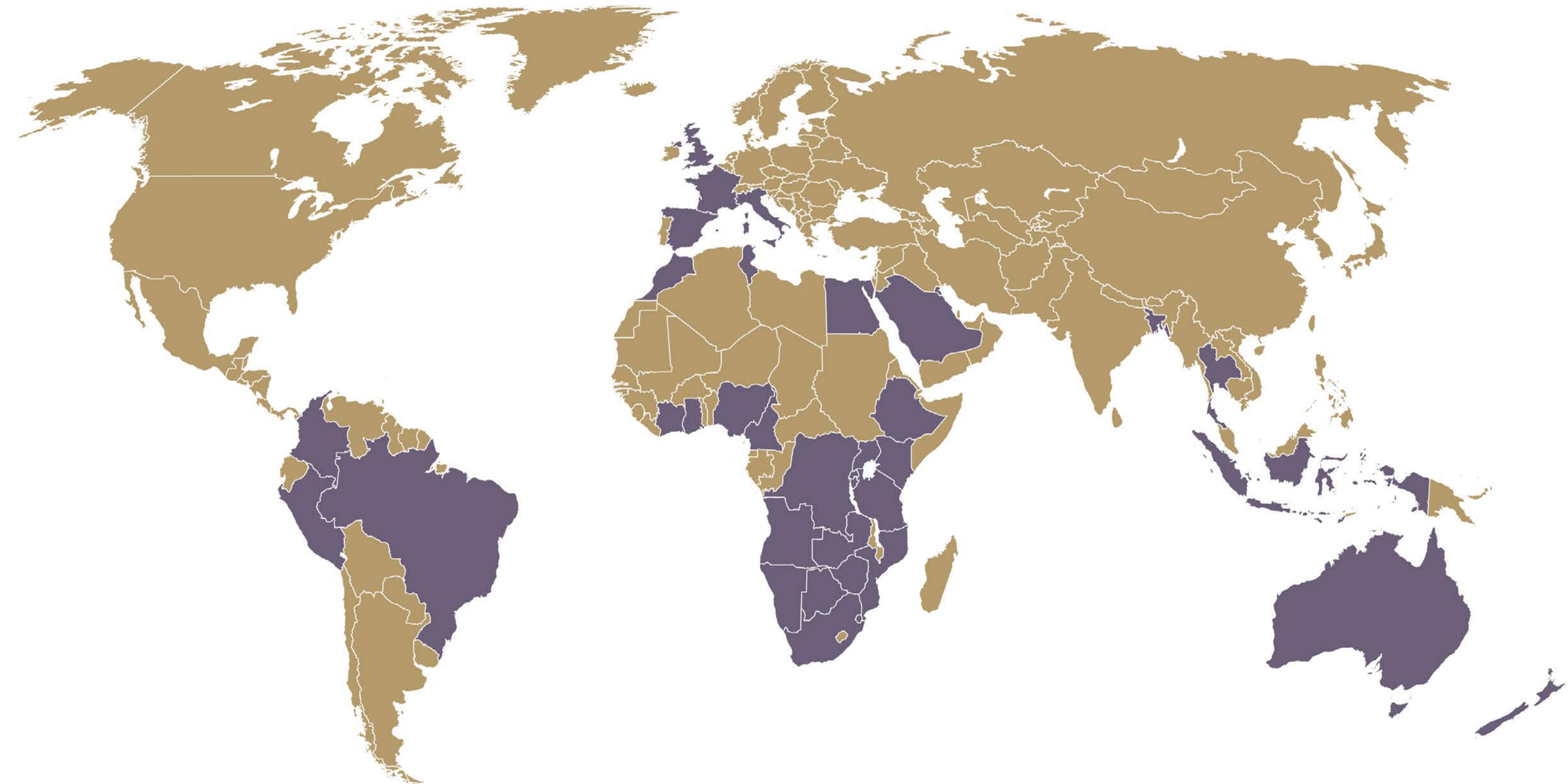


Female Students in 2020

ETHOS CURRENT INVESTMENTS



 ETHOS PORTFOLIO
COMPANY PRESENCE

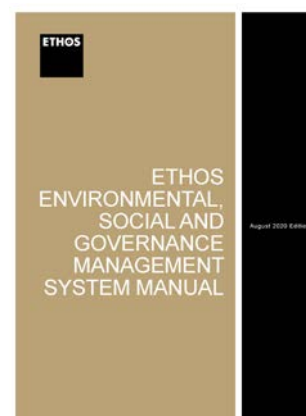


ESG AT ETHOS

RESPONSIBLE INVESTMENT AND OUR ESG FRAMEWORK

At Ethos, Responsible Investment (RI) means the integration of environmental, social and corporate governance considerations across our investment process and ownership practices. We developed a RI Policy in 2020 (publicly available on our website) which coupled with our proprietary ESGMS forms the backbone of our active ownership model across the assets we invest in and manage.

The ESGMS and RI Policy are reviewed and updated on an annual basis and are guided by industry standard policies and procedures, national legislation and international best practice. Through active ownership we manage ESG risk but also add value and look for ESG opportunities; these translate into improved financial performance and improved ESG risk mitigation. From initial screening through to exit, ESG matters are considered and analysed to maximise positive societal impact and financial returns.



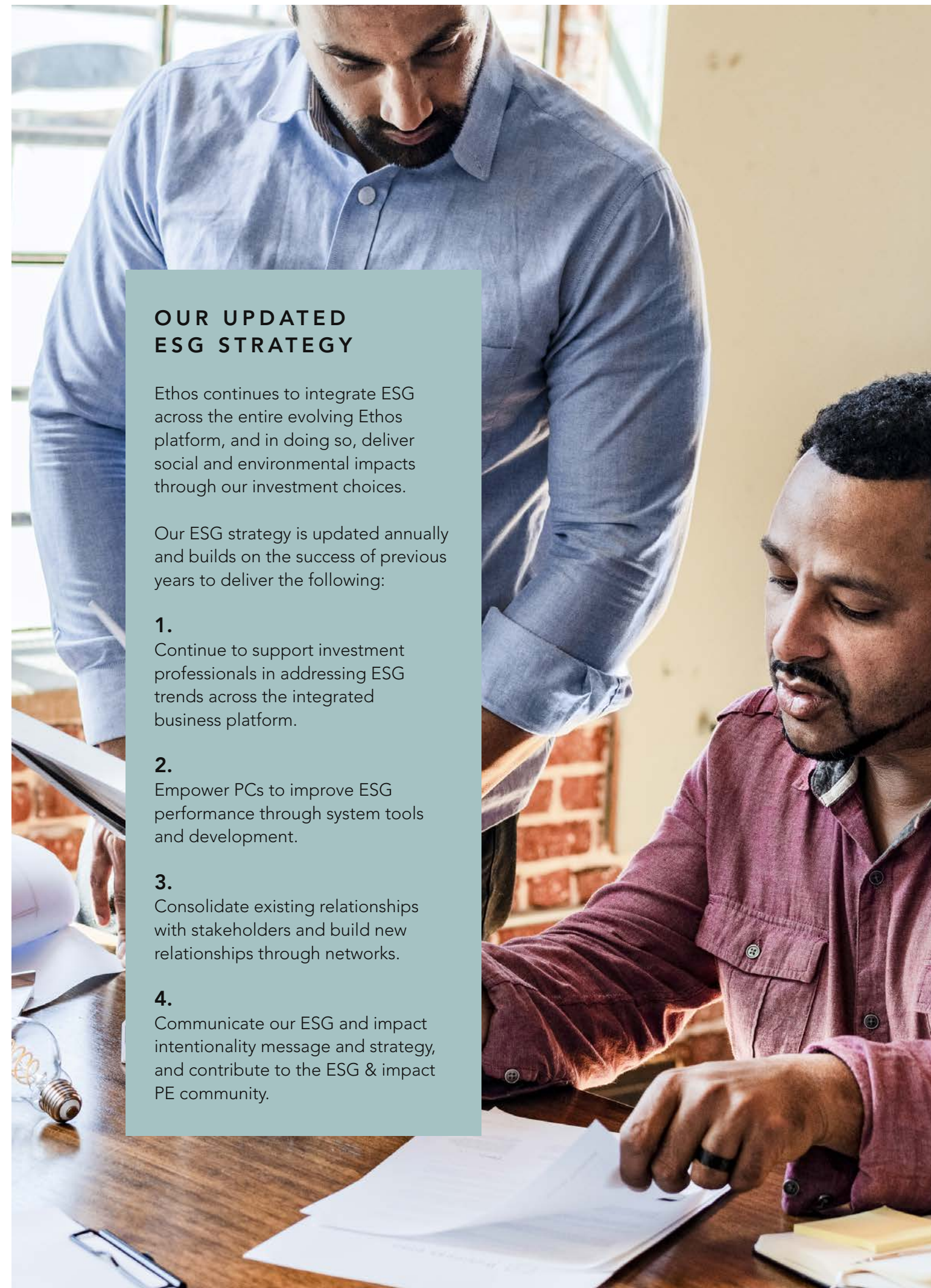
The ESGMS is a framework for Ethos to manage the wide-ranging ESG risks and opportunities associated with its activities as fund manager. The ESGMS positions our activities to build out the Ethos Impact brand and also to ensure relevant internal and external compliance. It is also a tool to ensure cost and resource efficiency whilst recognising the key ESG risks associated with the PCs. The framework document cross-references other supporting policies, plans and procedures that are in place at Ethos.

OUR UPDATED ESG STRATEGY

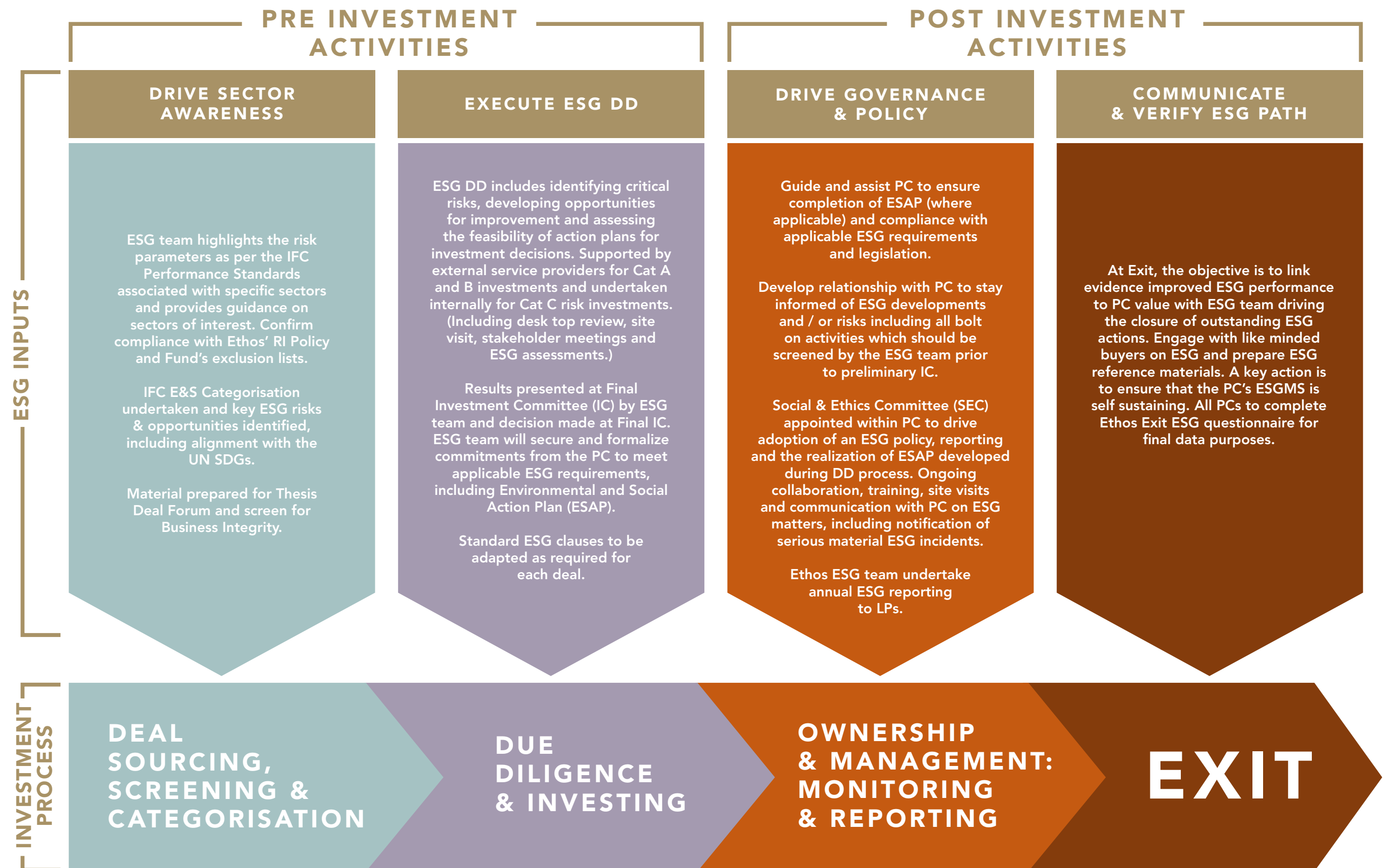
Ethos continues to integrate ESG across the entire evolving Ethos platform, and in doing so, deliver social and environmental impacts through our investment choices.

Our ESG strategy is updated annually and builds on the success of previous years to deliver the following:

- 1.** Continue to support investment professionals in addressing ESG trends across the integrated business platform.
- 2.** Empower PCs to improve ESG performance through system tools and development.
- 3.** Consolidate existing relationships with stakeholders and build new relationships through networks.
- 4.** Communicate our ESG and impact intentionality message and strategy, and contribute to the ESG & impact PE community.



RESPONSIBLE INVESTMENT AND OUR ESG FRAMEWORK



RESPONDING TO THE COVID-19 PANDEMIC

The effects of the COVID-19 pandemic have been, and continue to be, devastating and far reaching. At Ethos, we have focussed on delivering impact and continuing to work through turbulent times. While each of our Portfolio Companies have been impacted differently by the crisis, we have worked with our companies to ensure that they responded proactively and with urgency.

ETHOS'S APPROACH TO THE COVID-19 PANDEMIC ACROSS OUR PORTFOLIO COMPANIES

- We have worked closely with all PCs from the start of the pandemic to mitigate the adverse effects of COVID-19.
 - Each PC set up a dedicated COVID-19 crisis team, comprising of senior executives with specific accountability for managing critical elements of the business' value chain (customers, suppliers, staff, communications etc.)
- Liquidity was prioritised above all else.
- The crisis management teams aligned behind actions and priorities and had clear decision rights, enabling fast-tracking of critical choices and actions that could be adjusted to the changing environment.
- A cash cost survival plan was developed based on a worst-case demand scenario to determine which costs could be immediately eliminated, which costs could be reduced, curtailed or delayed and which costs are essential to business survival.
- Staff salary and wages plan was developed, with the importance of looking after employees during this period being emphasised
- Clear trigger points with associated decisions were defined, enabling swift action in moments of heightened uncertainty.
- Each PCs legal rights in the lockdown were reviewed and clarified.
- Engagement programmes were set up with key suppliers, banks, staff, and other stakeholders.

- The openness to engagement, sense of urgency and unity of purpose with which the various PCs' management teams have approached this enormous challenge is both inspiring and reassuring.
- We have focussed our PCs' management teams on what they can change / impact whilst being responsible corporate citizens. We are challenging the businesses to find ways to manage the considerable obstacles, enabling them to emerge from this crisis as better, more streamlined and focused businesses.

DELIVERING IMPACT AND CONTINUING TO WORK AT ETHOS THROUGH TURBULENT TIMES

- When it first became apparent that South Africa would also be affected by the virus, Ethos' response was swift and decisive in order to protect the health and safety of its staff members and clients.
- The Ethos offices were closed, and an internal COVID-19 response group was formed, chaired by the CEO. This group was tasked with remaining informed of all COVID-19-related legislation, news, developments and best practice. Bi-weekly meetings were held to ensure that the protocols in place were appropriate, and in the best interests of the staff.

- With the lack of visibility and uncertainty around timelines for fund investment, the Ethos Partners took a salary sacrifice and no bonuses were paid in 2020.
- All employees were equipped to work effectively and efficiently from home. Working from home became the norm and efforts were made to connect with all staff both on an individual and group basis, socially and professionally.
- From a health and safety perspective, prior to anyone entering the offices under the Level 4 allowances, all government-mandated protocols were instituted and, in some instances augmented, to provide for a safe return to work.
- Before reopening the office as per Level 4, all staff were fully informed as to the behavioural protocols required on their return and those employees identified as high-risk were encouraged to continue working from home, when possible. Where staff members tested positive after visiting the office, the office was immediately shut and a deep clean arranged, whilst concurrently informing the exposure circle and reinforcing the protocols required before returning to the office. We believe that, thanks to strict adherence to our protocols, we have been able to continue to deliver impact across the Firm and in our PCs through these turbulent times.

EXAMPLES FROM OUR PORTFOLIO



Ethos Portfolio Companies also had to adapt to the unstable working conditions, and whilst some of the companies were identified as essential service providers, many had to reduce or close their operations during national lockdowns. We've selected a few examples of the measures implemented across the portfolio.

"Logistics and multi channel transportation firm RTT developed and implemented a comprehensive COVID-19 response plan focused on safety and communication."

RTT

Logistics and multi channel transportation firm RTT developed and implemented a comprehensive COVID-19 response plan focused on safety and communication. RTT implemented some of the following protocols:

- Contactless delivery developed.
- Splitting of staff into Red/Black team to limit number of staff on the premises.
- Handheld (PDA) comms process activated.
- A dedicated RTT Group Corona information hotline for staff and clients installed.
- Business Sustainability Plan templates developed and sent to each facility.
- Ongoing client's comms regarding issue of Personal Protective Equipment (PPE).
- Issuing of PPE to Criticare & hospital delivery drivers.
- Disposal process for used masks within facilities.
- Ongoing distribution of sanitiser at all facilities.
- Training of new SOPs to relevant people.

TWINSAYER

Twinsaver was an essential service provider and so developed COVID-19 protocols which staff were trained on to allow the company to continue operating. Additional to the monitoring, social distancing and sanitation protocols, a COVID-19 response plan was put in place and is activated as and when a positive case is reported. The process included the following protocols:

- If an employee presents with any symptoms of COVID-19, the employee protocol for symptoms should be complied with and employee goes into isolation for 14 days.
- If an employee has no symptoms after 14 days, he/she can return to work.
- Ensure a daily COVID-19 meeting is set up to monitor mitigation plan.

- If an employee tests positive for COVID-19 whilst working as an essential worker during the COVID-19 pandemic the following will apply:

- Identify any employees who potentially came into direct contact with employee.
- HR to communicate with all employees who are potentially exposed.
- Ensure social distancing amongst employees of 1.5 metres.
- Ensure all areas where employee worked is identified.
- Arrange disinfecting / defogging of site.



VERTICE MEDTECH GROUP

As an essential service provider, it was imperative for Vertice Medtech Group (Vertice) that staff safety be prioritised, where employees could Work From Home (WFH) and be given the necessary equipment to do so. Laptops were acquired for staff WFH and permits obtained for staff to travel to and from hospitals. Prior to lockdown PPE was distributed to all Vertice offices around the country. In addition to the standard protocols put in place around sanitation, the following protocols were also put in place:

- Daily meetings held on each shift to discuss matters as they arise and to check on employee's mental health.
- A COVID-19 hotline was set-up followed by a WhatsApp group to support all employees through COVID-19.
- Developed a self-screening COVID-19 app for all employees. The app also monitors employees for depression and anxiety. Vertice arranged for wellness sessions and monitor their employees' mental health.
- Additional transport arranged for staff battling to get to and from work.

- All offices deep cleaned and fogged every 28 days.

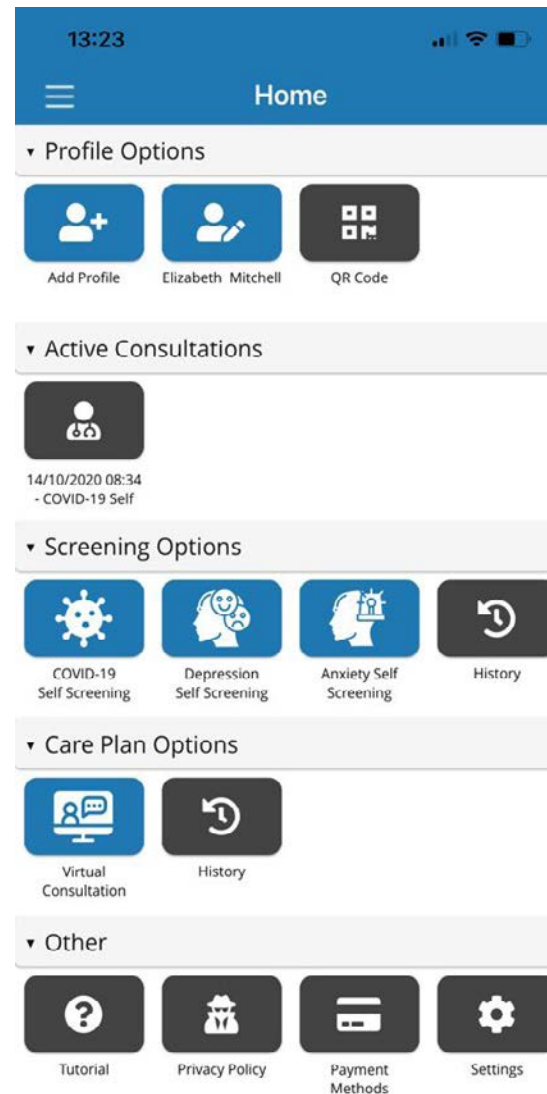
Vertice focused on the mental wellbeing of their employees. One of the first Vertice initiatives was the formation of a COVID-19 employee hotline followed closely by a Vertice Medtech WhatsApp Group to offer support to all employees and share relevant and scientific data on COVID-19. Financial concerns, fear of the unknown, added pressures of home schooling, housework or caring for elderly parents has impacted on mental health and left many feeling overwhelmed and stressed.

Vertice management instituted an initiative to make a call to someone they know within the organization who is not in their team. The initiative spread to all levels within the company and people were quickly catching up with each other and creating a caring environment. Lots of positive feedback was received from employees who felt cared for and not alone. This initiative continues in the Vertice Group, and employees continue to enjoy calls from colleagues in the leadership team, reaching out and reminding them that their wellbeing is important and their contribution to the company is valuable.



Vertice identified the impact lockdown would have on their employees' mental health and arranged wellness conversations with a wellness coach. It can be daunting and mentally challenging from being a free roaming adult to being under lockdown as part of a global pandemic that you didn't choose, but which has a huge impact on your way of living, working and interacting. Vertice management knew it was of utmost importance to keep checking in on colleagues during lockdown at home and to ensure they were equipped with the tools needed to curb unknown feelings but also have the channels needed to unleash some of the frustrations and natural emotions in order to realise that it is shared and even normal.

The sessions were well attended and spoke to the concerns many of their employees shared. In speaking about their concerns, they felt less 'alone' and discovered practical ways to deal with lockdown. The discussions were held online with each conversation hosting a team at a time, each session was an hour and a half in duration with a take-away email sent after the session.



VIRGIN ACTIVE

- Virgin Active's value "#LiveHappilyEverActive" has been the cornerstone of its "Be Active. Be Safe." response to the COVID-19 pandemic. All Virgin Active gyms (including South Africa, Italy, the UK, Australia, Thailand and Singapore) have been closed for various periods as part of those countries' governments' initiatives to limit the spread of COVID-19.

The welfare of Virgin Active's employees and their future job security has been a top priority, as has been the health of its members during periods of gym closures and later the safety of its members in all clubs that have been allowed to re-open. Virgin Active's significant commitment to the well-being of its employees included continuing to pay salaries at levels it could sustain during periods of gym closures.

- Virgin Active automatically froze the memberships of all adult members without charge during gym closure periods, and has allowed members to extend their freeze for further periods post club re-openings to give members extra flexibility to return to their clubs at a time that best suits them.

- Virgin Active invested significant resources in providing online exercise classes and guidance to its members during periods of gym closures to promote the mental and physical well-being of members despite the lockdown restrictions on movement. Similarly, Virgin Active prioritised the wellbeing of its employees by way of various initiatives, ranging from financial advice, to mental health support and wellbeing and physical activity campaigns.
- Virgin Active South Africa's Club-V for under 18s has remained closed, but teens between the ages of 14-17 have been welcomed into the clubs to train while 8-13 year olds have been allowed, with adult supervision, to use the pools and specific cardio and stretching equipment.



- Similarly, the maintenance of appropriate sanitation measures and compliance with government-regulated social distancing requirements was another top priority in all the gyms that have been allowed to re-open to safeguard the health and wellness of members and its employees. Virgin Active implemented standardised control measures throughout its clubs that allow its members to safely social distance, sanitise regularly and reap the benefits of a return to an active lifestyle in all re-opened clubs. These standardised control measures include the following:

- All members are required to complete a pre-activity health check prior to entering a Virgin Active club.
- The implementation of increased stringent cleaning, disinfection and sanitisation protocols.
- The adjustment of ventilation systems to increase fresh filtered air flow to maximum levels in all clubs.
- Exercise class capacities have been revised, pre-booking is required and social distancing markings have been placed in all receptions, change rooms, gym floors, studios.

- Equipment has been spaced accordingly or decommissioned to allow adequate distance between gym-goers. Disinfectant spray and paper towelling is provided on all gym floors and in the studios and members are requested to wipe down all equipment before and after use.
- Swimming pool capacities have been reduced to meet social distancing guidelines and pools are disinfected using automated dosing systems. Swimming pool disinfection levels are tested at least 3 times per day.
- The requirements on the wearing of face masks, while using gyms, are detailed in national government guidelines and enforced in all Virgin Active health clubs, for the safety of both Virgin Active's employees and its members.
- Control measures are audited regularly to ensure all Virgin Active health clubs are compliant with national government and international guidelines.

- Virgin Active has always believed in making exercise accessible for everyone, anytime, anywhere, and during the period of the COVID-19 pandemic this has included rolling out digital content to its members over various platforms, and in some instances the general public, during the various lockdowns.

Virgin Active South Africa launched Online which provides its members with 400+ online workouts from top instructors around the world and live and on demand classes. OnlinePLUS also provides a club visit per month and a personal trainer experience to guide the new member.

Virgin Active UK introduced Online+ which provides members with on-demand content wherever and whenever they want, access to Happily Ever Active podcasts, tailored workouts with My Plan and a club pass.

Virgin Active Italy launched Revolution in October 2020 which provides a digital offering for its members and was enthusiastically supported by a new demographic of members. Asia Pacific's online offering also launched in October 2020 and leverages off content and co-operation from Revolution.



PORTFOLIO COMPANIES

"Africa is the
fastest-growing
economic region
in the world.
This is the right
place to invest."

Aliko Dangote





FUND
Ethos Fund VI, Mid Market Fund 1
FUND OWNERSHIP
Fund VI - 64.5%, MMF - 15%
INITIAL INVESTMENT
December 2014

Sector	Headquarters
Consumer, aftermarket auto parts retail & wholesale	South Africa
IFC Category	B-BBEE
B	5

BUSINESS OVERVIEW

AutoZone is the largest privately-owned automotive parts aftermarket retailer and wholesaler in Southern Africa. AutoZone was launched in 1999 and has an estimated 22% market share. AutoZone’s vision is to be the market leader in after market vehicle solutions in South Africa. AutoZone’s outlets are geographically widespread throughout Southern Africa and include:

- A central distribution centre and head office
- Nine regional distribution centres servicing wholesale and retail customers
- 200 retail branches throughout Southern Africa

MANAGING ESG RISKS
ACROSS THE BUSINESS:

Applicable IFC Performance Standards



AutoZone is consolidating existing policies into an ESMS and developing an E&S Policy.



Through a comprehensive Employee Assistance Programme (EAP) offering, AutoZone addresses employee wellness issues ensuring that employees are made aware of potential health risks by hosting wellness days in all major regions and creating access to primary healthcare where possible.



AutoZone is exploring opportunities to install renewable energy in all new sites as well as key sites as the next phase of the continued journey of maximising use of renewable energy sources.

“AutoZone is the largest privately-owned automotive parts aftermarket retailer and wholesaler in Southern Africa.”

AUTOZONE



KEY 2020 ESG STATISTICS



1,958
employees



29%
of employees are women



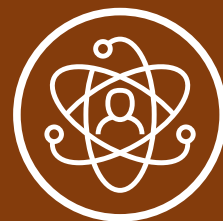
27
new jobs in 2020



Environmental
& Social Officer
in role



Social & Ethics
meetings held
biannually



341
employees trained
= 250 training days



Emergency Response
and Preparedness
Procedures in place



Health and Safety
Policy in place



R2,297,695
Enterprise Supplier
Development (ESD) spend



CHANNEL VAS



FUND

Ethos Fund VII, Ai Fund

FUND OWNERSHIP

Ethos Channel VAS SPV = 20% (includes Ethos Fund VII, Ethos Capital & Ethos Ai Fund)

INITIAL INVESTMENT

October 2018

Sector	Headquarters
FinTech	Dubai
IFC Category	Operating In
Financial Institution III	Afghanistan, Algeria, Arab Emirates, Bahrain, Bangladesh, Benin, Chad, Cambodia, Cameroon, Dubai, France, Germany, Ghana, Kuwait, Indonesia, Nigeria, Oman, Pakistan, Peru, Saudi Arabia, Spain, South Africa, Senegal, Tanzania, Tunisia, Uganda, Uzbekistan, United Kingdom, Yemen and Zambia

BUSINESS OVERVIEW

Channel VAS is a leading provider of Mobile Financial Services (MFS) and Airtime Credit Services (ACS) to prepaid mobile subscribers. The business uses a unique credit decisioning platform that deploys artificial intelligence technologies to provide airtime credit and micro loans at very low default rates. Channel VAS provides a strong value proposition to Mobile Network Operators (MNOs) and Financial Institutions (FIs), with a proven track record of increasing Average Revenue Per Unit (ARPU) and reducing churn. The business model is highly scalable and Channel VAS is present in more than 25 countries across Africa, the Middle East, Asia and Latin America.

MANAGING ESG RISKS ACROSS THE BUSINESS:

Applicable IFC Performance Standards



An ESMS is in place. Grievance, discipline and whistle-blower mechanisms have been implemented with staff trained in the applicability of these processes.



Certified first aiders and fire safety marshals have been appointed to respond to emergency situations.



There is an Environmental Policy in place. The policy includes a response to climate change which outlines Channel VAS' corporate goal of reducing CO₂ emissions by 20% through a combination of managing facility utilities, alternatives to business travel and telecommuting. To accomplish this goal Channel VAS has assessed and reduced the environmental footprint of the facilities and IT infrastructure in order to rightsize the network.

“Channel VAS is a leading provider of Mobile Financial Services (MFS) and Airtime Credit Services (ACS) to prepaid mobile subscribers.”

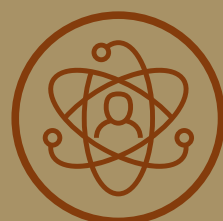
CHANNEL VAS

KEY 2020 ESG
STATISTICS

230
employees



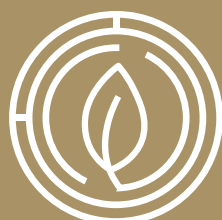
23%
of employees are women



100%
employees
trained in 2020



Environmental
Policy in place



Environmental and
Social Management
System in place



74.8%
of borrowers are
returning customers

CHANNEL VAS

CASE STUDY

AN EMERGING MARKET FINTECH AND
ANALYTICS PLATFORM WITH A
UNIQUE POSITIONING PROVIDING
BANKING TO THE UNDERBANKEDCHANNEL VAS
MISSION

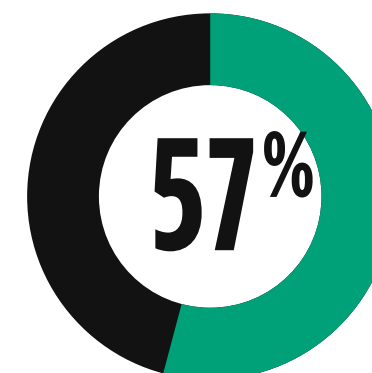
Provide the underbanked and financially excluded with access to financial services that are relevant, affordable and sustainable.

Channel VAS is ideally positioned to cater to the needs of the underbanked population worldwide, through its ACS, MFS and Data Monetisation products, benefitting from the widespread adoption of mobile phones among this population.

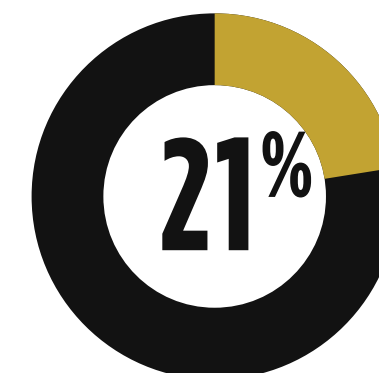
CHANNEL VAS
MARKET CONTEXT

A known barrier to financial inclusion is the credit scoring approach utilized by traditional prudential lending rules, which are unable to assess the credit worthiness of individuals who lack financial identity and financial history. Traditional “brick-and-mortar” banking infrastructures struggle to develop business models that serve low-income customers, who often have no or low levels of literacy and live in rural areas. This ultimately results in financial exclusion, however, c.1.1 billion unbanked adults have a mobile phone.

Financial exclusion
results in lower
access and fewer
options for
borrowing for
the underbanked



Adults in SSA do not have an account at a bank or with a mobile money services provider (vs. 66% in 2014).



While the share of adults with an account at a financial institution rose by 4% from 2014-2017, the share with a mobile money account nearly doubled to 21%.

CHANNEL VAS

CASE STUDY

CHANNEL VAS' PRODUCT SUITE IS NOT LIMITED BY ACCESS TO INTERNET AS IT IS OFFERED THROUGH OMNI-CHANNEL DISTRIBUTION INCLUDING USSD, VOICE, SMS, APP, WEB AND WHATSAPP. THIS MAKES THE SERVICE EASILY ACCESSIBLE AND UNDERSTANDABLE FOR ALL CUSTOMERS.

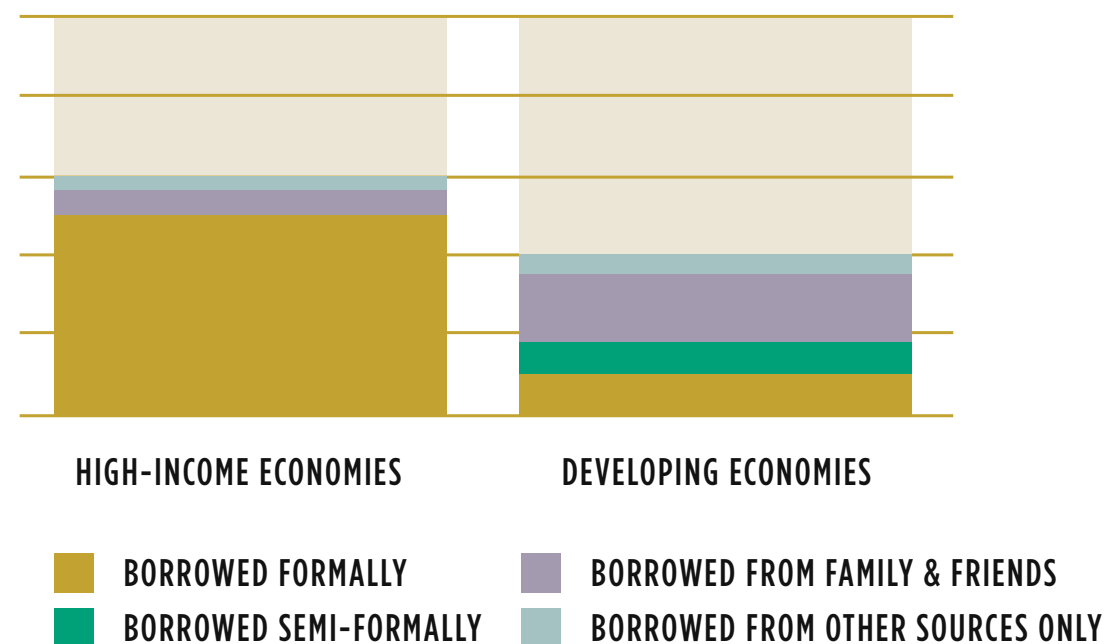
Investment into Channel VAS addresses SDG 9: Industry, Innovation and Infrastructure

Target 9.3: Increase the access of small scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets

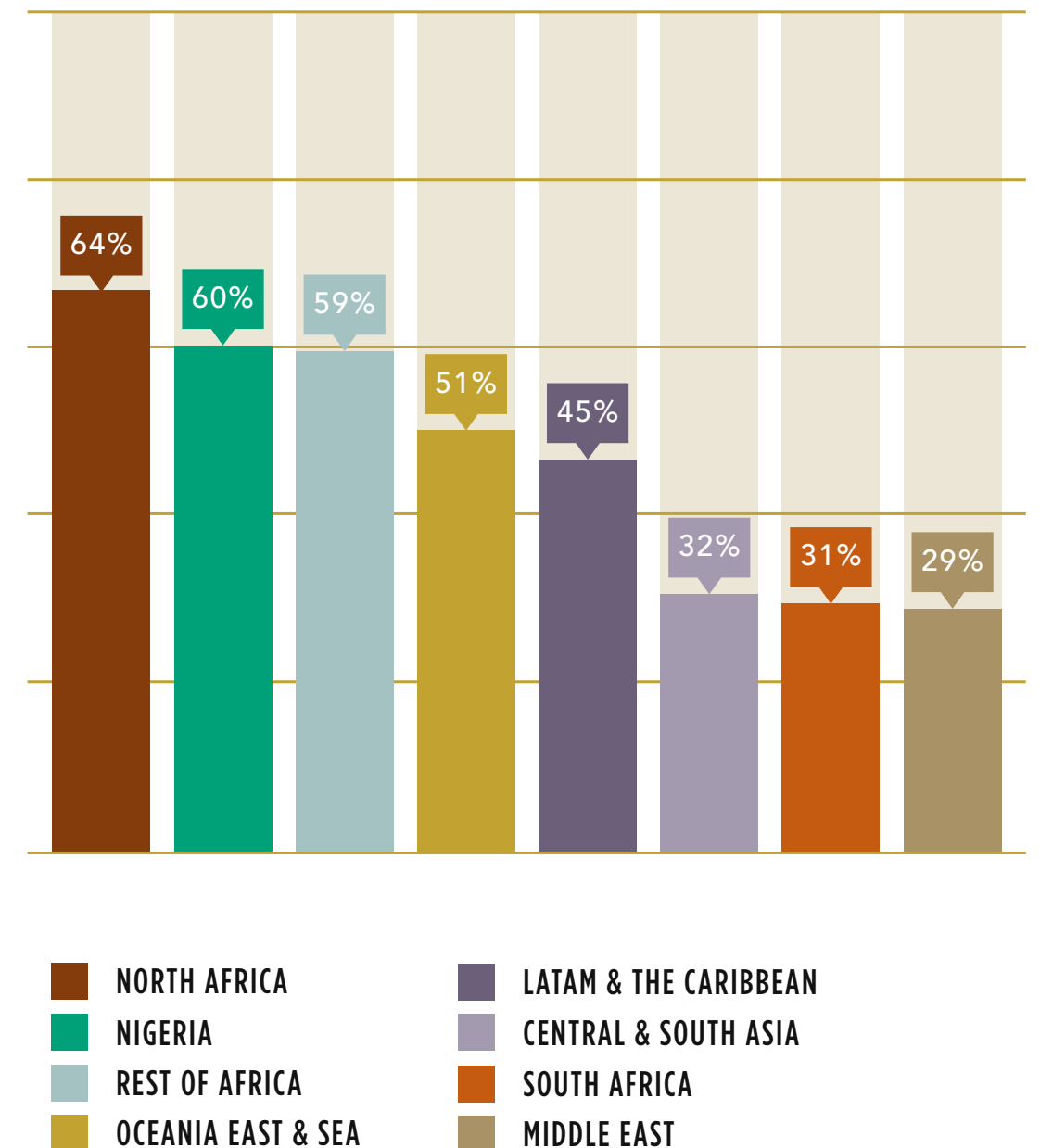


THE MOST COMMON SOURCE OF CREDIT IN HIGH INCOME ECONOMIES IS FORMAL BORROWING VS. FAMILY & FRIENDS IN DEVELOPING ECONOMIES

ADULTS BORROWING MONEY IN THE LAST YEAR (%)



UNDERBANKED POPULATION (%)



- NORTH AFRICA
- NIGERIA
- REST OF AFRICA
- OCEANIA EAST & SEA
- LATAM & THE CARIBBEAN
- CENTRAL & SOUTH ASIA
- SOUTH AFRICA
- MIDDLE EAST

CHANNEL VAS

CASE STUDY

IMPACT DELIVERED

Financial Inclusion through accessible & affordable financial services providing the underbanked in emerging markets with mobile access to financial services through scalable technology, leading global and economic social development through financial inclusion for all.

Channel VAS provides unsecured, uncollateralised short-term consumer finance to mobile subscribers (who have previously been financially excluded) through an innovative platform. Loans are typically used to fund airtime purchases and necessities (food & utilities) or to purchase stock for their businesses (micro-level).

Channel VAS has demonstrated controlled risk-taking through a track record of very low default rates. This indicates responsible lending and the avoidance of over-indebtedness in the addressable market – a key risk of lending to individuals who lack financial identity, financial history and have low levels of literacy.

>US\$8bn

distributed in loans since inception in 2012

>US\$7m

in loans per day across 18 million daily transactions (\$1-\$5 per loan); this has increased from 10 million daily transactions in 2018

+3.5m

eligible nano cash loan customers and US\$2m monthly advances in FY2020



partnerships with MNOs & Banks

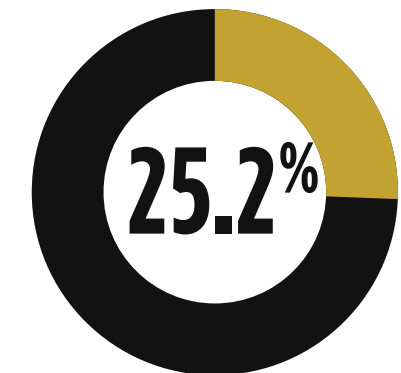
Industry leading

performance on default rates driven by proprietary algorithmic decision-making

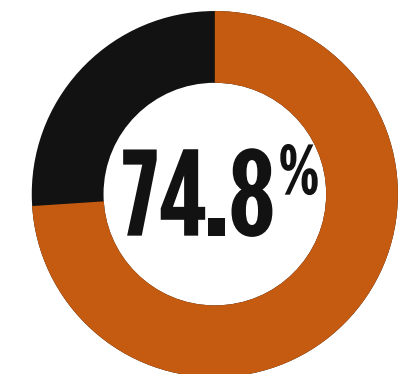
Cash positive since inception



Channel VAS uses a unique credit decisioning platform that deploys artificial intelligence technologies to provide mobile financial and airtime credit services to consumers via MNOs and FIs at very low default rates.



CUSTOMERS ARE FIRST TIME BORROWERS



BORROWERS ARE RETURNING CUSTOMERS

70-95%

CUSTOMERS HAVE NEVER HAD A BANK ACCOUNT



FUND
Ethos Mezzanine Partners 3
INITIAL INVESTMENT
August 2018

Sector	Headquarters
Food & Beverage	Malawi
IFC Category	
B	

BUSINESS OVERVIEW

Chibuku Products Limited ("Chibuku") is a traditional African beverage (opaque beer) and non-alcoholic beverage company that has been operating in Malawi since 1968. It plays an important role in the health and traditional customs of the Malawi people as a low alcohol alternative to traditional homebrews and illicit spirits made from locally sourced maize and sorghum. Chibuku operates brewing and distribution sites strategically positioned throughout the length of Malawi in Blantyre, Lilongwe and Mzuzu. Chibuku's route-to-market covers 3,200-4,000 outlets and its flagship tavern model is operated as an enterprise development initiative to provide incremental income for its "Mama" retailer committees. Chibuku's three key brands are Chibuku Shake Shake (opaque beer), Chibuku Super (lightly carbonated semi-clear beer) and Super Maheu & Super-shake Maheu (non-alcoholic fermented maize drink).

MANAGING ESG RISKS
ACROSS THE BUSINESS:

Applicable IFC Performance Standards



Has consolidated existing policies into an ESMS and has developed an E&S Policy. Quarterly routine compliance inspections by Malawi Bureau of Standards resulted in awards of full certification for Chibuku Super Plant and Maheu Plant.



Annual compliance inspections by Minister of Labour demonstrated no outstanding actions.



Chibuku has (and continues) to implement a number of improvement and efficiency schemes aimed at reducing the use of coal consumption, renewing water pipes to reduce leakages and reduction of electricity consumption across the plant sites.

"Chibuku Products Limited ("Chibuku") is a traditional African beverage (opaque beer) and non-alcoholic beverage company that has been operating in Malawi since 1968."

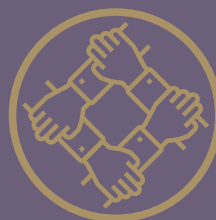
CHIBUKU



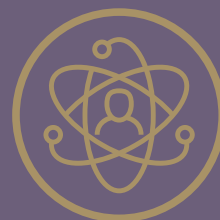
KEY 2020 ESG STATISTICS



393
employees



Social & Ethics
meetings held
quarterly



3,150
training days
in 2020



72,742 kl
of water consumed



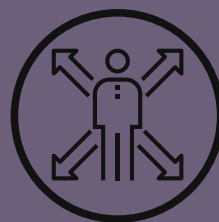
Environment,
Health & Safety
Officer in role



Emergency Response
and Preparedness
Procedures in place



Health and Safety
Policy in place



MWK 9,000,000
(US\$ 12,600) CAPEX for
ESG initiatives set aside

CHIBUKU:
OUT-GROWER SCHEME

CASE STUDY: 1

CHIBUKU'S OUT-GROWER SCHEME CONTINUES TO BUILD ON ITS SUCCESS YEAR-ON-YEAR, WITH THE QUANTITATIVE RESULTS DELIVERING TANGIBLE POSITIVE OUTCOMES TO THE LOCAL COMMUNITIES WHICH CHIBUKU OPERATES.

The Chibuku out-grower scheme helps contribute to the achievement of UN SDG 1 no poverty and UN SDG 8 decent work and economic growth.



YEAR	QUANTITY OF SORGHUM SEED IN KGS DISTRIBUTED	COST OF SEED DONATED TO FARMERS IN MWK (AND US\$)	QUANTITY YIELD IN KGS	SORGHUM PURCHASED FROM FARMERS IN MWK (AND US\$) (TO FARMERS)
2018	5,000	2,500,000 (US\$ 3,250)	797,791	136,728,408 (US\$ 177,747)
2019	9,000	4,500,000 (US\$ 6,300)	467,954	70,193,130 (US\$ 98,270)
2020	13,000	6,500,000 (US\$ 8,450)	1,455,751	250,502,637 (US\$ 325,653)

"We believe that agribusinesses can play a critical role in scaling up and promoting agricultural innovations that have the potential to help bridge the gender gap in African agriculture."

Wanjiru Kamau-Rutenberg

CHIBUKU: OUT-GROWER SCHEME

CASE STUDY: 1

ACHIEVING DECENT WORK AND ECONOMIC GROWTH THROUGH THE CHIBUKU OUT-GROWER SCHEME

In 2018, subsequent to Ethos investment, Chibuku initiated its out-grower scheme with local communities in select areas where it operated in Malawi. Ethos reported on this scheme in our 2019 Sustainability Report when more than 5,000 farmers were targeted in the small-scale contract farming scheme. The intention was to uplift small-scale farmers' subsistence earnings through the purchase of sorghum grain directly from these farmers, which is then used to make Chibuku Products' famous sorghum beer. By rolling-out this scheme Chibuku contributes to the realisation of UN SDG 1 no poverty and UN SDG 8 decent work and economic growth.

The farmers' groupings are organised through Malawi's Agriculture Development Divisions (ADD) and Chibuku had signed contracts with them confirming its commitment to purchase the harvested product. The farmers were encouraged to work in Farmers Clubs and Farmers Associations, with coordination by ADD's under leadership of Agricultural Extension Officers. This was especially helpful for those small-scale farmers whose acreage would not usually satisfy the tonnages required by Chibuku.

Chibuku funded and facilitated the free issue of red sorghum seed to the farmers and subsequently buys-back the harvested sorghum grain. The harvested red sorghum was then delivered to Chibuku's warehouses in 50kg bags across all its breweries. At the point of delivery, the sorghum grain is tested for both quality and moisture content as prescribed by Chibuku.

Before the growing season, Chibuku advertised the scheme on the local radio to attract widespread participation, receiving an overwhelming response. 5 tonnes of red sorghum seed were purchased by Chibuku and distributed across the 3 regions in Malawi where it operates: 2 tonnes each in the Southern and Central regions, and 1 tonne in the Northern region. In addition to the free seed provided by Chibuku, the team conducted several field visits to provide ongoing support and technical advice along with the ADD Extension Officers. The beauty of the project is that the "middle man" is not involved in the supply chain, and so the price offered by Chibuku goes directly to the farmers with no exploitation of the farmers by intermediating vendors.

UPDATE

Going into 2019, the Chibuku team worked with the farmers and the ADD officers to overcome some of the challenges encountered in 2018: namely transportation of seed during collection; product returns; planning for crop planting; and crop management during heavy rains. To overcome these challenges, Chibuku undertook more visits to the farmers also providing assurances that Chibuku would purchase their product, thereby strengthening long-term relations with the small scale farmers as deeply valued raw materials suppliers to Chibuku. In 2019, 9 tonnes of red sorghum seed were distributed across the regions with about 5,000 farmers participating in the scheme. Preparatory meetings were also held across the regions. The 2019 growing season was unfortunately affected by poor rainfall patterns with 468,000 kgs of sorghum purchased from the farmers amounting to MWK 70,193,130 directly paid to farmers.

2020 was a challenging year with the COVID-19 pandemic affecting Chibuku operations and demand for its products. However, the out-grower scheme still went ahead successfully with seed collection and planting taking place ahead of the rainy season in November/December 2020 in the southern region and January/February 2021 in the northern region, with harvesting taking place in May 2021. Chibuku encouraged cooperatives and farmer clubs to play a leading role in the growing season activities, and the farmers were asked to collect the seeds themselves. 5,000 farmers again participated in the scheme, benefiting approximately 50,000 people in the value chain.



Meeting with the Mpherembe members briefing them on sorghum farming in September 2019. The cooperative had more than 350 members who expressed an interest in the sorghum farming in the coming season.



Seed distribution to the contract farmers

CHIBUKU: TAVERN MAMAS

CASE STUDY: 2

COMMUNITY LEADERSHIP AND DRIVING IMPACT AT A CRITICAL TIME

BACKGROUND

Chibuku indirectly employed 589 women working as Tavern Mamas across Malawi in 2018. By 2020 there were 600 women employed, recruited through Chibuku's succession planning to encourage younger Mamas to join the programme. Chibuku's taverns are all run by women who own the working capital required to operate the taverns. The employment and support of Tavern Mamas is a significant contribution to UN SDG 5 gender equality and UN SDG 8 decent work and economic growth, since the Mamas also employ other ladies to sell Chibuku's products, as well as employing cleaners, guards and serving ladies. As reported by Ethos in the 2019 Sustainability Report, most of the Mamas are managing female-headed

households and some have been empowered for over 20 years as Chibuku's valued business partners.

The number of employees per tavern depends on the size of each tavern as well the amount of beer sales throughput per tavern. For example, on average a small tavern has 1 ablution block attendant, 2 security guards, 2 music DJ's and 3 serving ladies. In comparison, a big tavern has 2 ablution block attendants, 2 security guards, 2 music DJ's and 6 to 8 serving women. So on average, the value chain of the Tavern Mamas has a multiplier effect of 10; reflecting the other direct and indirect beneficiaries of their small enterprise.

The Chibuku Tavern Mama's scheme continues to contribute to UN SDG 5 gender equality and UN SDG 8 decent work and economic growth.



CHIBUKU CELEBRATES INDEPENDENCE WITH LONG SERVING MAMA'S & DISTRIBUTORS

1 Miss Monica Kawoza Banda – Proprietor of MK Banda Investments

- Has over 10 Years selling Chibuku
- Started off at a Shabeen selling only 5 cases per day
- Now selling over 1,000 cases
- Now has 2 wholesale shops in Ndirande & Chirimba
- Owns 4 trucks and 2 personal passenger vehicles
- Managed to send her only son to St Andrews High School through her Chibuku proceeds

2 Kingsley Manda – Proprietor of Manda Wa Manda Investments

- Has over 20 Years of Selling Chibuku
- Started as a Shabeen owner which was run for 3 years since 1999
- Over a span of 17 years, he has grown to a big distributor
- Now has employed over 60 workers. Has 6 distribution trucks, 3 personal cars and 5 Chibuku Bars across Lilongwe.
- He managed to send his children to school; 4 of whom are graduates working in Malawi government & others working with him in the sales business

3 Mai Daika – Ndirande Tavern Mama & Chair Lady

- Has over 40 years working as a Tavern Mama and Regional chairlady for the Southern Region
- She has sent her children to school through her work at the tavern
- Some of her children are successfully working in South Africa
- She has personal assets like houses, minibuses as well as cattle from the enterprise.

SOME OF OUR LOYAL TAVERN MAMAS

Poster celebrating long standing Chibuku Tavern Mamas and Distributors

CHIBUKU: TAVERN MAMAS

CASE STUDY: 2

COVID-19 PANDEMIC IMPACT

The COVID-19 pandemic impacted Chibuku's operations across Malawi and whilst the company secured a permit to operate and sell Maheu as an essential product, there was a high level of uncertainty throughout 2020 in the operations at the Taverns and bars. With each successive COVID-19 wave, operational restrictions were imposed that stretched for periods of 6 to 8 weeks.

As a result, Chibuku's sales load was reduced to less than half of normal trade since traders were uncertain whether patrons would still frequent the bars, taverns or shebeens selling the products. The restriction of opening and closing hours also affected sales, since not many of the customers had cars and so with bars opening at 2pm and closing at 10pm there was a real impact on customer mobility (normal operation hours for taverns and shebeens were from 8 am to 6 pm with upper end bars open till midnight).

Vehicle distribution routines were also affected with drivers finding that some outlets were closed on arrival and at other times when the outlets were open to buy beer they were in violation of the restricted operating hours; this led to the closure of most outlets.

EMPOWERED AND SUPPORTED COMMUNITY

During 2020, Chibuku also worked with the Tavern Mamas to set up working committees. Each tavern has a working committee that looks after the affairs of the tavern, welfare issues of the Mamas, and dispute resolution to ensure that the taverns are run in an orderly manner. The committee is headed by a chairlady who is assisted by a vice-chairlady, treasurer, secretary and committee members.

Each tavern has a Code of Conduct, which is publicly available and posted on the walls of the tavern. It is the responsibility of the chairlady and committee to ensure that each new Mama receives induction training on the Code.

Apart from these duties, the chairlady and her committee manage the tavern's weekly credit needs and ensure that the daily beverage inventory is shared fairly with the Mamas who have less capital. They also ensure that they repay any credit owing to Chibuku and collect funds owing, on behalf of Chibuku.

The recruitment of younger Mamas is an ongoing challenge, since the integration of different generations with different cultural values can create complex challenges. However, Chibuku works with the Tavern Mamas to ensure the implementation of a succession plan to underpin the tavern business model business for the future.

COMMUNITY LEADERSHIP AND IMPACT CREATION

Chibuku supported the Tavern Mamas through a number of initiatives during the 2020 COVID-19 lockdowns in Malawi:

- Chibuku assisted the Mamas with beer on credit at no interest and were given additional time to repay for the stock to keep their operational capital afloat.
- Assistance was provided to form a Bar Owners Association with branches established across the 3 regions of Malawi. The Association was to enable the Owners to form one voice to negotiate with government, town, city and district assemblies who were enforcing COVID-19 restrictions.
- Lawyers were provided in each region to assist the Bar Owners with the registration process as well as creation of by laws.
- At the same time, the Tavern Mamas organised their own committees who were working with law enforcers to make sure each bar, shebeen and tavern complied with COVID-19 restrictions.



- During the restrictions Chibuku also provided sanitary products, water buckets with taps, soap and hand sanitisers to assist the Mamas and customers in reducing the spread of COVID-19. These products continued to be distributed once the restrictions were lifted.
- In the monthly newsletters, Chibuku also provides significant information and education on hygiene and sanitation to raise awareness within the Tavern Mama community, employees and customer base.

EAZI ACCESS



FUND

Ethos Fund VI, Mid Market Fund 1

FUND OWNERSHIP

Fund VI - 58.1%, MMF - 10.6%

INITIAL INVESTMENT

January 2016

Sector	Headquarters
Rental & sale of niche industrial equipment	South Africa
IFC Category	B-BBEE
B	4

BUSINESS OVERVIEW

Eazi Access provides work-at-height solutions to various sectors across the economy, through the rental and distribution/sale of mobile, high-access equipment, Mobile Elevated Work Platforms (MEWPs). The business' product range comprises mostly scissor lifts, boom lifts and telehandlers. Eazi Access currently has c.1,900 machine units, representing the largest and most diverse fleet on the continent.

The business services the construction, shipping, manufacturing, fast-moving consumer goods (FMCG), transport, entertainment and mining sectors. Eazi Access has four key divisions: South Africa Rental, South Africa Sales, Africa Rental and Africa Sales.



MANAGING ESG RISKS ACROSS THE BUSINESS:

Applicable IFC Performance Standards



ESMS and E&S Policy in place, ISO 9001:2015 Quality Management System (QMS) certified.



A new vehicle and driver behaviour tracking service was implemented with the system providing better information regarding poor driving. Follow-up action is taken when reports of poor driving are received. With an increased focus on the monitoring of drivers and increased driver training, performance has been improved year on year.



Policy and processes relating to spillage incidents formally adapted and implemented. The SHEQ Manager enforced more stringent clean up procedures with contractor Drizit Environmental to ensure that soils are cleaned within 24 hours.

“Eazi Access provides work-at-height solutions to various sectors across the economy, through the rental and distribution/sale of mobile, high-access equipment, Mobile Elevated Work Platforms (MEWPs).”

EAZI ACCESS

KEY 2020 ESG
STATISTICS

742
employees



23%
of employees are women



39
new jobs in 2020



Environmental
& Social Officer
in role



Climate change impacts
have been observed
within the business and
adaptation measures
beginning to be implemented



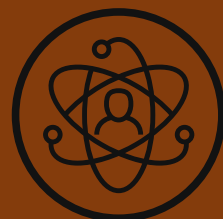
Social & Ethics
Committee meetings
held biannually



Emergency Response
and Preparedness
Procedures in place



Health and Safety
Policy in place



517
employees trained
over 330 days





FUND

Mid Market Fund 1, Ethos Fund VII

FUND OWNERSHIP

MMF - 31.2%, Fund VII – 30.6%

INITIAL INVESTMENT

February 2018

Sector	Headquarters
Internet Service Provider, Network Aggregator	South Africa
IFC Category	B-BBEE
C	4
Operating In	
Ghana, Kenya, Mauritius, Namibia, South Africa, Tanzania, Uganda and Zambia	



BUSINESS OVERVIEW

Echotel (Echo) is a South African corporate Internet Service Provider (ISP). The business was established in June 2010 by the current management team. The company primarily services South African high-end Small and Medium sized Enterprises (SMEs) clients.

Echo provides Information and Communications Technology (ICT) services through an aggregation of third party networks. The company leverages over 60 partners through interconnect agreements to aggregate data connectivity, internet, virtual private networks, and security and cloud services.

In October 2019 Echo acquired an ISP Gondwana that is a scaled independent ISP that has a significant African footprint and provides wireless, terrestrial and satellite communication services across these regions.

MANAGING ESG RISKS ACROSS THE BUSINESS:

Applicable IFC Performance Standards



ICASA (Independent Communications Authority of South Africa) Certification in place.



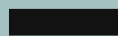
Internal South African health and safety measures are in place, working on an external health and safety committee and structures for on-sight installations. An international H&S Policy is currently being developed.

“Echo is a South African corporate Internet Service Provider (ISP). The business was established in June 2010 by the current management team.”

ECHOTEL



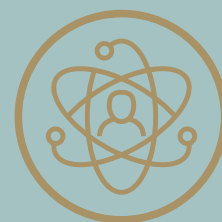
KEY 2020 ESG STATISTICS*



59
employees



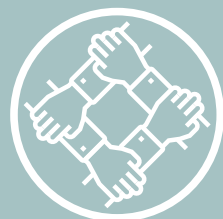
27%
of employees are women



36
employees trained and
learnerships in place



Environmental
& Social Officer
in place



Social & Ethics
meetings held
biannually



Emergency Response
Procedures in place

*Godwana transaction excluded from data.



GAMMATEK

FUND
Mid Market Fund 1
FUND OWNERSHIP
51%
INITIAL INVESTMENT
October 2018

Sector	Headquarters
Telecomms, Media & Technology (TMT)	South Africa
IFC Category	B-BBEE
C	4

BUSINESS OVERVIEW

Gammatek was established in 1998 and imports and distributes mobile device accessories and low technology consumer products primarily in South Africa through a blue-chip customer base that includes Incredible Connection, Vodacom as well as independents.

Gammatek has exclusive distribution agreements with leading global brands such as Speck and UAG as well as a globally unique manufacturing license with Bodyglove. The company has also successfully developed and launched its own brand, Snug, focused exclusively on charging accessories.

The business has built a strong position in the market with a 50% share in its targeted categories.



MANAGING ESG RISKS ACROSS THE BUSINESS:

Applicable IFC Performance Standards



An Anti-Fraud Policy has been implemented, including a whistle-blower service. A company level ESMS and code of values is being developed.



Ten candidates have joined the YES programme during 2020 as part of a leadership initiative.



Returned electronic products which are no longer suitable for reuse are being stripped of electronic components and sent to a third party company for recycling.

“Gammatek was established in 1998 and imports and distributes mobile device accessories and low technology consumer products primarily in South Africa.”

GAMMATEK

KEY 2020 ESG
STATISTICS

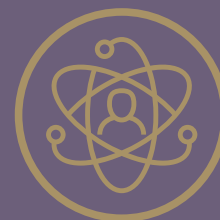
75

employees

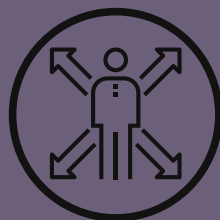


55%

of employees are women



20%

of employees were
trained during 2020Environmental
and Social
Officer in placeSocial & Ethics
meetings held
biannuallyHealth and Safety
Officer in placeEmergency Response
and Preparedness
Procedures in place**R1,460,000**set aside for ESG
CAPEX for 2020



FUND
Ninety One Africa Private Equity Fund II
FUND OWNERSHIP
32.8%
INITIAL INVESTMENT
July 2015

Sector	Headquarters
Debt Counselling and Specialist Financial Services	South Africa
IFC Category	
Financial Institution III	



BUSINESS OVERVIEW

Founded in 2004, IDM is South Africa’s leading consumer-debt counsellor, offering advice and, in conjunction with credit providers, restructures the debt of over-indebted South African consumers. IDM Group offers products to customers through five underlying companies: DebtBusters, InsuranceBusters, BondBusters, Consumer Debt Help and Just Money.

The company has c.550 employees based in Cape Town and Mauritius, servicing a national client base of >36 000+ clients for whom it restructures debt owed to credit providers and is regulated by the National Credit Regulator.

The company has to date expanded its product offering to include a range of insurance products including credit life (including loss of income), long term insurance (life, funeral, and disability) and short-term insurance (vehicle) through a cell captive structure that is administered by Centriq.

MANAGING ESG RISKS
ACROSS THE BUSINESS:

Applicable IFC Performance Standards



A Risk Officer and Head of Internal Audit has been appointed and is responsible for the implementation of ESG matters. Whilst the Company does not have a formalized ESMS in place, a suite of policies have been developed and are included in induction training for all new employees. These include an Anti Bribery and Corruption Policy and a Whistle-Blower policy as required by the investment ESAP.



IDM has a values charter which speaks to IDM’s vision of becoming South Africa’s unparalleled debt management and financial advisory company, founded on integrity, honesty and positive engagement. IDM lists the following values as the principles that guide all behaviour: service excellence, accountability, growing people, forward thinking and sustainability.

“Founded in 2004, IDM is South Africa’s leading consumer-debt counsellor, offering advice and, in conjunction with credit providers, restructures the debt of over-indebted South African consumers.”

IDM

KEY 2020 ESG
STATISTICS**550**

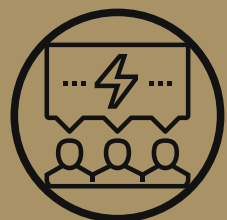
employees

**64%**

of employees are women

**5%**of women returning to
work following family leave**49%**

of customers are women

**841**training sessions provided
to employees during 2020**76**first-time
graduates hired**66,000**individuals consulted on
improved financial health**33**higher learning
certificates / degrees
sponsored and 61
certifications sponsored**R1.041bn**value of loans successfully
paid off in 2020

"We do not only manage debt. We provide life changing knowledge and solutions to South Africans, helping them to transform their lives, build a brighter financial future and realise their dreams."



FUND

Ninety One Africa Private Equity Funds

FUND OWNERSHIP

Fund 1 – 0.6%, Fund 2 – 0.7%

INITIAL INVESTMENT

June 2011

Sector	Headquarters
Telecommunication & Infrastructure	Nigeria
IFC Category	Operating In
B	Brazil, Cameroon, Columbia, Côte d'Ivoire, Kuwait, Nigeria, Peru, Rwanda and Zambia

BUSINESS OVERVIEW

IHS Towers owns and operates passive telecom infrastructure across the African continent, and more recently in the Middle East (ME) and Latin America (LATAM), with c.55.0% of assets and revenues in Nigeria. Founded in 2001, IHS is the largest emerging market focused independent tower company with assets in nine different countries across Africa, the Middle East and Latin America. Over the past 19 years, IHS has grown its tower portfolio to c30,000 towers and established itself as a Global Emerging Market TowerCo platform. Led by the co-founders as CEO and COO and supported by a professional management team, IHS continues to execute on M&A transactions in IHS core markets (Africa, LATAM and ME) to drive growth, enhance diversification and support the investment thesis of becoming the largest independent tower company.



MANAGING ESG RISKS ACROSS THE BUSINESS:

Applicable IFC Performance Standards



IHS has completed the first materiality assessment, designed to formally identify the ESG topics that are most important to the business and stakeholders. ESG committee with LP investor base meets on a quarterly basis to review progress against ESAP, discuss ESG topics and drive information sharing.



IHS has become a Signatory of the UN Global Compact. As a Signatory, IHS is committed to adhering to the ten principles of the UN Global Compact.

IHS is working to increase gender diversity in the workforce, enabling more female employees to move into management and Board positions. A third of the Board is now female, and in 2020 IHS appointed the first female country CEO in Côte d'Ivoire.



By the end of 2020, approximately 42% of African sites had solar power available to them, with the remainder relying on a combination of generators, hybrid and recycled batteries, and the grid.

IHS Nigeria has partnered with major MNOs to build the first 30 rural telephony sites. Over the next two years, more will be rolled out across Nigeria's six geopolitical zones, having a positive impact on the lives of millions of Nigerians. This innovative solution, using a telephony base station, differs from a conventional base station and is more environmentally friendly in terms of its build and operations.



To help offset the impact of the COVID-19 pandemic on the Nigerian educational system, IHS Nigeria hosted a four-week digital skills training program for 707 teachers from 28 states and 806 students across 36 states who directly accessed the app. Overall, a total of 1,513 beneficiaries participated in the programme.

IHS TOWERS

KEY 2020 ESG
STATISTICS

2,036
employees



20%
of employees are women



119,161
training sessions
conducted in 2020



Health, Safety
and Environment
Policy in place



Health and Safety
Officer in place in
each country



ESG Committee
meetings with
investors held
quarterly



Emergency Response
and Preparedness
Procedures in place



\$5.4m
CSR contributions





FUND
Ninety One Africa Frontier Private Equity Fund I
FUND OWNERSHIP
11%
INITIAL INVESTMENT
February 2014

Sector	Headquarters
Transport & Logistics	Mozambique
IFC Category	Operating In
B	DRC, Malawi, Mozambique, South Africa, Zambia and Zimbabwe



BUSINESS OVERVIEW

J&J Transport is a leading cross-border transport and logistics business operating across Southern Africa. It handles bulk, containerised, and out-of-gauge cargo, with flat-bed and drop-side trailers. Client sectors include agricultural, mining minerals/metals and chemical. It has operations in Mozambique, Zimbabwe, South Africa, DRC, Zambia and Malawi, with warehouses across the region and a logistics container terminal in Beira.

MANAGING ESG RISKS
ACROSS THE BUSINESS:

Applicable IFC Performance Standards



J&J senior management have taken ownership of the SHEQ management system through monthly SHEQ planning meetings, audit reviews and setting SHEQ budgets for related training and equipment.



The Group monitors all incidents and reports these to the Board, incidents per fleet size vs kilometres are recorded and presented on a quarterly basis. Accidents are also classified by severity according to an in house classification. This information in turn drives behaviour and communication across the Company.



Alternative energy sources were implemented across the Zimbabwean entities and the sub contractors have also looked to solar energy alternatives owing to unreliable power supply from the national grid.



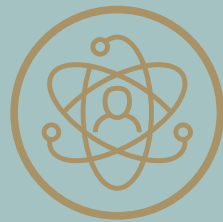
The health and prosperity of the communities within which J&J operate is a key priority. J&J has an extensive CSR programme which is implemented across the different geographies in which J&J operates.

“J&J Transport is a leading cross-border transport and logistics business operating across Southern Africa.”

J&J GROUP

KEY 2020 ESG
STATISTICS

3,686
employees



29,246
training sessions
provided over 2020



Health and Safety
Policy in place



Environmental
& Social Officer
in place



Emergency Response
and Preparedness
Procedures in place



\$65,000
contributed to
CSR activities



LEADING AFRICAN LOGISTICS SERVICE PROVIDER SPECIALIZING IN INTERNATIONAL TRANSPORTATION

As part of the Ninety One initial investment due diligence in 2013, 16 corrective ESG actions were identified, with the appointment of ESG personnel considered critical. Through an integrated, managed and systematic approach (with significant involvement from shareholders), ESG at J&J has been transformed and contributes to SDG 12 responsible consumption and production.



2014

Developed HSE&S Policy,

established core procedures and risk assessment, implemented traffic risk assessment and started energy monitoring programme.



Truck defensive driver

training rolled out to all drivers. Hired HSES Manager in Beira.



Solar Panels

installed at Independent Beira Logistics Terminal & Services and warehouse goes off grid.

1. New Group HSE Manager and HSE officer for Beira Logistics Terminal site appointed.

2. Site audits for all sites conducted based on OHSAS 18001.

3. Environmental monitoring of KPIs and quarterly reporting established.

4. Health awareness campaigns targeting malaria, cholera & Ebola at all sites.

5,448

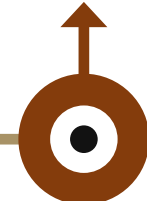
FY2017 Training programmes



2013

Initial ESDD

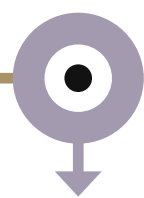
classified investment as Category B risk investment according to IFC criteria.



2015

1. Worked towards implementation of integrated management system for ISO certification.

2. Successful implementation of PPE requirements policy by all group companies.



2016

3,279

FY2016 Training programmes

1. Group HSE Manager appointed.

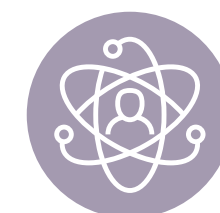
2. Monthly SHEQ meetings, audit reviews and budget for SHEQ related training.

3. Security training for all guards and driver training programme extended to include Dangerous Goods Driving Course.

4. Range of CSR activities including donations to hospitals, improvement of access road and installation of drain culverts to control water flow in Manga.



Pre & Post Road Improvement



2,779

FY2015 Training programmes

3. Employee Wellness Programme added to include HIV/AIDS awareness campaign & voluntary testing and onsite clinics.

4. Significant development on J&J Group Training Programme hiring dedicated driver trainer.

2018

HSES Officer Recruited

for Beira Logistics Terminal & HSES Committee convened at JJ Beira.

1. Ongoing internal inspections in preparation for ISO certification.

2. Environmental, Social and Management System sent to investors for approval.

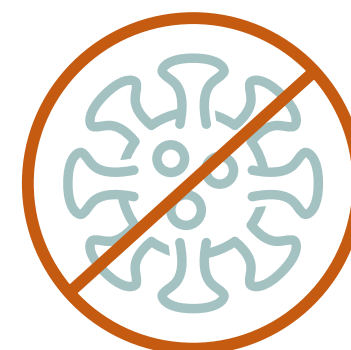
10,351

FY2018 Training programmes

2020

COVID-19 Activities

such as stringent H&S measures including safety briefs. Beira facility recognised as official testing station.



29,246

FY2020 Training programmes

TODAY

27

direct and indirect employees responsible for HSES matters across the Company with three lead personnel (Group HSES Manager, Group Legal & Compliance Manager and Group Legal Manager).



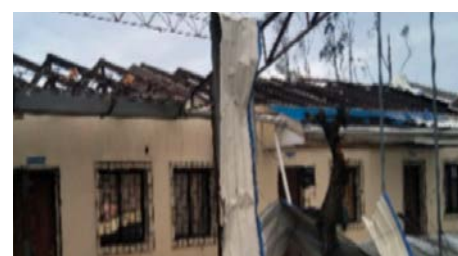
Monthly HSES reporting provided in addition to quarterly updates.

2019

Cyclone Idai

support to local school through raising funds and rebuilding to withstand future weather events.

Damages & Repairs



ISO 45001:2018 implemented. Supported by an integrated Management System covering occupational health, safety, environment and security.

1,150

staff hours of personal time.

c.700 children received

2,800

litres of clean water & food hampers.

17,088

FY2019 Training programmes

2000 kg rice received for 2,100 children





FUND
Ninety One Africa Private Equity Fund II
FUND OWNERSHIP
27.5%
INITIAL INVESTMENT
October 2017

Sector	Headquarters
FMCG	Botswana
IFC Category	Operating In
B	Botswana, South Africa

BUSINESS OVERVIEW

Kamoso is a leading manufacturer and supplier of consumer goods and healthcare products to retailers, primarily in Botswana. The Company operates from facilities in Botswana and South Africa. Kamoso also operates Liquorama, Botswana’s leading liquor retailer, and Builders Mart, a leading DIY and hardware chain. The Company was formed in 2015 as part of an investment by Development Capital Partners, a New York investment firm and Standard Chartered Private Equity. The firm is now owned by Fund 2, alongside RMB Ventures, the Botswana Development Corporation and Ram Ottapathu, the CEO of Choppies. The Company has also invested heavily in new capital equipment to expand its consumer product offerings, which range from paper products to bottled water to milled grains.



MANAGING ESG RISKS
ACROSS THE BUSINESS:

Applicable IFC Performance Standards



Development of ESMS is underway with key risks identified through risk register. Social & Ethics Committee meetings in process of being set up with key stakeholders.



Kamoso has an HR department which has developed a suite of policies and procedures relating to employee welfare and occupational health and safety.



Kamoso tracks money spent on fuel, water and electricity on an annual basis. A formal waste management procedure is in the process of being established.

“Kamoso is a leading manufacturer and supplier of consumer goods and healthcare products to retailers, primarily in Botswana, operating from facilities in Botswana and South Africa.”

KAMOSO

KEY 2020 ESG
STATISTICS

1,327
employees



44%
of employees are women



\$30,000
provided for training



Environmental
and Social
Officer in role



Health and Safety
Officer in role



US\$30,063
CSR spend in 2020





FUND
Mid Market Fund 1
FUND OWNERSHIP
17.6%
INITIAL INVESTMENT
October 2017

Sector	Headquarters
Consumer: Branded clothing / gifts	South Africa
IFC Category	B-BBEE
C	3

BUSINESS OVERVIEW

Founded in 1990, Kevro is Africa’s largest value-add supplier of corporate-branded Brand-Able solutions, spanning Corporate and Promotional Apparel, Gifting, Workwear, Sportswear, Headwear and Display. Kevro owns several well-known brands, including the industry flagship, BARRON. Furthermore, Kevro owns the product development link of the value chain. Ownership of its brands allows Kevro the flexibility to decide category and product offerings.

The company currently operates as a “trade-only” supplier to c.10,000 resellers from its single facility warehouse in Johannesburg.



MANAGING ESG RISKS ACROSS THE BUSINESS:

Applicable IFC Performance Standards



A new Chief Risk Officer (CRO), Chief Information Officer (CIO) and a special project manager have been appointed as part of the reconstruction of the executive leadership team from Kevro. The CRO will develop and oversee an internal audit function.



Kevro has introduced an EAP offering a range of services such as telephonic and face to face counselling, financial and legal advice and management support services, as well as group trauma counselling. Services offered by the On Site Clinic at the super factory are being upgraded to provide primary health care services and also occupational health care services.



Improved methods for sorting waste have positively reduced the volume of waste going to landfill.

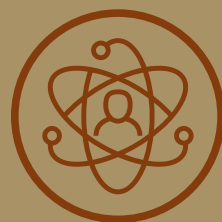
KEVRO

KEY 2020 ESG
STATISTICS

543
employees



57%
of employees are women



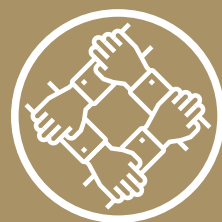
295
employees trained
equating to 500 training
days during 2020



Environmental
and Social
Officer in role



Health and Safety
Policy in place



Social & Ethics
meetings held
three times a year





FUND
Ethos Fund VI
FUND OWNERSHIP
83%
INITIAL INVESTMENT
March 2015

Sector	Headquarters
Industrial: Paper	South Africa
IFC Category	B-BBEE
B	3

BUSINESS OVERVIEW

At acquisition, Neopak was a vertically integrated player in the South African recycled paper, corrugated and converting market. The business had a diversified customer base servicing the commercial and agricultural sectors. Subsequently, based on market dynamics, valuation was maximised by disposing of the corrugated and converting operations. This allowed for the de-gearing the business and distribution of meaningful proceeds to shareholders. Neopak now operates as the largest independent recycled paper manufacturer in South Africa.



MANAGING ESG RISKS
ACROSS THE BUSINESS:

Applicable IFC Performance Standards



ISO 14001:2015 Environmental management system (EMS) and ISO 45001:2018 Occupational health and safety (OHS) compliant at Rosslyn.

Group wide focus on internal control is ongoing.



Internal communication strategy put in place; the results of improved communications are evident already. Town-halls, centralised internal communications and quarterly roadshows undertaken.



Boiler Control and Optimisation to improve efficiency and reduced emissions completed in 2020.

“Neopak now operates as the largest independent recycled paper manufacturer in South Africa.”

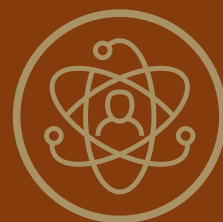
NEOPAK

KEY 2020 ESG
STATISTICS

215
employees



20%
of employees are women



251
employees
trained in 2020



Environmental
and Social
Officer in role



Health and Safety
Officer in role



Social & Ethics
meetings held
biannually



Emergency Response
and Preparedness
Procedures in place



R354,614
set aside for ESG
CAPEX for 2020



NEW LOOK

FUND
Brait
BRAIT SHAREHOLDING
18.3%
INITIAL INVESTMENT
June 2015

Sector	Headquarters
Fast fashion brand retail	United Kingdom
IFC Category	Operating in
B	Republic of Ireland and United Kingdom

BUSINESS OVERVIEW

New Look is a UK multichannel fast-fashion brand, offering exciting, on-trend, value-fashion with a broad appeal for women and teenage girls (and including an online men’s range). The New Look story began in 1969 as a single fashion store in the UK and now has 467 stores in UK and Ireland (as of 2021) with a transactional website shipping to 66 countries worldwide, with over 225 million visits in the year.

Based on Kantar Worldpanel published data 52 weeks ended 7 March 2021, New Look is Number 1 in overall Womenswear market share (Womenswear by value).

NEW LOOK

MANAGING ESG RISKS ACROSS THE BUSINESS:

Applicable IFC Performance Standards



New Look is a member of multiple certifications and organisations within the sustainability for apparel sector and has in place an ESMS for the main Distribution Centre in the UK. Currently developing a Group wide ESMS.



6,900 employees belong to collective bargaining agreements and there are at least 5 trade unions which provide support for 15,800 employees. New Look has signed a call to action to end forced labour in the Xinjiang region in China.



Ongoing mapping activities of supply chain tiers are in place, with 35% of Tier 1 and 2 suppliers having completed the Higg Index Facility Environmental Module.

“Based on Kantar Worldpanel published data 52 weeks ended 7 March 2021, New Look is Number 1 in overall Womenswear market share (Womenswear by value).”

NEW LOOK

KEY 2020 ESG
STATISTICS

9,774
employees



86%
of employees are women
and 45% of Operational
Directors are women



147
new jobs in 2020



E&S Policy
in place



98%
stores, offices and
warehouses are run
on fully renewable
electricity and over
half are using building
management systems,
improving energy
performance and
reducing carbon
footprint.



Vegan Society
approved



Measures Scope 1 and 2
Greenhouse Gas Emissions
and is considering the
impact of climate change
on the business



100%
suppliers screened for
ESG risks, processes
and management



1,729
days of training in 2020



ADDRESSING AND INFLUENCING RESPONSIBLE CONSUMPTION AND PRODUCTION CHAINS IN THE FASHION INDUSTRY

WHAT IS THE CHALLENGE IN THE FASHION INDUSTRY?

The fashion industry is key for economic development (with over 300 million people being employed throughout its value chain, many of them women) and is the world's third largest manufacturing sector after the automobile and technology industries.

The fashion industry is a \$2.4 trillion global industry and the scale of the industry is expected to grow over coming years. However, given the size and global reach, unsustainable practices have important impacts on social and environmental issues.

Today's clothing system puts pressure on resources, pollutes the environment and creates negative societal impacts. The activities with the largest impact on climate, water and chemical pollution can be found in the processing stage such as the preparation of fabrics including spinning, weaving and dyeing.

The material mix is one of the biggest drivers of a fashion brand's environmental footprint and has implications for climate change, waste and biodiversity. Across certain segments, it can determine up to a third of a brand's impact on water, energy and land use as well as air emissions and waste.

ADDRESSING THESE ISSUES WITHIN THE FASHION INDUSTRY WILL CONTRIBUTE TO A NUMBER OF UN SUSTAINABLE DEVELOPMENT GOALS

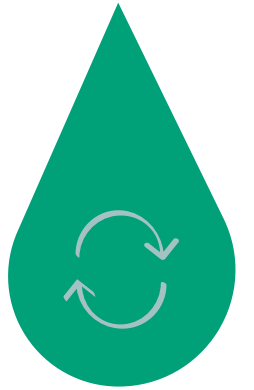


93 billion m³

It is estimated that the fashion industry currently uses around 93 billion m³ of water per year... enough to meet the consumption needs of five million people.

20%

of wastewater comes from fabric dyeing and treatment.



87%

of the total fibre input used for clothing is incinerated or disposed of in a landfill.



2-8%

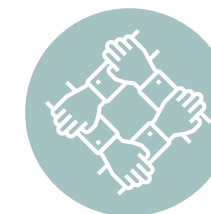
The fashion industry is responsible for 2-8% of annual global carbon emissions. This is more than all international flights and maritime shipping combined and at this pace, the fashion industry's GHG will surge more than 50% by 2030.



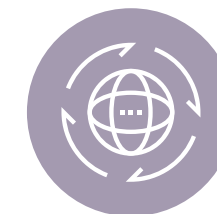
IN ORDER TO ADDRESS THE CHALLENGES WITHIN THE FASHION INDUSTRY, WE NEED:



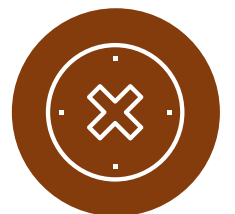
Efficient use of Resources & a Move to Renewable Inputs



Respectful & Secure Work Environments



Circular Systems



Phase Out Substances of Concern

Sources: Various including UN Alliance for Sustainable Fashion, The World Bank, Common Objective Sustainability Issues: Water, Global Fashion Agenda, the Boston Consulting Group pulse of the fashion industry, Ellen MacArthur Foundation.

NEW LOOK'S JOURNEY TO RESPONSIBLE CONSUMPTION

New Look regards sustainability as a journey, not just a goal and aims to minimise the negative impacts it has on the planet whilst amplifying the positive impacts it has on the people and the communities who make its products.

New Look has set some challenging targets for the uptake of fibres which will have a smaller environmental impact than their conventional counterparts:

- **100% responsibly sourced cotton by 2021**
- **100% traceable and responsible viscose by 2023**
- **50% recycled synthetics with recycled content FY 2024 (new target set for 2021)**
- **100% non-leather vegan friendly footwear and bags by 2021**

To achieve these goals, New Look has created a set of preferred fibre sources enabling it to monitor its progress, embed key requirements into its policies and standards and report on its progress towards these targets. Its preferred alternatives to conventional cotton are Better Cotton (The Better Cotton Initiative, BCI), organic cotton (certified under the Organic Content Standard and/or the Global Organic Textile Standard) and recycled cotton (certified under the Recycled Content Standard and/or Global Recycled Standard).

New Look is committed to increase the use of recycled synthetics, their largest fibre group in acknowledgement of the impact that polyester and its production have on the environment; particularly on climate change and microplastics release. New Look has signed the Changing Markets Foundation's Roadmap for Sustainable Viscose to demonstrate its commitment to working towards 100% of its viscose being responsibly sourced with no collaboration with the deforestation of endangered forests; and viscose production processes that are safe and clean for the people and communities in the sourcing countries.

New Look aims to reduce consumption through minimising packaging and improving processes within its operations to enable responsible re-use and recycling, as part of its commitment to the implementation of circular systems (a circular economy represents a new system to design, make, and re-use products, moving away from the conventional 'Take-Make-Waste' cycle).

New Look accepts that the fibre production, yarn preparation, dyeing and finishing processes within its supply chain have big impacts on the environment since these processes contribute to a significant proportion of energy, water and carbon impacts. New Look requests that its suppliers complete the Higg Facilities Environmental Module which requires suppliers to upload their water and energy use as well as other pertinent information covering Environmental Management Systems, Energy, Water, Wastewater, Air Emissions, Waste and Chemicals.

New Look's understanding that increasing the lifespan of each piece of clothing is at the core of creating a circular economy within the fashion industry, prompted the launch of a take-back scheme with Hospice UK, which provides its customers with the opportunity to donate their pre-loved clothes to a Hospice UK store, receiving a 20% New Look discount voucher for each bag of pre loved clothing donated. New Look also has a long standing collaboration with UK charity New Life which entails the donation of any returned garments that are not fit to go back into distribution so that they can be resold by New Life, thereby ensuring that the garments do not enter the waste stream. In FY19/20 New Look donated an estimated 224 tonnes of stock, which helped raise over £884,000 for New Life charity.

New Look identified Climate Change as one of the five pillars of its Sustainability Strategy and set ambitious targets to calculate and report on scope 1 and 2 carbon emissions, to reduce energy consumption by 10% and to switch to renewable energy. New Look appointed a dedicated energy team at the beginning of 2019 to undertake the significant work of reducing its energy consumption in its stores, warehouse and offices, including the installation of smart meters and Building Management Systems (BMS) across its property portfolio. The transition of New Look's energy supplies to renewables was completed in April 2019, except for a handful of stores in locations that are unable to supply renewable energy. New Look also calculated and reported its scope 1 and 2 carbon emissions and engaged with One Carbon World, a not-for-profit organisation partnered with the United Nations, to offset its remaining emissions with the requisite carbon credits from two verified schemes, the United Nations carbon credit platform and The Guanare Forest Plantation Project. New Look became the first global fashion retailer to achieve both Carbon Gold Standard and UN Climate Neutral Participation by offsetting its scope 1 and 2 emissions. New Look acknowledges that most of its carbon emissions come from its indirect operations and has completed a scope 3 calculation for the first time in FY20/21.

PREMIER

FUND
Brait
BRAIT SHAREHOLDING
98.5%
INITIAL INVESTMENT
JuLY 2011

Sector	Headquarters
Consumer Goods Manufacture	South Africa
IFC Category	Operating In
B	Eswatini, Lesotho, Mozambique, South Africa and United Kingdom

BUSINESS OVERVIEW

Premier is a leading South African consumer goods manufacturer offering branded and private label solutions. The business has strong heritage brands in bread, maize meal, wheat flour, feminine hygiene and sugar confectionery.

Premier serves all channels to the market and operates through a wide footprint across South Africa, Eswatini, Lesotho and Mozambique with a Lil-Lets sales office in the UK. In South Africa, its fleet of around 850 bakery trucks make 33,000 bread deliveries a day.



MANAGING ESG RISKS
ACROSS THE BUSINESS:

Applicable IFC Performance Standards



Certifications put in place: FSSC 22000 (Food Safety Management) ISO 9001 (QMS), ISO 14001 (EMS), GOTS (textile processing standard for organic fibres), FSC (Forest Stewardship Council certification).



Premier has implemented a Training & Development Policy, Grievance Policy, Code of Conduct and HR Policy all explained through a comprehensive Employee Guide handbook.



Premier has noted the impact of climate change. Climate change affects crop quality and supply, which in turn affects the price of grain.

“Premier serves all channels to the market and operates through a wide footprint across South Africa, Eswatini, Lesotho and Mozambique with a Lil-Lets sales office in the UK.”

PREMIER

KEY 2020 ESG
STATISTICS

9,107
employees



17%
of employees are women



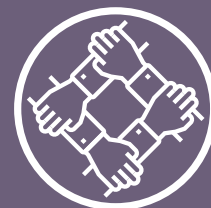
6,180
employees trained
equating to 15,450
training days



461,930 kWh
renewable
energy utilised



Premier has an
Environmental Management
team designated within
their Environmental
Management System



Social & Ethics
meetings held
biannually



Emergency Response
and Preparedness
Procedures in place



R12,000,000
CAPEX for ESG
initiatives set aside



Health and Safety
Policy in place

PREMIER: LIL-LETS

CASE STUDY

ADDRESSING
BARRIERS TO
GIRLS' ACCESS
TO EDUCATION

- Premier acquired Lil-Lets SA and UK business in November 2013 with the intent of expanding the FMCG consumer goods portfolio into the home and personal care category.
- The business operates out of South Africa into the South African Development Community (SADC) region and the UK with exports into Middle East, China and the EU with tampon and pad manufacturing capability in Durban and the balance of the products sourced from third party suppliers in Cape Town, China, Slovenia and Taiwan.
- In the UK, Lil-Lets has 6% share of the total sanitary products market and is market leader in the following product segments:

No.1

- IN TAMPONS
(NON-APP) –
75% SHARE OF
CATEGORY

- IN MATERNITY

- IN ORGANIC
(NON-APP)

- IN TEENS



PREMIER: LIL-LETS

CASE STUDY

- Lil-Lets brand operates in several product segments within the sanitary protection market, including tampons, pads and liners, and offers specific products for maternity (pads and breast pads) and teens (tampons, pads and liners). Tampons, pads and liners are also available in organic materials and more recently, the brand has extended into a reusable cup and applicator. To complete the range, intimate feminine care washes and powder are also available under the Lil-Lets brand.
- In South Africa, Lil-Lets has 18% share of the sanitary products market and is market leader in tampons with 68% share of category.

WHAT ARE THE BARRIERS TO EQUAL ACCESS TO EDUCATION?

Around the world, girls are less likely to graduate from secondary school than boys. According to UNESCO, worldwide there are 100 million girls of high school age not at school.

Without access to Menstrual Health Management (MHM) (adequate information, preparation and support with which to manage menstruation in a healthy, safe and dignified manner), this has the potential to set girls behind their male peers in class and ultimately deprive them of equal opportunities in the future.

This is not an issue unique to developing countries, lack of period equality is a global barrier to education and meeting the hygiene needs of all adolescent girls is a fundamental issue of human rights, dignity and public health.

ADDRESSING MHM AND CREATING PERIOD EQUALITY CAN FURTHER SOCIAL AND ECONOMIC EMPOWERMENT AND GROWTH THROUGH CONTRIBUTION TO:



Sources: Various including South African Human Rights Commission, Plan International UK, UNESCO, UNESCO Institute for Statistics, Lil-Lets, Global Citizen



IN ORDER TO ADDRESS THESE CHALLENGES WE NEED:

- **Sanitary dignity so that all girls and women should be able to experience their period with dignity, regardless of socio-economic factors, have access to menstrual information and knowledge, sanitary products, and safe (hygienic) facilities.**
- **Safe and affordable products readily available, access to health services, sanitation and bathing facilities, adequate disposal options and "positive social norms".**

- **Without access to proper education and resources, girls are often forced to stay home from school during their periods with UNICEF estimating that roughly 1 in 10 girls in SSA miss school because of their periods each year. In the UK, up to 1 in 14 girls miss school because they can not afford access to products.**
- **In SSA, this can result in a girl missing up to 20% of a school year owing to lack of period equality and stigma.**
- **It is estimated that 30% of girls in South Africa do not go to school whilst they are menstruating, because they can not afford the sanitary products.**



ADDRESSING BARRIERS TO GIRLS' ACCESS TO EDUCATION IN THE UK

Lack of period equality can be broken into three contributing factors:

- **A lack of period education**
- **The reinforcement of stigma and taboos**
- **The cost of sanitary products**

To address a lack of education and the stigma and taboos associated with periods, in collaboration with Brook (a leading charity for young people's sexual health & wellbeing Help & Advice – Brook) and PHS (a leading provider of hygiene services and products across all business sectors Working Together to Create Period Equality (pht.co.uk)), in July 2021 Lil-Lets launched new educational lesson plans and programmes, to help schools teach about periods with accurate knowledge and confidence.

Lil-Lets lesson plans have been created in line with Key Stage 3 government statutory guidance & PSHE Association guidance and include the basics on periods and puberty. They aim to open the dialogue around periods and the shame and stigma sometimes associated with them.

The lesson plans are tailored to be accessible to boys and girls from years 4 to 9 in a gender-neutral format, and are free to download across Lil-Lets, PHS and Brooks websites.

To facilitate learners having access to sanitary products regardless of their circumstances Lil-Lets supported the PHS Group to tender for the Department of Education's (DfE) scheme for England to provide free period products so that learners do not miss out on their education. The scheme commenced in January 2020 offering a range of 8 Lil-Lets products alongside competitor brands, plus a sustainable offer from smaller suppliers of reusables, to schools and colleges.

According to the DfE blog, in 2020, 76% of secondary schools, 79% of post 16 years organisations and 41% of primary schools had ordered products. In total, during the first year of the scheme 16,698 orders had been placed.



ADDRESSING BARRIERS TO GIRLS' ACCESS TO EDUCATION THROUGH CSI ACTIVITIES IN SOUTH AFRICA

Innovation, education, empowerment through every life stage – just some of the ways that Lil-Lets makes a meaningful difference in the lives of their consumers. COVID-19 saw Lil-Lets focus their CSI efforts on alleviating access to period equality by providing COVID-19 relief to poverty-stricken areas and by providing product donations as part of the launch of the Lil-Lets Talk Campaign.

With a view to destigmatising the conversation around menstruation, Lil-Lets Talk provides a safe place for consumers to ask questions and learn from shared experience, while empowering, educating and supporting them. Every question asked and answered on the platform results in a donation of Lil-Lets Maxi Pads to various South African non-profit organisations. The Making a Difference initiative launched as part of Women's Month, enabled the nomination of NPOs and members of the public to receive Lil-Lets Talk donations through the branded website.

In line with, and in addition to, the core CSI initiative, Lil-Lets in South Africa donated an average of 1.8 million units of product to COVID relief in 2020; impacting four Non Profit Organisations (NPOs) and donating 30,180 Maxi pads through the Lil-Lets Talk initiative.

Millions of Comfort – a Dis-Chem initiative – also aimed to address these issues with their sanitary pad drives in retail stores. The Dis-Chem Foundation placed branded drop-off bins in over 160 Dis-Chem pharmacies countrywide, encouraging shoppers to fill them by donating sanitary pads. As a key player in the South African feminine care market, Lil-Lets partnered with Dis-Chem for the 7th year running, and undertook to match every donation of a Lil-Lets pad.

8,757,868

pads were collected through the Millions of Comfort Campaign with Lil-Lets being the most popular brand donated by customers.

1,831,889

sanitary pads were collected in store, which will be doubled through the brand match.

To remain in school, schoolgirls require approximately seven sanitary pads per period, but, due to a lack of protection, a high proportion of South African girls miss an average of fifty school days per year. Through the combined efforts of the Lil-Lets Talk CSI initiative, the Dis-Chem Millions of Comfort initiative and COVID relief donations, Lil-Lets in South Africa donated in excess of 3.6 million packs of sanitary pads to those in need. This equates to an average of 36 million individual pads but, more importantly, it kept an average of 500,000 girls in school fulltime for a year. By incorporating these donations into the CSI strategy, not only did the brand meet the girls' need for appropriate hygiene products, but it went further by providing them with the opportunity to take full advantage of their education and to achieve better grades; essentially driving increased gender equality within South Africa in the process.



ZERO-VAT

In South Africa in 2016, the University of the Witwatersrand (Wits) students made the news with their call for an end to tampon tax.

1st of April 2019 – the day when Zero-VAT came into effect on sanitary pads and pantyliners.



PRIMEDIA



FUND
Ethos Fund VI
FUND OWNERSHIP
19.7%
INITIAL INVESTMENT
December 2017

Sector	Headquarters
Media & Entertainment	South Africa
IFC Category	B-BBEE
B	2

BUSINESS OVERVIEW

Primedia is a leading media and advertising company in SA, with a footprint in the rest of Africa. This business comprises two divisions:

- Broadcasting - Owns and operates SA's most popular premium music (947 & KFM) and talk (702 & CapeTalk) radio stations as well as EWN, a highly respected independent news brand
- Out-of-Home - Operations include outdoor billboards, in-store and mall advertising and large format outdoor advertising with operations in several countries across Africa

MANAGING ESG RISKS
ACROSS THE BUSINESS:

Applicable IFC Performance Standards



Over the past year **divisional environmental and social policies have been developed and sustainability consultants are being commissioned to further develop Primedia's ESG framework and an overarching Group ESG Policy.**



Primedia has partnered with a global EAP provider which assists organisations in promoting health and wellbeing to their employees and actively monitoring employee wellness holistically.



The Group is compiling a Group-level document detailing what efficiency measures are in place. The Report will include efficiency goals and KPIs. It is the intention that the data be collected and analysed monthly tracking improvements and the effectiveness of implemented measures.

The Company is also starting to identify impacts on the business from climate change and are taking remedial actions to mitigate this where possible.

"Primedia is a leading media and advertising company in SA, with a footprint in the rest of Africa."

PRIMEDIA

KEY 2020 ESG
STATISTICS**834**

employees

**53%**

of employees are women

**16**

new jobs in 2020

Environmental
and Social
Officer in roleSocial & Ethics
meetings held
three times a year**550**employees trained
equating to 138 training
days during 2020Emergency Response
and Preparedness
Procedures in placeHealth and Safety
Policy in place**R22,158,354**CSR spend on
environment, education,
awareness and health

RICHFIELD

FUND
Ninety One Africa Private Equity Fund II
FUND OWNERSHIP
71%
INITIAL INVESTMENT
October 2018

Sector	Headquarters
Education	South Africa
IFC Category	
B	



BUSINESS OVERVIEW

Richfield is the core brand of Growth Ten higher education platform which includes the AAA School of Advertising as well as Technical and Vocational divisions. Originally founded as PC Training and Business College, it commenced operations in 1998. Each part of the Group offers ranges of accredited further education programmes, with Richfield’s core focus as a leading IT / technology education provider, offering an MBA, Masters and Bachelor degrees as well as Diplomas and Certificates. The business has a footprint of campuses in South Africa’s key cities, and a rapidly growing distance and blended learning offering, leveraging its strong use of technology in delivery. It seeks to make high quality private higher education accessible with a competitively affordable offer, and a focus on employability outcomes. The Institution is registered with the Department of Higher Education and accredited by the Council on Higher Education (CHE), Umalusi and numerous Sector Education Training Authorities (SETAs).

MANAGING ESG RISKS
ACROSS THE BUSINESS:

Applicable IFC Performance Standards



HSE Policy updated, along with development of Grievance procedures, Anti bribery and Corruption Policy and Conflict of Interest Policy.



Human Resources Policy and Retrenchment Policy Plan updated in 2020. Child Labour Policy and Forced Labour Policy also developed prohibiting the employment of children/forced labour at Richfield as required under the investment ESAP.



Richfield is tracking its water and electricity consumption as well as waste generation across the campuses with a view to setting appropriate targets for reduction. Printer cartridges are being collected by approved waste handler.



In line with the investment ESAP, over the year 2020, Richfield has been installing and updating the fire safety and alarm systems across the campuses. A list of action achieved to date has been provided and work is ongoing in this regard. A plan has been put in place to complete the installation of new fire alarms and reinstate old fire alarms, where applicable. Campuses subject to scheduled inspections.

“Each part of the Group offers a range of accredited further education programmes with Richfield’s core focus as a leading IT / technology education provider, offering an MBA, Masters and Bachelor degrees as well as Diplomas and Certificates.”

RICHFIELD

KEY 2020 ESG
STATISTICS

577
employees



53%
of employees are women



45%
of students are women



4071
electronic learning devices
supplied to students in 2020



13,528
students enrolled
in 2020



391
training sessions for
employees in 2020



80%
pass rate for students
in person and
distance learning



140
higher learning
certificates/degrees
sponsored at a cost
of R 2.6m



300
technical, Vocational
Education Training (TVET)
bursaries sponsored in
2020 at a cost of R9.3m



Health and Safety
Policy in place

RICHFIELD

CASE STUDY

PRIVATE SECTOR TERTIARY EDUCATION
PROVIDER IN SOUTH AFRICA SUPPORTING
UN SDG 4 QUALITY EDUCATIONWHY IS
EDUCATION
CRITICAL IN
SOUTH AFRICA?

Education is critical to creating a work-ready employment base with appropriate technical and vocational skills (10% of labour force in SA have an advanced level of education but are unemployed). In higher education and technical & vocational training, public institutions account for > 85% of students but are not growing as quickly as demand. Funding availability and affordability are key drivers and critical constraints in the decision making of students.

INVESTMENT
INTO EDUCATION
ADDRESSES SDG 4

Quality education ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all.

% OF TERTIARY
ENROLMENT IN
SOUTH AFRICA:

24%

This compares to 32% in Low- & Middle-Income countries and 76% in High income countries.

GOVERNMENT
EXPENDITURE ON
TERTIARY EDUCATION:

(% of Government expenditure on total education) in South Africa:

15%

This compares to 19% in Low- & Middle-Income countries and 23% in High-Income countries.

PRIVATE SECTOR TERTIARY EDUCATION PROVIDER IN SOUTH AFRICA SUPPORTING UN SDG 4 QUALITY EDUCATION

IMPACT DELIVERED

Richfield Institute...

- Delivers the most affordable, quality private sector offering in South Africa
- Leverages technology and scale: technology investment is a key differentiator in contact and distance delivery
- Is fully accredited with lower fees than other institutions, delivering better outcomes and value for money
- Adopts the strategy as a low fee provider to support access to successful, affordable and quality technical, vocational and tertiary education within South Africa in order to contribute to a work ready employment base
- Offers students access to campuses across all 9 provinces in South Africa
- Has had enrollments of over 300,000 students at Richfield over its 30-year history with 55% male to 45% female students (in 2020) across multiple ethnicities
- Has provided 874 bursaries since 2018, for tuition fees totaling c.R7.9m
- Provides Technical, Vocational, Educational and Training (TVET) and End User Computer (EUC) training in remote rural areas that other institutions and public universities do not reach
- Offers qualification access for those without a matric: As a vocational / TVET offering, Richfield has 20 qualifications which a learner is able to select without a matric
- Compulsory Work Readiness module (WRP) to ensure students are adequately equipped for the workplace, improving employability. Work Integrated Learning (WIL) provides placements for students in authentic professional learning environments
- Provided 100,000 tablets free of charge for education students (1,600 in 2020). Students who register for a Diploma, Degree or Post-Graduate receive a laptop. Based on Learners surveys, observed improved performance can be directly related to tablet and laptop use
- Has been involved in a nation-wide projects since 2010, and through 13 of the 21 SETAs programmes (Sector Education and Training Authority), has trained over 7,300 learners

85%

of students in 2020 were African students

41%

of Richfield's surveyed students identified their home locations as urban areas and

73%

of students indicated their household income is <R10,000 per month

30%

identified their home locations as rural areas



EUC skills

is the key skills programme offered to both employed and unemployed learners for skills development in computer training.

94%

of surveyed students indicated that WIL and WRP provided them with opportunities to connect with future employers.

17%

improvement across all programmes comparing courses using printed guides in 2011 compared to tablet and laptop use in 2012-2018.

SUPPORTING ACCESS AND SUCCESS:

Backing home grown talent – opportunities for former students to become employees.

In addition to Richfield's legacy in creating employable graduates, the Institute is also employing former Richfield students. To date, 13 students have since become integral staff members at Richfield, ranging from lab tutors, accounts administrators, lecturers, facilitators and coordinators. Example success stories are presented below.



Kegan Shunmugam
Managing Director

"Over time I have come to terms with the fact that Richfield is part of me and I enjoy what I do. I have a passion for the people that I work with, the impact we have on the youth of South Africa and the growth of the country. As long as there is strong governance, I am most certain that Richfield, the teams and our students will be my life long partners."

Having matriculated in the small town of Shakaskraal on the North Coast, Kegan moved to Gauteng with the intention of studying art and graphic design. However, instead he became one of the first learners to study an IT qualification at PC Training and Business College (now called Richfield College), Richfield's flagship campus located at 32 Diagonal Street.

He completed his qualification in 2003, but was unable to find employment straight away. Being passionate about learning and, having built good relationships with the academic staff and some of the senior directors during his time at Richfield, he began volunteering his services.

In 2004, when the opportunity arose, he became a lecturer for EUC at the Carlton Centre branch.

During his time as a lecturer, he worked closely with the campus managers and gained valuable management skills, which led to his appointment as Regional Manager for Gauteng and surrounding areas in 2007. Kegan continued to rise through the ranks and in 2020, when the business was restructured to enhance quality and growth, he was appointed to his current position of Managing Director of Richfield for Higher Education Contact Learning.

When asked what he finds most challenging about his position as MD, he responded that, "everything is challenging not only in my position as MD but in life generally. I see this as being positive, in the sense that if there were no challenges then there will be no need to work as a team, find solutions and resolve problems."

He sees himself as a people-oriented person and believes that team work is the best way to manage and run any business or organisation.

Kegan strongly believes that every career decision he has made over the past 17 years, every role and responsibility, every relationship built, has played a unique role in his development as a human being and has moulded him into the person he is today.

He feels that the most rewarding part of his job is the impact that he is able to make on society, through his team members across the country and on the students themselves, through the service that Richfield provides. "The feeling is priceless when you are walking around a shopping centre or in a public area and a random person comes up to you and reminds you that they were your student 10 years ago. No person will do that unless you have made a positive impact on their lives."



Jane Netsianda
Campus Manager

"Because of this company, I am who I am now. I have progressed from a junior to a senior level position. Richfield focuses on enhancing the characteristics of students by providing inexpensive rates and promoting teaching and learning. I enjoy encouraging students and witnessing them attain an education regardless of their backgrounds."

Jane completed her diploma, BSc degree and BSc Honours in Information Technology through PC Training & Business College (now called Richfield College) and is currently working towards her MBA qualification. Although at the time she began her studies, the college only offered two qualifications and she had little choice but to choose the IT qualification due to the entry requirements. What attracted her to the college was the their reasonable rates, the free study materials, and they had computer labs.

In her final year of BSc IT, she volunteered for a six-month admin position at the institution and was then offered a position as a lab assistant for three months, assisting learners with practical modules and the installation of software.

After completing her degree, she was given a contract for lecturing Higher Certificate and Diploma students. She worked as a lecturer from 2012 to 2018, winning the award for best lecturer at the Randburg campus in both 2017 and 2018.

In March 2019, she was promoted to her current position of Campus Manager at the Braamfontein Campus. Her best career decision to date – "accepting the promotion as Campus Manager."

As campus manager, a vital part of her job role is being able to resolve problems for learners that are facing challenges in their personal or academic lives and encouraging them to focus on their studies. For Jane, the most rewarding aspect of her job is, "seeing the learners completing their qualification, graduating, and finding jobs."

Jane believes that both education and experience have played a vital role in her career, "because with no education, I would not have had the opportunity to gain the experience that I have today." When asked where she sees herself in five years, Jane said that she plans to complete her MBA qualification and will be pursuing her doctorate. She would also like to become a motivational speaker and hopes to become Dean of IT and secure a management role at Richfield.



FUND
Ethos Fund VI
FUND OWNERSHIP
55.9%
INITIAL INVESTMENT
June 2014

Sector	Headquarters
Industrial transportation services	South Africa
IFC Category	B-BBEE
B	2



BUSINESS OVERVIEW

RTT is Africa’s largest privately-owned parcel distribution company. The company provides supply chain solutions, secure transportation, warehousing and distribution and other value-added services on a fully-integrated basis. The business targets customers distributing high-value products requiring premium levels of service, security and real-time information. RTT’s footprint extends across sub-Saharan Africa, comprising over 128,800m² of warehousing and cross docking facilities with a fleet in excess of 1,200 vehicles.

RTT provides services through the following divisions:

- RTT Distribution: A national distribution network for high-value goods
- RTT Warehousing: Dedicated warehousing and distribution facilities
- RTT Style: Specialist fashion, apparel and footwear offering to shopping mall outlets
- CourierIT: Express parcel network for small to medium parcel sizes
- RTT Pharma: Logistics and distribution provider of medication, medical devices, healthcare products
- RTT On Demand: Express, on demand deliveries through a range of group and 3rd party delivery networks

MANAGING ESG RISKS
ACROSS THE BUSINESS:

Applicable IFC Performance Standards



IT project implemented to consolidate systems across the group to facilitate real-time monitoring of KPI’s at divisional level.



Vehicle accident incidents down 20% year on year with the cost thereof down 19%.

New and comprehensive SHEQ management system installed.



Development underway of a Climate Change Strategy aligning to applicable UN Sustainable Development Goals.

“RTT is Africa’s largest privately-owned parcel distribution company. The company provides supply chain solutions, secure transportation, warehousing and distribution and other value-added services on a fully-integrated basis.”

RTT



KEY 2020 ESG STATISTICS



6,792
employees



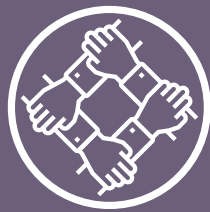
11%
of employees are women



128
new jobs in 2020



Environmental
and Social
Officer in role



Social & Ethics
meetings held
quarterly



609
employees were trained
equating to 365 training
days during 2020



Emergency Response
and Preparedness
Procedures in place



Health and Safety
Policy in place



R8,725,720
set aside for ESG
CAPEX for 2020





FUND
Ninety One Africa Private Equity Fund II
FUND OWNERSHIP
67.1%
INITIAL INVESTMENT
April 2017

Sector	Headquarters
Transport & Logistics	Morocco
IFC Category	Operating In
B	Morocco, Spain and Tunisia

BUSINESS OVERVIEW

SJL is the market-leading transport and logistics business linking Morocco to the EU, as well as having operations in Tunisia. SJL’s two primary business units are international road transportation and supply chain logistics and warehousing in Morocco and Tunisia. SJL provides solutions for primarily cross-border supply chains and transport for key industrial and manufacturing sectors in Morocco.

SJL has a market-leading niche position, long-standing blue-chip client base and a strategic set of operational and asset bases. The company is well positioned to capitalize on an attractive growth market opportunity with further investment in key manufacturing sectors which view Morocco/Tunisia as an efficient and short supply chain location for the EU market.

SJL has undergone significant transformation in the last 2 years, with new leadership, operational management and controls, culture change, new systems and strategy.



MANAGING ESG RISKS
ACROSS THE BUSINESS:

Applicable IFC Performance Standards



Certified with the following ISO accreditation:
ISO 9001:2015 QMS
ISO 14001:2015 EMS
ISO 45001:2018 OHS



SJL formed a Workers, Health and Safety council as per the recommendation of the investment ESAP. This brings the Moroccan operations in line with its Spanish operations. The mandate of the council is to monitor Occupational, Health and Safety standards as well as deal with working conditions for on-site staff and drivers.



SJL has tracked their resource footprint including water consumption, natural gas, fuel and electricity consumption, hazardous and non-hazardous waste with a view to establishing targets based on the monitoring data.

“SJL is the market-leading transport and logistics business linking Morocco to the EU, as well as having operations in Tunisia. SJL’s two primary business units are international road transportation and supply chain logistics and warehousing in Morocco and Tunisia.”

SJL

KEY 2020 ESG
STATISTICS**898**employees, including
self employed drivers**11%**

of employees are women

Health and Safety
Policy in place and
bespoke H&S tracking
system implementedEnvironmental
and Social
Officer in roleEnvironmental &
Social Management
System in placeHas Emergency Response
and Preparedness
Procedures in place and
annual drills are under-
taken to test procedures



FUND
Ninety One Africa Private Equity Fund II
FUND OWNERSHIP
100%
INITIAL INVESTMENT
July 2019

Sector	Headquarters
Retail	Egypt
IFC Category	
B	



BUSINESS OVERVIEW

Spinneys Egypt is an established grocery retailer with a store network comprising 3 hypermarkets and 13 supermarkets across different cities in Egypt namely; Cairo, Giza, Alexandria, Hurghada, Tanta, North Coast, Menya and Sadat City. Head-quartered in Cairo and targeting the middle income consumer segment, Spinneys Egypt product range covers fresh food, FMCG/dry goods and general merchandise. The company's growth is being driven by the roll out of new stores, both in Cairo and other major centres, as well as through online and home delivery initiatives put in place following the Fund's investment.

Spinneys Egypt sources all its products locally including imported items through local importers and has over 650 registered vendors and approximately 15,000 SKU's including own label products.

MANAGING ESG RISKS
ACROSS THE BUSINESS:

Applicable IFC Performance Standards



As per the requirements of the investment ESAP, during 2020 Spinneys Egypt developed an HSE Policy, Pest Control and Cleaning Policy and a Conflict of Interest / Fair Trade Policy. The development of an Anti-Bribery and Corruption Policy and Anti-Money Laundering Policy are in progress.



Spinneys Egypt has developed a comprehensive training programme with targets for attendance for evacuation training, civil defence training, first aid, food safety training and defensive driving training across the branches. Efforts were hampered over 2020 during the COVID-19 pandemic but have restarted over 2021.



Spinneys Egypt has been monitoring the impact of its energy efficiency, waste management and pesticide use on the environment. The main renewable resources the company is focused on managing efficiently are fuel, water and electricity with a view to set reduction targets.

“Spinneys Egypt is an established grocery retailer with a store network comprising 3 hypermarkets and 13 supermarkets across different cities in Egypt namely; Cairo, Giza, Alexandria, Hurghada, Tanta, North Coast, Menya and Sadat City.”

SPINNEYS

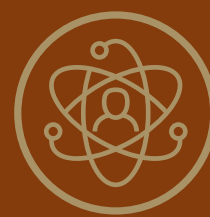
KEY 2020 ESG
STATISTICS

2,032

employees, 5%
classified as special needs

10%

of employees are women



57

individual training
courses provided
during 2020Waste separated into
toxic waste, organic
waste and solid wasteAll stores stopped
selling tobacco on
ethical groundsHealth and Safety
Policy in placeExtensive CSR programme
including donation of EGP 3
million to a textile charity
organisation that distributes
to rural locations in Egypt



FUND
Mid Market Fund I
FUND OWNERSHIP
88.7%
INITIAL INVESTMENT
April 2019

Sector	Headquarters
Analytical Services	South Africa
IFC Category	B-BBEE
C	2
Operating In	
AMIS: South Africa and Canada Wearcheck: Dubai, Ghana, India, Mozambique, Namibia, South Africa, UAE, Zambia and Zimbabwe, Set Point Laboratories: South Africa	



BUSINESS OVERVIEW

The Synerlytic group of companies operates in subsets of the Testing, Inspection and Certification (TIC) market. The group has operations that span across South Africa, the rest of Africa and select non-African geographies:

WearCheck Division:

- WearCheck was established in 1976 and is one of the leading condition monitoring specialists on the African continent and commands a market share of c. 60 – 65% in South Africa
- The business specialises in fluid analysis (oils, fuel, coolants, etc.) and on-site reliability solutions (such as vibration monitoring and infrared scanning)
- The acquisition of Anglo Field Services (AFS) was concluded in June 2019. It diversifies the group’s service offering by bringing on board three new condition monitoring services and entrenches its market leading position in this space

MANAGING ESG RISKS ACROSS THE BUSINESS:

Applicable IFC Performance Standards



ISO 9001 QMS for manufacturing and service industries at AMIS

ISO 14000 EMS at WearCheck

ISO 17025 Competence of testing and calibration laboratories at SetPoint Labs

ISO 17043 Competence of providers of proficiency testing schemes and for the development and operation of proficiency testing schemes at AMIS

ISO 17034 Quality assurance procedures of the reference material producer, covers the production of all reference materials, including certified reference materials at AMIS.



Succession Plan Policy was put in place in 2020. Individual Development Plans are in place for employees. The Company is currently reviewing and updating job descriptions within the Group



Focused on zero waste to landfill. Meaningful progress already made in this regard.

AMIS Division:

- AMIS is an international manufacturer and supplier of a wide range of matrix-matched Certified Reference Materials (CRMs) to mining laboratories across the world
- The company serves customers in various geographies throughout the rest of Africa, North America, South America, Asia and Europe with c. 60% of sales being exports outside of South Africa

Set Point Laboratories Division:

- Set Point Laboratories is an ISO 17025 accredited analytical chemistry laboratory. The laboratories have been repositioned to focus on aqueous testing

SYNERLYTIC

KEY 2020 ESG
STATISTICS

265
employees



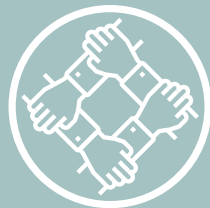
42%
of employees are women



3
new jobs in 2020



Environmental &
Social Officer in role



Social & Ethics
meetings held
biannually



201
employees trained
equating to 15
training days



Has Emergency Response
and Preparedness
Procedures in place at
each division



Health and Safety
Officer in role



ESG CAPEX
set aside for 2020



THE BEVERAGE COMPANY



FUND
Ethos Fund VI
FUND OWNERSHIP
66%
INITIAL INVESTMENT
April 2017

Sector	Headquarters
Food & Beverage	South Africa
IFC Category	B-BBEE
B	8

BUSINESS OVERVIEW

The Beverage Company (BevCo) is a South African beverage producer with headquarters in Isando, Johannesburg. BevCo was created by Ethos and Nedbank as a vehicle to consolidate the independent Carbonated Soft Drinks (CSD) market in SA. BevCo produces CSD, water and energy drinks primarily using its own brands; Refreshhh!, Jive, Coo-ee and Reboost. BevCo is the largest private label CSD bottler to major retailers in Southern Africa and is also the licensed bottler and distributor for Pepsi, Capri-Sun and Lucozade.

BevCo is the largest independently owned beverage producer and distributor in South Africa (c.11%) with a national production and distribution footprint.

MANAGING ESG RISKS ACROSS THE BUSINESS:

Applicable IFC Performance Standards



BevCo has implemented an ESMS / integrated SHEQ management system at BevCo including policies and procedures is in progress. All sites now have a baseline Risk Assessment in place and have now moved to task-based risk assessment for continuous improvement. BevCo is certified FSSC 22000 compliant.



HR Policy handbook has been developed with infographics for training of all employees. Infographics to be displayed on notice boards across the sites. The handbook forms part of the induction pack for new employees.



BevCo introduced Resource Efficient and Cleaner Production (RECP) principles. This is a systematic and integrated approach to managing energy, water, environmental and financial resources, eliminating or minimising waste and emissions to the environment, on a sustainable and cost-effective basis. The project was rolled out at Boksburg Manufacturing site, and will be implemented at more sites in the future.

“BevCo was created by Ethos and Nedbank as a vehicle to consolidate the independent Carbonated Soft Drinks market in SA.”

THE BEVERAGE COMPANY



KEY 2020 ESG STATISTICS



1,139
employees



21%
of employees are women



98
new jobs in 2020



Environmental
and Social
Officer in role



Social & Ethics
meetings held
three times a year



491
employees were trained
equating to 141 training
days during 2020



Emergency Response
and Preparedness
Procedures in place



Health and Safety
Policy in place



R2,160,000
set aside for ESG
CAPEX for 2020





FUND
Ethos Mezzanine Partners 3
INITIAL INVESTMENT
July 2020

Sector	Headquarters
FMCG Retail Manufacturing	Ethiopia
IFC Category	
B	

BUSINESS OVERVIEW

Turaco is a FMCG manufacturing company based in Ethiopia and is the second investment in the Ethos Mezzanine Partners 3 portfolio (EMP3), funded during July 2020. Turaco is the holding company for several businesses including Health Care Foods Manufacturers (HCFM), Gullele Soap Factory (Gullele) and ZAK Manufacturing and Trading (ZAK), (with the businesses of Gullele and ZAK having been merged). The combined business operates from ZAK’s factory premises and produces laundry and personal care soaps, detergents, and dishwashing liquid under the highly regarded ‘555’ and newly established ‘Aura’ brands. HCFM manufactures edible cooking oil in Ethiopia; products are branded ‘Tena’, which is Amharic for ‘healthy’.



MANAGING ESG RISKS
ACROSS THE BUSINESS:

Applicable IFC Performance Standards



Developed ESMS in line with ISO 14001 and ISO 45001 system. ISO 22001 Food Safety Management certified.



Improved processes and developed policies. Working hours reviewed and improved.



E&S Committee has been implemented. Energy savings achieved at HCFM by switching from halogen lights (200 Watts) to LEDs (48 Watts). Currently implementing ISO 14001 at all sites and expecting certification by end of 2021.

“Turaco is a fast moving retail consumer goods (FMCG) manufacturing company based in Ethiopia and is the second investment in the Ethos Mezzanine Partners 3 portfolio (EMP3).”

TURACO

KEY 2020 ESG
STATISTICS

695
employees



27%
of employees are women



222
new jobs in 2020



Environmental &
Social Officer and
Policy in place.



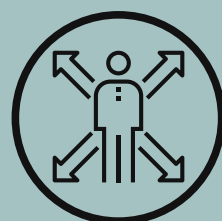
Environmental &
Social Management
System in place



454
employees
trained



Quarterly Social
and Environmental
Committee meetings



ETB 120,000,000
CAPEX for ESG
initiatives set aside

TURACO

CASE STUDY

POSITIVE IMPACT
THROUGH
PARTNERSHIP, FOCUS
AND COMMITMENT

EMP3 invested in Turaco alongside Proparco a European Development Finance Institution (EDFI), to fund the growth and diversification of the group's operations through an expansion of existing manufacturing facilities and the construction of a solvent extraction plant and refinery. As required by Ethos' ESGMS an Environmental and Social Due Diligence (ESDD) was undertaken by independent environmental consultants during 2019. The investment was classified as Category B in line with IFC's Environmental and Social Categorisation.

The initial ESDD identified gaps against the IFC Performance Standards and international best practice, resulting in an ESAP with 53 action items. Ethos, together with the EDFI co-investor and Turaco, refined the ESAP to focus on 29 key action items covering IFC PS 1 to 4. Over the last 12 months, Turaco has progressively worked through the ESAP items linked to timelines from signing (3rd March 2020) and through 2 external audits, has delivered closure of 22 ESAP items, with the remaining 7 close to completion with actions already underway.

Turaco has exhibited real commitment to ESG, HR and H&S matters at all levels, from the Board to the 'shop floor', and has systematically developed and implemented robust ESG systems across the businesses. Since a portion of the loan proceeds were also applied to fund the EHS improvements across the group as required in terms of the lenders' ESAP, this is a great achievement for Turaco and highly commendable reflecting the management team's alignment to change and improvement.



SYSTEMATICALLY IMPROVING ESG MANAGEMENT ACROSS THE COMPANY SINCE ETHOS INVESTED

Through an integrated, managed and systematic approach to ESG (with significant involvement from shareholders), ESG at Turaco is being transformed and contributes to SDG 12 responsible consumption and production



OCT 2019

25 Standard Operating Procedures (SOPs)

HR Management System (HRMS)

and integrated management system (IMS) contract signed: Environmental, Health, Safety and Security (EHSS) policy, registers, templates and forms and IMS Manual developed.

Compensation policy, grievance mechanism, retrenchment plan and policies developed alongside HR manual and multiple documents. All ESMS documentation signed off by December 2020.



SEPT 2019

Corrective Actions

Identified in initial ESDD with Ethos and EDFI co-investor selecting 29 critical items to be addressed in an ESAP. Classified as Category B risk investment according to IFC criteria.



JAN 2020

EHS Director & Site EHS Managers Appointed

1st E&S Board sub-committee meeting

MAR 2020

Financial Close and Signing Achieved 3rd March 2020

APR 2020

Chief People Officer Appointed



SEPT 2020

Construction of compliant waste water storage areas and containment for all hazardous materials storage facilities at HCFM site.

Construction of flammable store and waste storage area at ZAK manufacturing



MAR 2021



Key Trainings undertaken

including Permit to Work across all sites ISO 14001 & 45001 Implementation-ZAK & HCFM2 IMS Overview for Executive Leadership and all sites' leadership teams.



AUG 2020

Decommissioning of Gullele Soap Factory and extensive decontamination and clean-up undertaken as part of Decommissioning & Decontamination Plan.

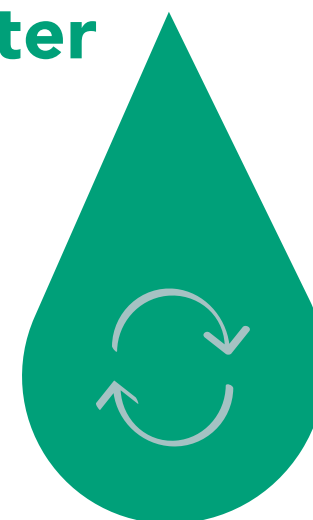


75m³

of soil was cleaned in situ, 1000 litres of heavy fuel oil was recovered for re-use at ZAK and approximately 3.5 tonnes of waste from the clean-up was disposed of at a licenced facility.

Waste Water Treatment plant

refurbishment and plant operations outsourced to specialist contractor resulting in full compliance with local waste water legal requirements.

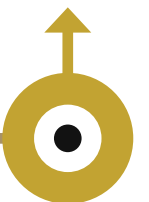


Most of the HR SOPs developed, HR administration manual developed and implemented. Transferred Gullele Soap Factory employees to ZAK Manufacturing without any retrenchments and transportation provided to support location move.



Employees Salaries reviewed

and working hours changed as per Ethiopian law (including for third party employees).



TWINSAYER



FUND
Ethos Fund VI, Mid Market Fund 1
FUND OWNERSHIP
Fund VI - 81.9%, MMF - 16.5%
INITIAL INVESTMENT
March 2015

Sector	Headquarters
Industrials (FMCG): Tissue Manufacturer	South Africa
IFC Category	B-BBEE
B	4

BUSINESS OVERVIEW

Twinsaver is a leading manufacturer in the South African consumer tissue industry. The business currently leads in the 1-ply tissue segment and is the second largest branded player in the 2-ply segment. In addition to consumer tissue, the business manufactures away-from-home tissue, facial tissue and other household products such as paper towels and serviettes. Following the acquisitions of Sylko and Validus, the business has expanded its portfolio into disposable dining, food storage and adult-care.

MANAGING ESG RISKS ACROSS THE BUSINESS:

Applicable IFC Performance Standards



ISO 9001:2015 (QMS), Food Safety Certification and and Forest Stewardship Certification in place at Twinsaver and Sylko plants.



A full Safe Operating Procedure has been implemented and software edits completed to prevent the by-passing of safety conditions on all machinery.



The company has set a target to reduce energy consumption by 3% year on year. In 2020 there was a reduction of 17% in total water usage and 5% in electricity usage year on year.

“Twinsaver is a leading manufacturer in the South African consumer tissue industry. The business currently leads in the 1-ply tissue segment and is the second largest branded player in the 2-ply segment.”

TWINSAYER

KEY 2020 ESG
STATISTICS

941
employees



38%
of employees are women



Environmental
and Social
Officer in role



R754,000
set aside for
ESG CAPEX for 2020



1,155,018 kl
water recycled /
reused



Has Emergency
Response and
Preparedness
Procedures in place



The Green Choice mark -
50% of all Twinsaver
products are made from
100% recycled fibre (the
Green Choice range is
100% recycled).



Social & Ethics
meetings held
annually



950
employees were trained
equating to 944 training
days during 2020



TYME BANK



FUND

Ethos Ai Fund

FUND OWNERSHIP

4.9%

INITIAL INVESTMENT

June 2019

Sector	Headquarters
Hybrid Digital bank	South Africa
IFC Category	
FI-3	



BUSINESS OVERVIEW

Launched in February 2019, TymeBank is a fully licensed hybrid digital bank, aiming to build a suite of products servicing emerging middle class customers. TymeBank uses revolutionary kiosks in Pick n Pay and Boxer outlets (over 700) to issue and service accounts, supported by point of sale terminals for deposits and withdrawals (over 14,000). The Pick n Pay and Boxer store footprint provides the Bank with a proxy branch network at a much lower cost than bricks and mortar infrastructure.

TymeBank believes that every South African has the right to accessible and affordable banking. Its mission is to help each customer understand how money really works by giving clear and transparent information about every rand and cent available, thus empowering customers to make clear decisions about their money today to grow into a secure financial future. To achieve this mission, TymeBank believes in three key pillars:

- Simplicity – products, services and tools are designed to be easy to use and easy to find
- Transparency – clear information on what services are free, what banking is paid for (and how much) with the fee and charges structure streamlined as much as possible
- Affordability – by not having branches the Bank saves money, coupled with the partnership with Pick n Pay stores and Boxer retail stores, TymeBank can offer customers a lot more at less cost for the customer

MANAGING ESG RISKS
ACROSS THE BUSINESS:

Applicable IFC Performance Standards



TymeBank has an employee with designated ESG responsibilities. Whilst a formal ESMS is not in place, the company has appropriate policies and procedures implemented to manage their ESG risks. Whistle-blower and Ethics Committee in place.



The Company has a Health & Safety Officer and policy in place and provides training to ensure that employees are aware of the potential hazards and the safe operating procedures to be implemented. An H&S policy is reviewed on a 2 year basis. An H&S committee is in the process of being established once all employees return to the office post COVID-19.

“Launched in February 2019, TymeBank is a fully licensed hybrid digital bank, aiming to build a suite of products servicing emerging middle class customers.”

TYME BANK

KEY 2020 ESG
STATISTICS**241**

employees plus 1000
indirectly as store
ambassadors*

*Store ambassadors
are all previously
disadvantaged
people, living in close
proximity to the stores.
They are sourced and
trained via Harambee,
and are most likely
people who would
not have other clear
job opportunities.

**46%**

of employees are women

**79**

new jobs in 2020



Has Emergency
Response and
Preparedness
Procedures in place



All employees were
trained equating
to 10 training days
during 2020

**1.5 million**

customers in South Africa
joined TymeBank during
2020, 53% of customers
were female



VERTICE MEDTECH GROUP



FUND
Ethos Fund VI, Ethos Ai Fund
FUND OWNERSHIP
Fund VI –53.5%, Ai Fund – 14.8%
INITIAL INVESTMENT
May 2018

Sector	Headquarters
Healthcare	South Africa
IFC Category	B-BBEE
C	3

BUSINESS OVERVIEW

Vertice was established by Fund VI in May 2018 to build a diverse medtech group operating in Southern Africa. Through the buy and build strategy the initial acquisition of the Amayeza Group was undertaken. Amayeza was established in 1998, marketing and distributing medical devices, products, and instrumentation across 11 medical specialisations including cardiology, spine, and neurology.

Since then, Vertice has closed and integrated 8 bolt-on acquisitions with two of the acquired businesses playing a significant role in African health care – LTE (acquired in March 2019) and Qode (part of the PSS Group acquired in December 2019).

MANAGING ESG RISKS ACROSS THE BUSINESS:

Applicable IFC Performance Standards



ISO 9001:2015 QMS and ISO 13485:2016 medical devices compliant. Implemented a QMS to the requirements of the ISO 9001/13485 standard.



Companywide policy review undertaken as part of combining the bolt-on investments into one entity; this was completed in 2020. The following policies are in place: Code of Ethics Policy, Anti-Bribery & Corruption Policy, Anti-Competitive Behaviour Policy, Grievance Policy and an Anti-Fraud, Bribery and Corruption Policy as well as a whistle-blower line in place. An Anti-Discrimination Policy was also developed in 2020.



Warehouses have been combined into one central warehouse, to assist with route logistics for deliveries, as well as shared temperature-controlled area for temperature-controlled products.

VERTICE



KEY 2020 ESG STATISTICS



802
employees



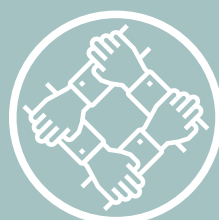
41%
of employees are women



442
new jobs in 2020



Environmental &
Social Officer in role



Social & Ethics
meetings held
biannually



463
employees trained, equating
to 90 training days during 2020



Has Emergency Response
and Preparedness
Procedures in place



442
Learnerships in place,
22 of which are
disabled learners



R2,500,000
set aside for ESG
CAPEX for 2020



Health and Safety
Policy in place

VERTICE

CASE STUDY

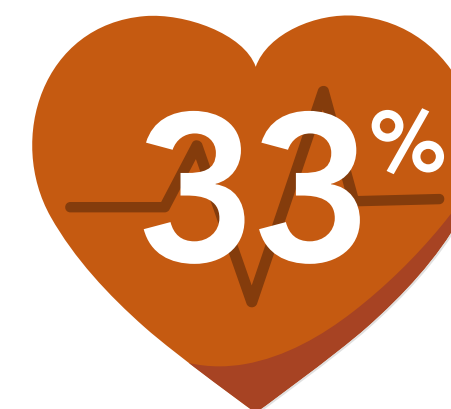
ADDRESSING HEALTH CARE CHALLENGES
IN SSA AND CONTRIBUTING TO UN SDG 3
GOOD HEALTH AND WELLBEINGWHAT IS THE
CHALLENGE IN
HEALTHCARE
IN SSA?

High growth rates in emerging markets are driving increased affluence with a growing urban middle class and shifting the disease burden toward non-communicable diseases. Together with rapid urbanisation, improved life expectancy and aging populations this is significantly increasing spend on healthcare.

Investment into the
Healthcare Sector
addresses:

UN SDG 3 Good Health & Wellbeing

At least half the world's population, many of whom suffer financial hardship, are still without access to essential health services. In rich and poor countries alike, a health emergency can push people into bankruptcy or poverty.



of total healthcare expenditure
in SSA relates to out-of-pocket
expenditure by households...
...this compares to 14% in
high-income countries



This compares to 2.7 nurses /
midwives per 1,000 people in
middle-income countries and 10.9
in high-income countries

54%

SSA has a high percentage of deaths caused by communicable diseases and maternal, prenatal and nutrition conditions:

this compares to... 18% in middle-income countries and 7% in high-income countries.

However, the demographic transition in the region is leading to increasing prevalence of death caused by non-communicable diseases, which increased from

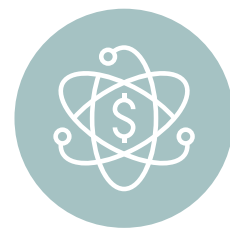
30%

IN 2010 TO

36%

IN 2019

In order to address the healthcare challenges on the continent, SSA requires healthcare solutions which are:



COST-EFFECTIVE



INNOVATIVE



AI-ENABLED



EASY TO MANUFACTURE

IMPACT DELIVERED

Provided >100 mobile and semi mobile clinics across Africa through more than 50 turn key projects across the African continent.

Supplied equipment and services to over 22 African countries.

One of Vertice's subsidiaries (LTE) most used solution is the mobile Tuberculosis (TB) screening clinics, the South Africa Department of Health is currently using 15 (fifteen) state of the art container X-ray clinics to screen +620,000 people across South Africa. This is linked to the proprietary real-time data reporting platform and provides daily statistics.

Over the years hundreds of thousands of patients have received access to health care services via mobile, semi mobile and fixed clinics provided by LTE.

The mobile clinics are custom built for the clients' requirements and can be small panelled vans, light or heavy-duty trucks, buses or container based. They are fully sustainable with off grid capabilities.

To support COVID-19 screening, testing and limit the spread of the corona virus, LTE manufactured mobile laboratory clinics to be used by healthcare workers in rural, remote and informal areas. These vehicles are custom built and equipped with systems to allow for rapid confirmative testing on site. The vehicles are designed to serve as mobile clinics post COVID-19 and can be used for TB, HIV and primary health care services. The mobile laboratories offers front line support in fighting the COVID-19 pandemic.

QODE: ENABLING IN FIELD SOLUTIONS

Qode Health Solutions owns and co-owns proprietary software which is used for in field diagnosis to manage specific disease profiles and is currently focused on HIV (South Africa, Zambia and Malawi), COVID-19 (South Africa and Botswana), Mental Health (Namibia) and TB (South Africa). Qode software, in association with LTE's mobile solution reach, is easily scalable for other diseases for current clients and future NGOs.

The largest client is the United States Government via The United States Agency for International Development (USAID) and Centre for Disease Control (CDC).

VERTICE

CASE STUDY

Vertice, through its subsidiary (LTE) provides mobile and alternative health care facilities that reach the underserved communities in remote areas, providing much needed services that otherwise would not be accessible.



LTE is a professional service provider in the health care industry with a focus to deliver sustainable solutions to strengthen existing health systems and outcomes.

The one stop solutions offer clients and funders a comprehensive healthcare programme for supply of disease diagnostic & related solutions across the African continent, e.g., TB screening, male circumcision, HIV screening, women's health etc.

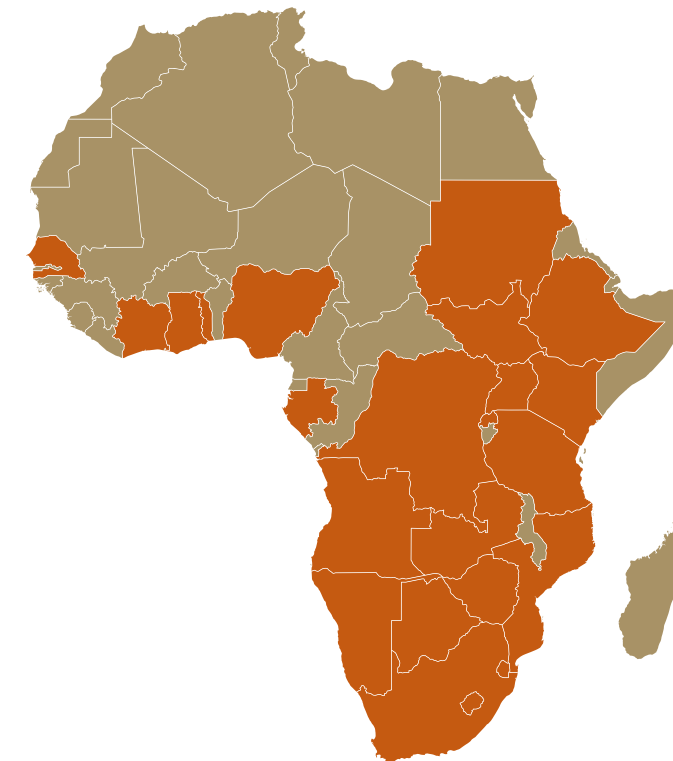
LTE's key customers are the multinational organizations providing funding for the improvement of healthcare outcomes in Sub Saharan Africa (United Nations, CDC, World Bank, US Aid, UNICEF, Global Fund etc.)



LTE'S PRODUCTS AND SERVICES INCLUDE:

- Mobile & alternative healthcare clinics
- Radiology and imaging equipment
- Medical and healthcare equipment
- Health software solutions
- Clinical outsourced services
- Technical and after sales support

CUSTOMERS AND PROJECTS COMPLETED

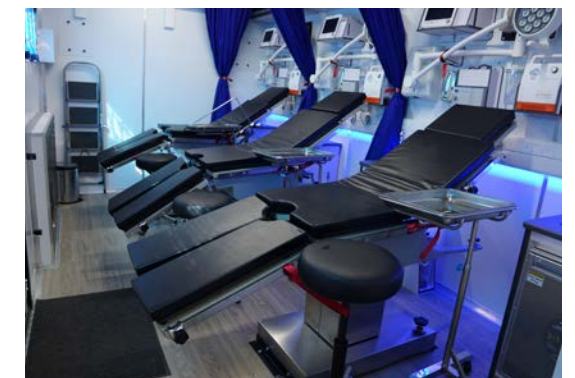


Completed Projects

- Bophelo
- CDC
- ICAP
- Intrahealth
- Ministry Of Health & Wellness
- NEPAD
- UNDP
- Right To Care
- Samsung
- Siyinqaba
- The Global Fund
- The World Bank
- UNICEF
- Wits Health Consortium
- Zimbabwe Primary Health Care



Samsung / South Africa Ministry of Health
Fast erectable Primary Healthcare Clinic with School; Solar Powered



IntraHealth/Tanzania Voluntary
Medical Male Circumcision Clinic

VIRGIN ACTIVE



FUND
Brait
BRAIT SHAREHOLDING
79.2%
INITIAL INVESTMENT
June 2015

Sector	Headquarters
Fitness Industry	United Kingdom
IFC Category	Operating In
C	Asia Pacific, Italy, Southern Africa and United Kingdom

BUSINESS OVERVIEW

Virgin Active is one of the leading international health club operators. The company’s vision is to be the first brand that people think of when they want to get active, with inspiring people designing and delivering outstanding exercise experiences.

Virgin Active strives to provide customers with a combination of a leading physical experience and a world class digital offering. The company has clubs in eight countries across four continents (130 clubs in South Africa, 11 clubs in Australia, 38 clubs in Italy, 6 clubs in Singapore, 8 clubs in Thailand, 39 clubs in UK, 1 club in Botswana and 2 in Namibia).

MANAGING ESG RISKS ACROSS THE BUSINESS:

Applicable IFC Performance Standards



Virgin Active has developed a **Supplier Code of Conduct** which it requires each supplier to confirm their agreement to and compliance with. The Code covers human rights and labour practices, environmental management and business ethics. Virgin Active uses the Code to build a more focused and targeted approach to identify sustainability risks and opportunities.



Virgin Active South Africa aspires to achieve 50% female representation across all management levels within the business and has measures in place to ensure females are given the opportunity to grow within the organisation. Virgin Active’s social responsibility initiatives focus on uplifting people (through health and wellbeing, education and reducing poverty, hunger and inequality) and reducing its impact on the environment (through responsible consumption by reducing carbon emissions). Several people initiatives had to be put on hold in 2020 due to COVID-19, however the business looks forward to renewing these initiatives as soon as possible.



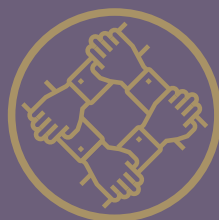
The Constantia club in Cape Town is the first gym to be awarded a Net Zero Waste certification by the Green Building Council.

VIRGIN ACTIVE

KEY 2020 ESG
STATISTICS

51%

of employees are women, and women make up 47% of members In 2020 in the UK, the Gender Pay Gap was reported as 15.5% whilst Virgin Active reported a 12.1% gap in 2020



Virgin Active UK has committed to a holistic Diversity, Equality & Inclusion strategy with focus areas on gender, age and life stage, ethnicity, disability, LGBTQ+ and Social Equality



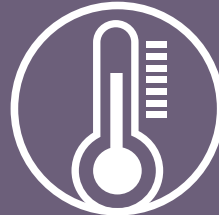
Emergency Response and Preparedness Procedures in place



Environmental & Social Management System in place



Health and Safety Policy in place



Virgin Active continuously strives to reduce their carbon footprint, testing new innovations and technologies to reduce the environmental impact of our clubs



WACO INTERNATIONAL



FUND

Ethos Fund VI, Ethos Fund V

FUND OWNERSHIP

Fund VI - 26.5%, Fund V - 17.7%

INITIAL INVESTMENT

June 2012

Sector	Headquarters
Industrial support services	South Africa
IFC Category	B-BBEE
B	2
Operating In	
Australia, South Africa and UK, Branches: DRC, Ghana, Mozambique, South Africa, Tanzania, Zambia and Zimbabwe	

BUSINESS OVERVIEW

Waco International (Waco) is an integrated equipment rental and industrial services business with operations in Africa (South Africa and other sub-Saharan African countries) and Australasia (Australia and New Zealand). Divisions include Formscaff, SGB Cape, SkyJacks, Sanitech, Abacus and KwikForm. Waco provides among others, forming, shoring and scaffolding (FSS), portable and modular buildings (RLMB), and sanitation services to the construction, mining, and industrial maintenance sectors in multiple geographic regions.

MANAGING ESG RISKS ACROSS THE BUSINESS:

Applicable IFC Performance Standards



Kwikform - AS/NZS certified ISO 31000:2009 Risk Management Framework (RMF)

Premier UK certified - ISO 14001: 2015 EMS and ISO 45001: 2018 OHS

Sanitech certified ISO 14001:2015 EMS

Waco Africa certified ISO 9001: 2015 EMS, ISO 14001: 2015 EMS, OHSAS 18001 and NOSA-SA



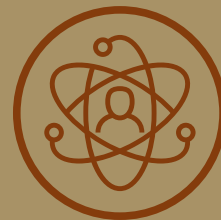
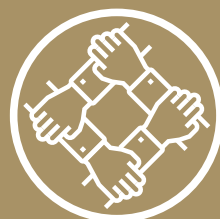
Continuous development and staff training throughout the organization.



Waco has been implementing the separation of waste according to class at all sites and at branches. This is still in progress with procedures and policies in place; focus going forward on training and implementation.

“Waco International is an integrated equipment rental and industrial services business with operations in Africa (South Africa and other sub-Saharan African countries) and Australasia (Australia and New Zealand).”

WACO

KEY 2020 ESG
STATISTICS**5,721**
employees**30%**
of employees are women**3,597**
employees have been trained
equating to 786 training daysEnvironmental
& Social Officer
in role at each
divisionSocial & Ethics
meetings held
quarterlyHas Emergency
Response and
Preparedness
Procedures in placeHealth and Safety
Policy in place

TRANSFORMATION AND ETHOS

**"Our ability to reach
unity in diversity will be
the beauty and the test
of our civilisation."**

Mahatma Ghandi

TRANSFORMATION AT ETHOS PRIVATE EQUITY



Ethos is fully committed to supporting economic growth, meaningful Broad-Based Black Economic Empowerment (B-BBEE) in South Africa and the eradication of poverty and inequality. By setting the strategic compass and vision to drive B-BBEE transformation activities at Ethos and at our PCs, we ensure that our internal processes are designed to assist, monitor, and achieve, meaningful, successful, and most importantly, sustainable, levels of empowerment, both internally and externally. Our performance is actively monitored and specific guidance is given where gaps are identified.

Ethos strives to implement strategies that embrace not just the requirements, but the 'spirit' of B-BBEE. These strategies include, but are not limited to, influencing changes on the Boards of our PCs and in their C-Suites and prioritising the employment of more Black female professionals into senior roles, supporting skills and enterprise development initiatives. In addition, we support implementation programmes by holding regular workshops and engagements on relevant topics with

our teams and PCs. We focus on embracing diversity and inclusion through targeted initiatives, which in turn support the UN Sustainable Development Goals, namely SDG 10 Reduced Inequalities and SDG 5 Gender Equality.

We believe that this combination of activities not only supports the South African economy, the government's economic development policies and those of our broader stakeholders, but also results in improved performance and returns for our investors.

We actively promote the implementation of 'best in practice' methodology in terms of B-BBEE and firmly believe that our activities enhance social development and economic value. Furthermore, the company is continually identifying potential partners with a view to supporting black-owned and black-women owned suppliers wherever possible.

Ethos is currently rated as a Level 3 contributor under the Financial Sector Codes.

Ethos BEE transactions support the national priority of promoting black ownership. Ethos has an on-going policy of proactively seeking investment opportunities involving sustainable material black ownership and participation. The Ethos Mid Market Fund is a mid-cap investor and has strong strategic BEE credentials. We actively drive broader participation in PCs because we believe that businesses with diversity are more valuable and more sustainable.

“Pioneering the introduction of meaningful black ownership in our portfolio companies is a priority. Ethos has significant depth of experience and expertise in structuring and creating value from such transactions.”

COMMITTED TO SUPPORTING ECONOMIC GROWTH & TRANSFORMATION

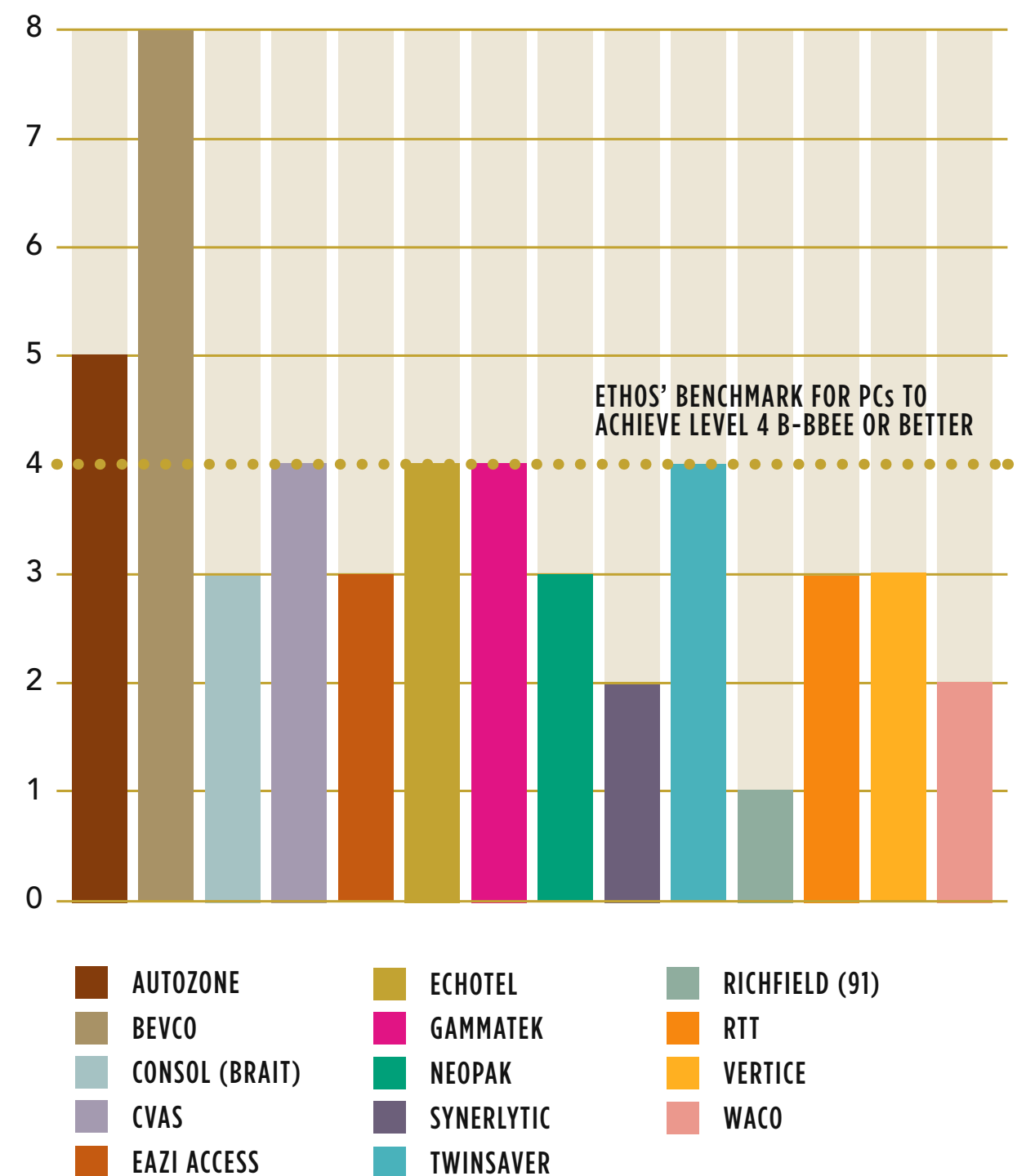
Portfolio Company Transformation

Pioneering the introduction of meaningful black ownership in our PCs is a priority. Ethos has significant depth of experience and expertise in structuring and creating value from such transactions.

Ethos is proud of the role we play in South Africa, enabling significant direct black ownership participation while delivering quality skills transfer to the empowerment groups we have partnered with and thus contributing to UN SDG 10 Reduced Inequalities, specifically through contributing to target 10.4 “adopt policies, especially fiscal, wage and social protection policies and progressively achieve greater equality.”

The significant transfer of business skills that has taken place over the course of our participation in private equity BEE transactions is evidenced by companies where our black empowerment partners have advanced to become established business owners in their own right.

ETHOS PORTFOLIO COMPANY TRANSFORMATION IN 2020



CSR AT ETHOS

The Education Trust

In November 2012, Ethos established the Ethos Educational Foundation Trust (the Education Trust) with the primary objective of providing financial assistance and personal development to talented yet previously disadvantaged individuals to advance their studies having completed their secondary school certificates. Ultimately, our goal was to create improved employment opportunities and, where possible, enable disadvantaged individuals to qualify for, and to enter, financial and professional services. This links to UN SDG 4 Quality Education, specifically target 4.3 "to ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university."

The Education Trust is overseen by a Board of Trustees headed by independent chairman, Mr Peter Mageza, and reports quarterly to the Ethos Board of Directors and the Ethos Sustainability Committee. Formal budget and review processes are in place, whereby regular feedback and reporting is provided by The Tomorrow Trust on the progress of our beneficiaries together with annual site visits to the educational institutions.

The Education Trust launched its bursary programme in January 2013, in partnership with The Tomorrow Trust. It offered four beneficiaries the opportunity

to study undergraduate courses at universities in Cape Town, Johannesburg and Pretoria in the areas of Finance, Engineering and Accounting.

This number has increased year on year to ten students in 2020. Beyond financial contributions to academic fees, learning material and living costs, our close collaboration with The Tomorrow Trust provides beneficiaries with a mentorship and vacation work programme to enhance opportunities for future employment.

Many Ethos staff members support this programme as mentors, giving up numerous hours of their time to coaching and encouraging our students. To give our students the best chance of success and to measure the impact of our programme, we monitor and support all our students post-graduation. We are proud of our students that have graduated and secured permanent employment, and those that are currently completing internships with major financial institutions.

Ethos Educational Foundation Trust currently sponsors seven students involved in different tertiary studies and universities.

Four of our 2020 students have graduated to secure permanent employment in 2021.



CSR AT ETHOS

The Tomorrow Trust

The Tomorrow Trust is a South African NPO founded in 2005 that supports orphaned and vulnerable children throughout their educational journey. The Tomorrow Trust provides integrated education and holistic support from Grade R to Grade 12 and into college and university. They focus on academics and life skills, thereby empowering everyone to reach their full potential as self-sustaining and proactive members of society. Once a student graduates from college, they are fully prepared for a career in their field of study. Providing students with a fulfilling career strengthens their communities and the economy. Graduates go on to support their entire family, thereby bringing them out of poverty.

Over the past 12 months the students participated in the following programmes implemented by The Tomorrow Trust:

- The launch of the first micro-classes online through a platform called Be A Better Human, which provides a variety of eLearning micro classes, including courses on Emotional Intelligence and Personal Branding. A portion of each course fee goes to the linked charity.
- The 2020 SAGEA Development Conference on working with students and graduates during the pandemic.
- The women in Leadership Lighthouse Leadership series.
- Various forum meetings and discussions with partners in the higher education space looking at: measuring the psycho-social impact of our interventions, finding new and more cohesive ways to analyse our results, and general monitoring and evaluation in the higher education space.

"The Tomorrow Trust is a South African non-profit organisation (NPO) founded in 2005 that supports orphaned and vulnerable children throughout their educational journey."

The Tertiary Programme Overview for 2020, included Holistic Workshops, Career Conversations, Youth Employability Programme and the Fierce Programme.

Over the course of the second half of the year, workshops were held on Saturday mornings utilising Zoom and Microsoft Teams. Despite the pandemic, Tomorrow Trust remained committed to continuously remaining up to date with the latest trends, interventions and skills development programmes to ensure the tertiary student support programmes were tailored, remaining world class, innovative and current.



A self-esteem programme called FIERCE, which aims to improve the way our female students think about themselves, their decision making and life choices was implemented; providing a safe and supportive environment for them to explore and implement strategies and coping skills designed to increase self-esteem. This was achieved in a very practical way through intimate, small group sessions in which the girls were able to talk about their self-esteem and how it affects them on a daily basis. Topics covered included; self-esteem, positive identity and self-talk, body image and the power of words, peer pressure and saying no, leadership skills and integrity as a woman.

As part of the holistic support and development for the tertiary students, a structured career programme was planned for 2020. "Career Conversations," a major part of the programme, in which the students were invited to a conversational meeting with professionals from the specific sectors they are studying towards, was implemented online due to the pandemic.

CONTRIBUTORS & CONTACTS

Compiling this report is a significant team effort. The Ethos ESG team would like to thank each of our portfolio companies for taking the time to make a meaningful contribution to this report.

We sincerely hope they, in turn, derive as much benefit as Ethos has. To our Deal Teams... thank you for your insights, patience and perseverance. Special thanks to Frances Cronje, Kate Richardson and Francis Mannix who all provided input and time.

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GLOSSARY / ABBREVIATIONS

ABC	Anti-Bribery and Corruption
ABET	Adult Basic Education Training
ACS	Airtime Credit Services
ADDs	Agriculture Development Divisions
AI	Artificial Intelligence
AIB	Food Safety Certification
ARPU	Average Revenue per Unit (CVas)
Barron	House Brand Name for Kevro
B-BBEE	Broad-Based Black Economic Empowerment
BCI	The Better Cotton Initiative
BLT	Beira Logistics Terminals (J&J - Bulk handling and warehousing)
BWP	Botswanan Pula
CCO	Chief Commercial Officer
CDC	Centre for Disease Control & Prevention
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CHE	Council of Higher Education
CHRO	Chief Human Resources Officer
CIO	Chief Information Officer
COO	Chief Operations Officer
COVID-19	Caused by infection with the severe acute respiratory syndrome
CPO	Chief People Officer
CRMs	Certified Reference Materials
CSD	Carbonated Soft Drinks
CSI	Corporate Social Investment (is external to the normal business activities of a company and is not primarily undertaken for purposes of increasing company profit)
CSIR	Council for Scientific and Industrial Research
CSR	Corporate Social Responsibility
DFI	Development Finance Institute
DRC	Democratic Republic of Congo
EAP	Employee Assistance Program
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortization
EE	Employment Equity
EHS	Environmental Health and Safety
ESAP	Environmental Safety Action Plan
ESD	Enterprise Supplier Development
ESG	Environmental, Social and Governance
ESGMS	Environmental, social and governance management system
ESMS	Environmental Social management system
ETB	Ethiopian Birr
EUC	End User Computer Training
Exco	Executive Committee
FET	Further Education and Training
FMCG	Fast Moving Consumer Goods

FSC	Forest Stewardship Council certification	MNO	Mobile Network Operators
FSS	Forming, shoring and scaffolding	MWK	Malawian Kwacha
FSSC 22000	Food Safety Management Systems	NEPAD	New Partnership for Africa's Development
GHG	Greenhouse Gas	NGO	Non-Governmental Organization
GIN	ISP Gondwana	NHLS	Zambian National Health Laboratory Services
GOTS	Textile processing standard for organic fibres	Nomco	Nominations Committee
GSM	Mobile Network Operators	NOSA-SA	National Occupational Safety Association – South Africa
HCFM	Health Care Foods Manufacturers	NPO	Non-Profit Organization
IBLTs	Independent Beira Logistics Terminals and Services (J&J - Container depot, handling and warehousing)	NQF	National Qualifications Framework
ICAP	Health Leader Situated at Columbia University	OHS	Occupational Health and Safety
ICT	Information and Communications Technology	OHSAS 18001	Occupational Health and Safety Management systems certification
IFC PS	International Finance Corporation Performance Standards	OSHAC	Occupational Safety and Health Administration Committee
ISO 13485	Medical devices – Quality management systems	PC	Portfolio Company
ISO 14001	International standard that specifies requirements for an effective environmental management system	POPI Act	Protection of personal information
ISO 14064	Specifies principles and requirements at the organisation level for the quantification and reporting of greenhouse gas emissions	PPE	Personal Protective Equipment
ISO 17025	Competence of testing and calibration laboratories	Qode	Vertice bolt-on acquisition
ISO 17034	Quality assurance procedures of the reference material producer, covers the production of all reference materials, including certified reference materials	QMS	Quality Management System
ISO 17043	Competence of providers of proficiency testing schemes and for the development and operation of proficiency testing schemes	R&D	Research and Development
ISO 18001	Is an international standard which provides a framework to identify, control and decrease the risks associated with health and safety within the workplace	Remco	Remunerations Committee
ISO 22001	Food Safety Management	RI	Responsible Investment
ISO 31000	Risk Management Guidelines	RLMB	Portable and modular buildings
ISO 39001	Road traffic safety (RTS) management systems	RMF	Risk Management Framework
ISO 45001	International standard for health and safety at work developed by national	SADC	South African Development Community
ISO 9001	International standard that specifies requirements for a quality management system	SDG	Sustainable Development Goal
ISP	Internet Service Provider	SEC	Social & Ethics Committee
ITC	Independent Tower Company	SED	Social Economic Development
JSE	Johannesburg Stock Exchange	SETA	Sector Education and Training Authority
KL	Kilolitre	SHEQ	Safety, Health, Environment and Quality
KPIs	Key Performance Indicator	SMME	Small Medium sized enterprise
LEDs	Light emitting Diode	SOPs	Standard Operating Procedures
LP	Limited Partner	TB	Tuberculosis
LTE	Vertice bolt-on	TBC	The Beverage Company
LTI	Lost time injury	TIC	Testing, Inspection and Certification
LTIFR	Lost Time Injury Frequency Rate	TVET	Technical Vocational Education and Training
MEWPs	Mobile Elevated Work Platforms	Umalusi	Council for Quality Assurance in General and Further Education and Training
MFS	Mobile Financial Services	UN	United Nations
MHM	Menstrual Health Management	CEO	Chief Executive Officer
MIC	Mineworkers Investment Consortium	UNDP	United Nations Development Programme
		UNICEF	United Nations International Children's Emergency Fund
		VMTG	Vertice Medtech Group
		WFH	Work From Home
		WIL	Work Integrated Learning
		WRP	Work Readiness module
		YES Programme	Youth Employment Service Initiative in South Africa
		ZAR	South African Rand

The logo consists of the word "ETHOS" in a bold, white, sans-serif font. It is centered within a solid black square. This square is further enclosed by a thin, gold-colored rectangular border. The entire logo is positioned in the upper right quadrant of the page.

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REPORT
2021