

# First National Bank of Namibia Ltd

## INVESTOR PRESENTATION

March 2025



## Presentation team & key contacts

### FNB NAMIBIA / ISSUER REPRESENTATIVES

Lizette Smit	Chief Financial Officer
Selma Kapeng	Group Treasurer
Cecil Goliath	Intraday Liquidity Specialist
Oskar Musilika	Head of Funding & Liquidity
Nina Louw	Strategy & Business Development Manager

### RMB / ARRANGER

Leigh Buckley	Co-Head DCM – RMB South Africa	<a href="mailto:leigh.buckley@rmb.co.za">leigh.buckley@rmb.co.za</a>
Monet Basson	Transactor – RMB Namibia	<a href="mailto:monet.basson@rmb.com.na">monet.basson@rmb.com.na</a>
Rehabeam Auala	Distribution – RMB Namibia	<a href="mailto:rauala@rmb.com.na">rauala@rmb.com.na</a>
Beth Rivett-Carnac	Sustainable Finance – RMB South Africa	<a href="mailto:beth.rivett-carnac@rmb.co.za">beth.rivett-carnac@rmb.co.za</a>
Warren Masombuka	Sustainable Finance – RMB South Africa	<a href="mailto:warren.masombuka@rmb.co.za">warren.masombuka@rmb.co.za</a>



## Agenda

1

Overview of FirstRand's shared prosperity approach

2

Operating businesses' value propositions

3

FirstRand sustainable finance framework

4

FNB Namibia's inaugural sustainable bond issuance

5

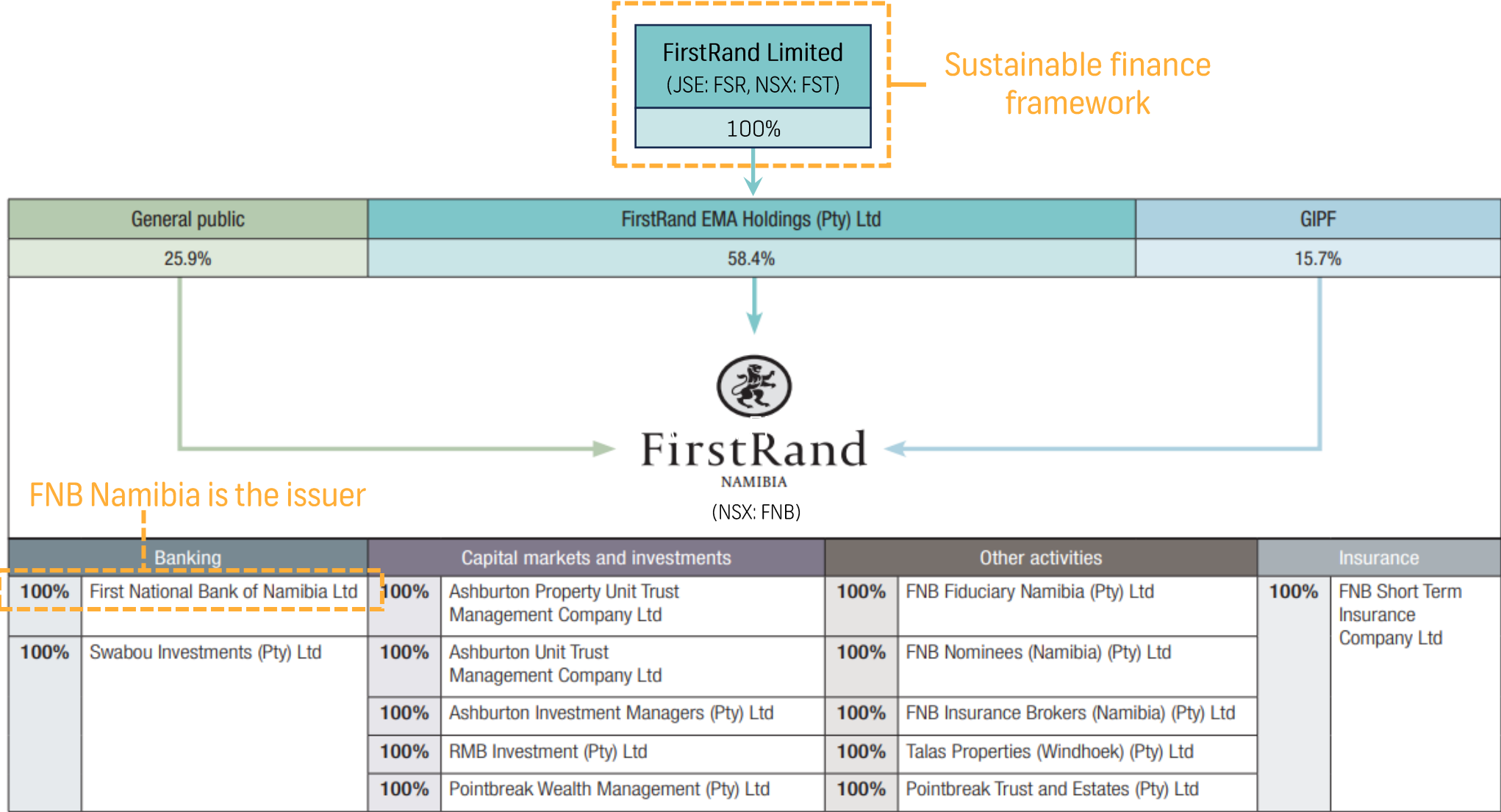
Term sheet & timelines



# Overview of FirstRand Namibia's shared prosperity approach



Group structure

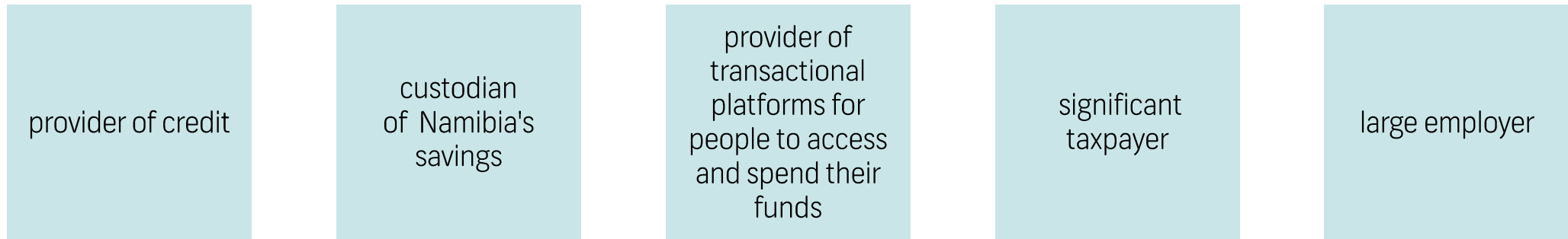


## FirstRand Namibia's role in society

FirstRand Namibia commits to building a globally competitive Namibia; providing access to opportunities.

FirstRand Namibia's purpose underpins an approach to do what matters, **delivering shared prosperity in Namibia**, and for all stakeholders involved. This is the basis for a **sustainable future and creating long-term value** for shareholders, but also for society, the economy and the environment.

The nature, size and scale of FirstRand Namibia's business activities result in a broad set of financial and societal impacts:

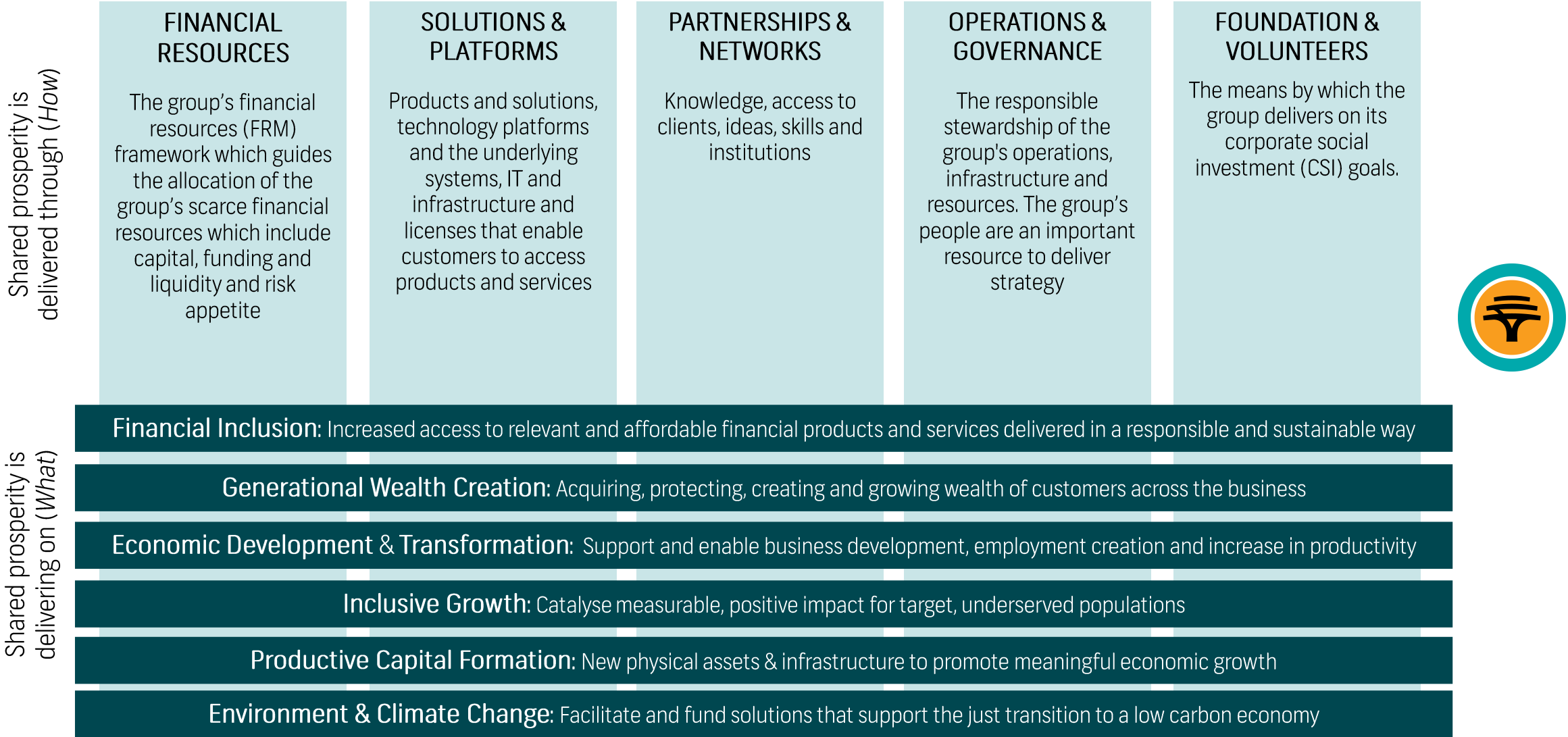


Given this position, FirstRand Namibia recognises that it has a responsibility to deliver both **financial value and positive societal outcomes**, including social, environmental and economic, for multiple stakeholders. Delivering this value requires **intentionally using core business activities**, including allocating capital to the economy, to add value to society – profitably and at scale.

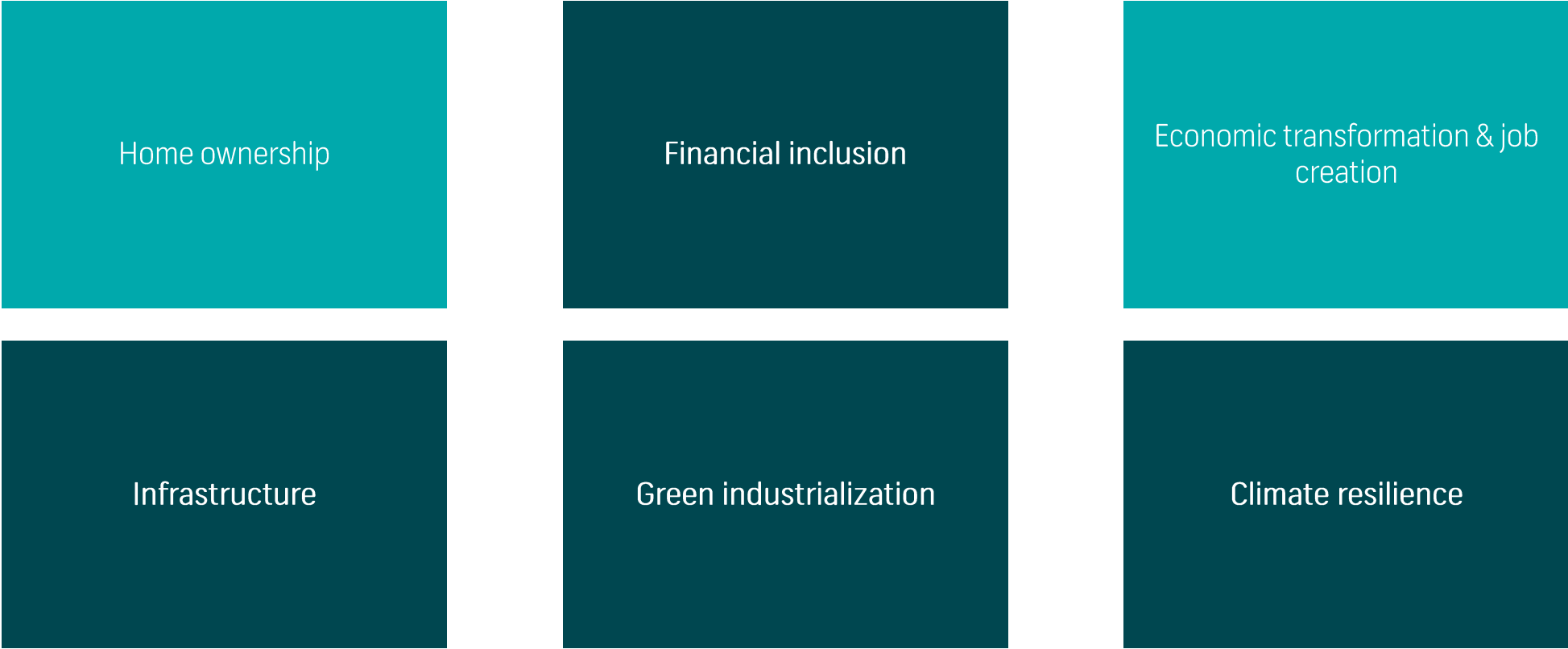
FirstRand Namibia's total impact on society ranges from its contribution to the FirstRand Namibia Foundation Trust's corporate social investment spend, to how it manages its operations, its network and partnerships, technology and, most importantly, how it **deploys its balance sheet and core business activities**.

# Shared Prosperity – inclusive value creation

**Shared prosperity:** Intentionally using core business activities to add value to society – profitably and at scale.



Nexus of business activities and development needs supporting Shared Prosperity



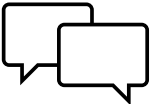
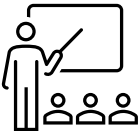
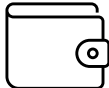
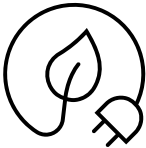



■ These activities correlate with the indicatively identified investment categories and underlying assets identified for this sustainable bond issuance



# Operating businesses' value propositions



FNB Namibia Retail delivering on Shared Prosperity

Financial literacy	Increase access, decrease distance	Climate resilience	Housing	Access to education
<p>Training focusing on:</p> <ul style="list-style-type: none"><li>• Personal finance</li><li>• Credit</li><li>• Money management</li></ul>  <p>24 000 engagements through messaging</p>  <p>1 771 direct engagements through workshops</p>	<p>22.3 million eWallet transactions</p> <p>1.3 million eWallet customers</p> <p>15 272 DigiPlus accounts</p> <p>346 CashPlus Agents (agency banking model, bringing banking closer to the people)</p> <p>1 534 Cash@Till representation points</p> 	 <p>Launched <b>green loans</b> facilitating customers' transition to climate conscious products and services.</p>	<p>Through Development Workshop Namibia, partnering with local authorities to plan and service residential land as an alternative to informal settlements, delivering:</p> <ul style="list-style-type: none"><li>• 31 new residential areas delivered</li><li>• 6220 plots developed to date</li></ul>  <p>N\$ 16.8 billion total home loans</p> <p>24 000+ homes financed</p>	 <p>620 student loans</p>  <p>N\$ 38 million new student loans</p> <p>N\$ 100 million total student loans</p>

FNB Commercial delivering on Shared Prosperity

Enablement for growth

Business growth enables job creation, enhances access to opportunities and the ability of diversified products and services to be offered in the Namibian market.

**Basecamp** – An incubation and innovation centre building a thriving Namibian start-up ecosystem where new, innovative ideas flourish and grow into sustainable businesses.  
**303 participants**

**Namibia Angels Business Association Network (Naban)** – A “Dragon’s Den” direct pitching platform to an audience of local angel investors to raise local equity investment in their businesses.  
**8 events, 24 startups**

**Harambeans** – Unlocking the local entrepreneurial landscape through the Harambeans Lab, an online learning platform, with insights from Africa’s leading innovators.  
**2 in-person sessions**

Business development and growth

**N\$ 1.4 billion** SME funding

**3600+** loans to SMEs

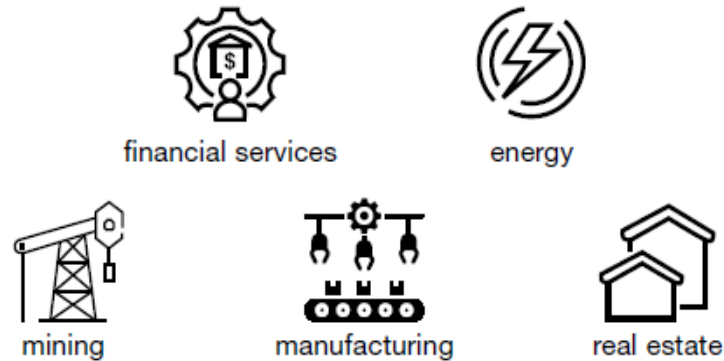
**12 924 interactions** with the SME Digital Hub – financial inclusion through ease and convenience, wherever the client is

**N\$ 195 million** SME recovery scheme funding



## RMB Namibia delivering on Shared Prosperity

N\$ 5.83 billion  
facilitated and deployed in sectors such as:



This directly or indirectly contributed to

- Supporting economic sustainability and livelihoods in mining communities in Namibia;
- Developing logistics infrastructure to support the retail sector;
- Enabling access to finance low- and middle-income Namibians;
- Supporting future sustainability of telecommunications, services, and infrastructure

### Financial inclusion

- Collaboration with the Namibia Securities Exchange (NSX) on the implementation of the **electronic bond trading system**.
- Listing of an exchange traded note (ETN) programme – giving Namibians access to invest in companies such as Amazon, Berkshire Hathaway and Microsoft for as little as N\$10.



### Market development for impact

- Arranger, dealer, NSX debt sponsor, sustainability advisor and coordinator for the first-to-market Letshego Namibia social bond. N\$ 322 million bids received, issuance size of N\$ 260 million.

# Sustainable finance framework



## Group sustainable finance framework

- Previous thematic bond issuance were done under FirstRand's sustainability bond framework
- The framework has now been updated to a more comprehensive sustainable finance framework (SFF)
- The SFF can be utilized by FirstRand and its other group subsidiaries, including FNB Namibia. FNB Namibia's sustainable finance objectives are derived from the Group's SFF.
- The Group's sustainable finance framework will be used for future issuances of thematic instruments (e.g. green, social and/or sustainability financial instruments – primarily bonds, loans, derivatives, etc.)
- The SFF is aligned to international best practice and guidance published by the International Capital Market Association (ICMA), the Loan Market Association (LMA), the Loan Syndications and Trading Association (LSTA) and the Asia Pacific Loan Market Association (APLMA), including:
  - Green Bond Principles (with June 2022 Appendix I) (ICMA, 2021a);
  - Social Bond Principles (ICMA, 2023);
  - Sustainability Bond Guidelines (ICMA, 2021b);
  - Green Loan Principles (LMA, LSTA, APLMA, 2023a); and
  - Social Loan Principles (LMA, LSTA, APLMA, 2023b).
- Independently reviewed by S&P Global Ratings
- Framework and second-party opinion available on FirstRand Namibia's website: [FirstRand | Debt investor centre – sustainable finance](#)
- Refer to the Annexure for the summary of changes to the framework

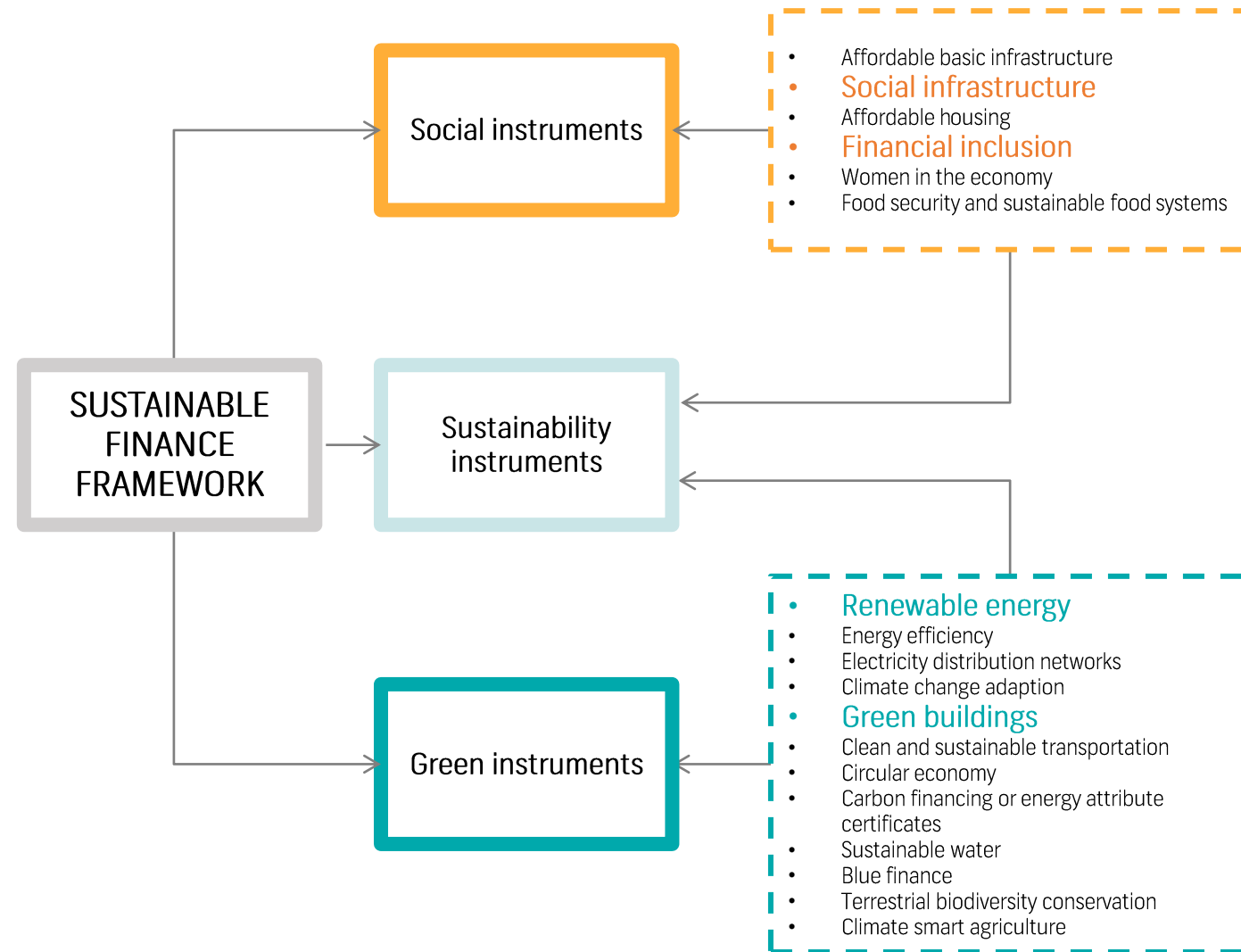


# FNB Namibia's inaugural sustainability bond



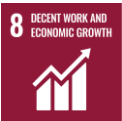






## Targeted social and green investment categories

- FNB Namibia intends to issue a Sustainability Bond, which will target the highlighted investment categories on the right
- Allocation of assets across these categories will be done on a best-efforts basis
- FNB Namibia reserves the right to select alternative green and/or social investment categories outlined in the SFF to the extent needed to reach full allocation
- Given this will be a Sustainability Bond issuance, assets will need to be allocated to a minimum of one green and one social investment category





## Relevance of the target green and social investment categories

	Shared prosperity theme	Investment Category*	Applicable UN SDG	Importance to Namibian economy	Indicative impact indicators**
Social	Inclusive Growth	Financial inclusion	  	The <u>Financial Sector Strategy (2021-2030)</u> highlights the need to create a more inclusive financial sector by addressing barriers to financial access and promoting the use of technology to deliver financial services	<ul style="list-style-type: none"> <li>• Number of people with increased access to affordable credit and savings</li> <li>• Number of MSMEs financed, as well as the value of MSME loans</li> </ul>
		Digital inclusion		<u>The National Digital Strategy (2025-2029)</u> highlights government's aims to harness digital technologies for economic growth, social advancement, and overall societal inclusion	<ul style="list-style-type: none"> <li>• Number of people with access to information and communications technology</li> <li>• Number of first-time internet connections</li> </ul>
Green	Environment & Climate Change	Renewable Energy		The government aims to achieve 70% of its energy supply from renewable sources by 2030, outline in the <u>National Renewable Energy Policy</u>	<ul style="list-style-type: none"> <li>• Total installed capacity MW</li> <li>• Annual generated renewable power (MWh/year)</li> </ul>
		Green Buildings	 	Commitment by government to invest over N\$980 billion in green infrastructure, including green buildings, is highlighted in Namibia's <u>Green Industrialisation Blueprint</u>	<ul style="list-style-type: none"> <li>• Number of green buildings funded</li> <li>• Total m<sup>2</sup> of green buildings funded</li> </ul>



## Specific information for FNB Namibia's proposed sustainable bond

Proceeds will likely to be allocated to existing assets with intention to also achieve allocation to new assets, on a best efforts basis



**Existing assets (loans)** are those which have been originated up to 24 months prior to the issuance date



**New assets (loans)** are those which have been originated post the issue date of the bond



Any unallocated bond proceeds will be **fully allocated** to applicable eligible assets (loans) within 24 months from the date of issue

FNB Namibia will publish an allocation and impact report supported by a limited assurance report on the allocations. This report will be made available on an annual basis until full allocation has been achieved.



### Allocation and impact reporting

The allocation and impact report will provide:

- Total amount of proceeds allocated to eligible loans/assets
- Number of eligible loans/assets
- Balance of unallocated proceeds
- Amount or the percentage of new financing and refinancing
- Annual impact indicators

# Term sheet & timelines



## Outstanding & latest market issuances

Issuer	Issue Date	Maturity Date	Tenor	Amount	Issue Price
Commercial banks					
Bank Windhoek	22-Nov-22	30-Sep-24	2 years	NAD125m	3m JIBAR + 150
	22-Dec-22	02-Dec-25	3 years	NAD175m	3m JIBAR + 135
	04-Dec-23	02-Dec-24	2 years	NAD200m	3m JIBAR + 116
	04-Dec-23	04-Dec-25	3 years	NAD100m	8.8% (fixed)
Letshego Holdings	29-Jun-22	29-Jun-25	3 years	NAD200m	3m JIBAR + 280
Standard Bank	07-Jun-24	07-Jun-27	3 years	NAD150m	3m JIBAR + 115
First National Bank	03-Dec-24	03-Dec-29	5 years (10 no call 5)	NAD500m	3m JIBAR + 195
Letshego Bank	29-Nov-24	29-Nov-29	5 years	NAD300m	3m JIBAR + 220
Sustainable Bonds					
Bank Windhoek	02-Jun-21	02-Feb-26	5 years	NAD227m	3m JIBAR + 150
	08-Dec-21	02-Jun-26	5 years	NAD180m	3m JIBAR + 150
First National Bank	23-Mar-22	23-Mar-25	3 years	NAD241m	3m JIBAR + 145
	23-Mar-22	23-Mar-27	5 years	NAD112m	3m JIBAR + 173
Standard Bank	05-Jul-22	07-Jul-25	3 years	NAD200m	3m JIBAR + 139
	05-Jul-22	05-Jul-27	5 years	NAD200m	3m JIBAR + 169
Letshego Holdings	17-May-24	17-May-27	3 years	NAD260m	3m JIBAR + 295
Corporate Bonds					
Gondwana	15-May-23	15-May-26	3 years	NAD150m	3m JIBAR + 220
	15-May-23	15-May-28	5 years	NAD100m	3m JIBAR + 250
Oryx	18-Nov-22	18-Nov-25	3 years	NAD248,5m	3m JIBAR + 250
Paratus	18-Jun-21	16-Sep-25	5 years	NAD30m	3m JIBAR + 270
	16-Sep-22	16-Sep-25	3 years	NAD25m	3m JIBAR + 325
	16-Sep-22	16-Sep-27	5 years	NAD100m	3m JIBAR + 325
	18-Jun-24	18-Jun-29	5 years	NAD175m	3m JIBAR + 270



## Indicative term sheet

Target issuance volume up to N\$ 500 million	
Issuer	First National Bank of Namibia Limited
National scale credit rating	Ba2/NP, stable outlook assigned on 21 March 2024
Nominal target	Up to N\$ [500] million
Instrument type	Floating
Pricing reference rate	3-month JIBAR <i>(or in the event that the JIBAR ceases to apply, such other rate as may be determined by the Calculation Agent and notified to the Noteholder)</i>
Auction date	18 March 2025
Settlement date	24 March 2025 (T+3)
Maturity date	24 March 2028
Instrument states	Sustainable senior unsecured, listed on the sustainability segment of the NSX
Use of proceeds	The proceeds of the notes will be used by the issuer to finance and/or refinance, in whole or in part, existing and/or future sustainable projects, which meet certain criteria outlined within section 5.1 of the FirstRand's sustainable finance framework. For further information please refer to the applicable pricing supplements (APSs).
Use of proceeds penalty	To the extent the Issuer cannot fully allocate the proceeds within the 24-month allocation period, Use of proceeds penalty a penalty of 15 bps will be added to the margin stipulated in the final APS.
Placement methodology	Dutch auction (sealed bid without feedback)



# Indicative timeline

Dates	Action item
Monday, 3 March 2025 & Thursday, 6 March 2025	Investor roadshow (virtual group meetings)
10 March 2025	Term sheet with price guidance released to investors
18 March 2025	Auction date
24 March 2025	Settlement date (T+3)



## Relevant links

- [FirstRand Namibia | Debt investor centre](#)
  - [FNB Namibia Programme Memorandum \[Mar 2022\]](#)
- [FirstRand SA | Debt investor centre](#)
  - [FirstRand sustainable finance framework \[Nov 2024\]](#)
  - [Second-party opinion – FirstRand sustainable finance framework \[Nov 2024\]](#)
  - [FNB Namibia Green Bond Allocation and Impact Report \[Mar 2023\]](#)



# Annexures

Summary of changes to investment categories and eligibility criteria in FirstRand's sustainable finance framework





## Changes to FirstRand's social investment categories and eligibility criteria

Investment category	Material changes compared to previous framework
Affordable basic infrastructure	<ul style="list-style-type: none"><li>• Restructured the section to highlight the specific areas of investment</li><li>• Included energy, transportation and telecommunication as additional investment themes</li></ul>
Social infrastructure	<ul style="list-style-type: none"><li>• Restructured the section to highlight the specific areas of investment</li><li>• Revised the eligibility criteria for education and health</li><li>• Included digital inclusion as an additional investment theme</li></ul>
Financial inclusion	<ul style="list-style-type: none"><li>• Renamed the category to “financial inclusion” from “improvement of access to funding for MSMEs and low-income populations”</li><li>• Focus remains on the financing of SMEs</li><li>• Included criteria for promoting equitable access to assets, services, resources and/or opportunities to reduce inequality</li></ul>
Food security and sustainable food systems	<ul style="list-style-type: none"><li>• New investment category</li></ul>



## Changes to FirstRand's green investment categories and eligibility criteria

Investment category	Material changes compared to previous framework
Renewable energy	<p><b>Hydropower</b></p> <ul style="list-style-type: none"> <li>• Removed differentiation between large scale and small scale</li> <li>• Revised power density threshold to <math>\geq 10 \text{ W/m}^2</math></li> <li>• Revised lifecycle greenhouse gas (GHG) emissions to <math>\leq 50 \text{ gCO}_2\text{e/kWh}</math></li> <li>• Introduced criteria on artificial reservoir or low storage capacity for run-on-river plants</li> </ul> <p><b>Green hydrogen</b></p> <ul style="list-style-type: none"> <li>• Moved eligibility criteria from green hydrogen to renewable energy.</li> <li>• Introduced threshold for lifecycle GHG emissions to be lower than <math>3 \text{ tCO}_2\text{e/tH}_2</math></li> </ul>
Energy efficiency	<ul style="list-style-type: none"> <li>• Introduced a minimum threshold of 20% improvement in overall energy efficiency against a baseline</li> </ul>
Electricity distribution networks	<ul style="list-style-type: none"> <li>• Removed the eligibility criteria related to modernisation geared at retrofitting transmission lines or substations</li> </ul>
Clean transportation	<ul style="list-style-type: none"> <li>• Introduced the following new eligibility criteria: <ul style="list-style-type: none"> <li>◦ Fully electric, biofuel or hydrogen-powered passenger/cargo ships in the eligibility criteria</li> <li>◦ Shipping projects</li> <li>◦ Transport infrastructure projects</li> </ul> </li> <li>• Introduced thresholds for various types of hybrid vehicles.</li> </ul>



## Changes to FirstRand's green investment categories and eligibility criteria

Investment category	Material changes compared to previous framework
Circular economy	<ul style="list-style-type: none"> <li>• Separate investment category</li> <li>• Revised eligibility criteria – changed “reduce the amount of water produced or sent to landfill” to “prevent waste generation”</li> <li>• Removed eligibility criteria related to financing of nature-based carbon capture and storage technologies and projects with carbon capture and storage benefits such as afforestation, marine, wetland and peatland conservation</li> <li>• New eligibility criteria introduced</li> </ul>
Pollution prevention and control	<ul style="list-style-type: none"> <li>• Introduced the following new eligibility criteria: <ul style="list-style-type: none"> <li>○ Reduction of air emissions</li> <li>○ Reduction/elimination of high global warming potential refrigerants</li> <li>○ Phaseout/elimination of substances causing depletion of the ozone layer</li> </ul> </li> </ul>
Carbon financing or energy attribute certificates	New investment category
Sustainable water	New investment category
Blue finance	New investment category



## DISCLAIMER

The information contained in this presentation is confidential and is intended solely for this presentation. This presentation may contain information proprietary to First National Bank of Namibia Ltd (“the Company”) and may not be reproduced or disseminated in whole or in part without the Company’s prior written consent.

The Company is not acting as your adviser in any transaction that may be proposed herein and this presentation does not constitute a recommendation, guidance or proposal to enter into any transaction. Any decision to enter into a transaction should be made on the basis of information contained within an Offering Circular, Programme Memorandum or Prospectus published in relation to such an offering.

The Company does not guarantee or otherwise assure the expected results of any transaction as envisaged in this presentation. You shall not be entitled to place any reliance on the information contained in this presentation for the purposes of entering into any proposed transaction or otherwise.

The information in this presentation, including the financial information on which the outlook is based, has not been reviewed and reported on by the Company’s external auditors. This presentation contains only a summary of the information in the financial results announcement for the year ended 30 June 2024. Any investment decision should be based on the full NENS announcements published February 2025 which is also available on the Company’s website at [Financial results – FirstRand Namibia](#).



Thank you

