REPORT NAVIGATION

Our reporting suite for the year ended 31 March 2021 consists of three reports.

The **2021 Integrated Annual Report**, which is our primary communication with our stakeholders.

The **2021 Annual Financial Statements**, which includes the directors’ report and the independent auditor’s report.

The **2021 Sustainability Review**, which provides further information on our sustainability performance.

CONTENTS

ABOUT THIS REPORT
- Our sustainability highlights: 3
- Message from our Chief Executive Officer: 4

ABOUT THE DBSA
- ENABLING SUSTAINABILITY: 11
- OUR DEVELOPMENT POSITION: 16
- OUR DEVELOPMENT IMPACT: 18

Planning and project preparation
- Ray Nkonyeni Local Municipality: 21
- Six municipalities: Project preparation support: 22
- City of Johannesburg (COJ) – Alternative waste treatment technology: 24
- Ecological infrastructure for water security project: 25
- Camdeboo Satellite Aquaculture Project: 26
- Shepherding Back Biodiversity: 27
- Apalia 24 DRC: 28

Infrastructure financing
- Shinhleni Junior Secondary School: 30
- Bridge City project: 31
- Midvaal Local Municipality – PPP electricity project: 32
- University of Fort Hare Student Housing Infrastructure Program (SHIP): 34
- Royal Buffalo Hospital Project: 36
- Mozambique’s EDM: 38
- Ignite Mozambique: 38
- Angola Sun solar project: 39
- Tanzania Railways Corporation: 40
- BitPesa financial technology solution: 41

Building and maintenance
- Expansion of the Springs Fresh Produce Market: 42
- Upgrading of 1 Military Hospital: 43
- North West Hospitals Infrastructure Support Programme: 44
- Innovative Design of Public Schools’ Infrastructure: 45

CLIMATE AND ENVIRONMENTAL RESPONSIBILITY
- Supporting environmentally orientated infrastructure programmes: 47
- Green Climate Fund: 48
- Reducing our impact on the environment: 49

CORPORATE SOCIAL RESPONSIBILITY
- Pan-African Capacity Building Programme: 50
- Our response to combat COVID-19: 52
- Social Innovation: DLAB Precinct Model: 53

CORPORATE SOCIAL INVESTMENT
- Education: 54
- School leadership development: 56
- ECD infrastructure: 57
- Integrated School Health Programme: 58
- Handwash stations: 58
- PPE’s and technological equipment for curriculum catch-up: 59
- Packed food, food vouchers and sustainable food gardens: 60

REFERENCE INFORMATION
- Annexure A: Global Reporting Initiative Table: 62
- Annexure B: United Nations Global Compact: 63
- Acronyms and abbreviations: 66
- General information: IBC
Throughout our 2021 Sustainability Review, the following icons are used to show connectivity between sections.

Indicates a website reference where more information can be found.

Indicates a page reference where more information can be found.

**OUR STRATEGIC OBJECTIVES**

- Sustained growth in developmental impact
- Maintain financial sustainability
- Providing integrated infrastructure solutions
- Sustainability innovations

Refer to pages 42 to 47 of our Integrated Annual Report for further details of our strategic objectives.

**OUR CAPITALS**

- **FC** Financial capital
- **SRC** Social and relationship capital
- **NC** Natural capital
- **IC** Intellectual capital
- **HC** Human capital
- **MC** Manufactured capital

Refer to pages 20 to 21 of our Integrated Annual Report for further details of the capitals and how we use them to create value for our stakeholders.
PERFORMANCE HIGHLIGHTS

OPERATIONAL PERFORMANCE

R26.6 billion in total infrastructure delivered

R13.5 billion total loan disbursements

R0.9 billion worth of projects prepared and committed

R8.2 billion funds catalysed

R2.6 billion in infrastructure implementation support delivered

R1.4 billion infrastructure unlocked for under-resourced municipalities

DEVELOPMENT IMPACT

6 909 learners benefited from 11 newly built schools

33 125 learners benefited from 51 refurbished schools

1 031 local SMMEs and subcontractors employed in the construction of projects

R2.4 billion value of infrastructure delivered by black-owned entities while R1.0 billion delivered by black women-owned entities

R2.1 billion local SMMEs and subcontractors employed in the construction of projects

55 DBE COVID-19 mobile toilets were completed in Eastern Cape benefiting 16 042 learners

68 DBE SAFE VIP toilets constructed

160 Isolation pods delivered to the Eastern Cape Department of Health and Department of Defence

8 971 temporary jobs created

R26.6 billion in total infrastructure delivered

R13.5 billion total loan disbursements

R0.9 billion worth of projects prepared and committed

R8.2 billion funds catalysed

R2.6 billion in infrastructure implementation support delivered

R1.4 billion infrastructure unlocked for under-resourced municipalities

6 909 learners benefited from 11 newly built schools

33 125 learners benefited from 51 refurbished schools

1 031 local SMMEs and subcontractors employed in the construction of projects

R2.4 billion value of infrastructure delivered by black-owned entities while R1.0 billion delivered by black women-owned entities

R2.1 billion local SMMEs and subcontractors employed in the construction of projects

55 DBE COVID-19 mobile toilets were completed in Eastern Cape benefiting 16 042 learners

68 DBE SAFE VIP toilets constructed

160 Isolation pods delivered to the Eastern Cape Department of Health and Department of Defence

8 971 temporary jobs created
Building Africa’s Prosperity
The Development Bank of Southern Africa (DBSA) is one of Africa’s leading development finance institutions, and is wholly owned by the Government of the Republic of South Africa.

The DBSA’s primary purpose is to promote inclusive and sustainable economic development, growth and regional integration through infrastructure finance and development that improves the quality of life for people in Africa.
While this report may be of interest to many of our stakeholders, including the government, it deals with issues of particular interest to bond investors and analysts, sustainable development professionals and other parties that have a specific interest in the DBSA’s developmental impact and sustainability performance. This report includes a selection of case studies as well as a summary of our estimated development impact to give the reader a sense of the impact we have had in the year under review.

This report focuses on the areas where we have made long term impact while ensuring the sustainability of our business. The boundary of the review is the DBSA as a legal entity and there are no significant changes to the scope or aspect boundaries during the reporting period.

We produce a full suite of reports to cater for the diverse needs of our stakeholder base. Our Integrated Annual Report articulates how the DBSA creates value over the short, medium and long term across financial, intellectual, social and relationship, human, natural and manufactured capitals. This is complemented by our full Annual Financial Statements and our Sustainability Review, which caters to a broader stakeholder base and communicates the Bank’s impacts on the economy, the environment and society over the past few years. Using select case studies, this report demonstrates the development impact we have achieved amid the existing material matters of the ability of clients to repay their loans; unfolding impacts of the COVID-19 pandemic; increasing reliance on technology; liquidity and balance sheet management; maintaining high standards of ethics and integrity; operating in diverse macroeconomic environments; and human capital development.

REPORTING FRAMEWORKS

We developed this report in accordance with the Global Reporting Initiative (GRI) Standards (Core). A detailed GRI table, responding to each of the GRI criteria can be found in Annexure A to this report. We utilised our management approach toward material issues for evaluating the GRI’s Specific Standard Disclosures. We also disclose the Bank’s alignment with the United Nation’s Global Compact principles in Annexure B.

MATERIALITY

The DBSA defines material issues as those that have the potential to substantially impact our ability to create and sustain value for our stakeholders. In identifying matters that are material, we consulted a wide range of resources, including:

» The Shareholder’s Compact and the DBSA’s Corporate Plan
» The DBSA’s key risks identified during the risk management process
» The business context of a Development Finance Institution (DFI)

ASSURANCE

The DBSA management has assessed the viability of having the Sustainability Review, other than the elements mentioned hereafter, externally assured. We concluded that the benefits exceed the cost of doing so. The DBSA Internal Audit team has reviewed the disclosures on the GRI tables, with its findings indicated as part of Annexure A.

In addition to providing assurance on the DBSA’s Annual Financial Statements, our external auditor is required to perform certain procedures on our predetermined performance indicators. Their report and findings are reflected in the external auditor’s report in the Annual Financial Statements.

APPROVAL OF THE SUSTAINABILITY REVIEW

The integrity of the Integrated Annual Report is ultimately the responsibility of the Board, with assistance from the Audit and Risk Committee as well as DBSA Executive Management.

The DBSA’s leadership provides management oversight to a team with the necessary skills and experience to undertake the reporting process. This report was prepared under the supervision of the Chief Economist and was approved by the Board of Directors on 15 July 2021.

Comments on this report can be sent to DBSA’s Head of Strategy at corporatestrategy@dbsa.org or Headway Hill, 1258 Lever Road, Midrand.
ECONOMIC INFRASTRUCTURE AND GROWTH IN SOUTH AFRICA
The DBSA accelerates sustainable socio-economic development by funding economic infrastructure in the energy, transport, water and sanitation, and information and communications technology (ICT) sectors.

SUPPORTING SOCIAL DEVELOPMENT AND SERVICE DELIVERY IN SOUTH AFRICA
The DBSA acts as an implementer of government priorities, and local government is key to supporting delivery of basic services to communities. Important to note is that the DBSA is the only national DFI in South Africa that provides infrastructure support to the nation’s municipalities and metros. We further support the South African government in financing and accelerating infrastructure programmes at metro and municipal levels.

OUR SUSTAINABILITY HIGHLIGHTS
REGIONAL INTEGRATION

Regional integration is essential to simultaneously grow the South African and the broader continent’s economies. By investing in infrastructure projects that facilitate trade and increase Africa’s global competitiveness, the DBSA supports regional development and integration. Ultimately, we aim to improve the quality of life of the people of the region. The funded sectors and associated values are depicted below.

<table>
<thead>
<tr>
<th>R million</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approvals</td>
<td>2 343</td>
<td>17 181</td>
</tr>
<tr>
<td>SADC (excluding South Africa)</td>
<td>–</td>
<td>10 636</td>
</tr>
<tr>
<td>Non-SADC countries</td>
<td>2 343</td>
<td>6 545</td>
</tr>
<tr>
<td>Commitments</td>
<td>2 538</td>
<td>15 520</td>
</tr>
<tr>
<td>SADC (excluding South Africa)</td>
<td>1 672</td>
<td>8 154</td>
</tr>
<tr>
<td>Non-SADC countries</td>
<td>866</td>
<td>7 366</td>
</tr>
<tr>
<td>Disbursements</td>
<td>4 534</td>
<td>5 405</td>
</tr>
<tr>
<td>SADC (excluding South Africa)</td>
<td>1 606</td>
<td>2 119</td>
</tr>
<tr>
<td>Non-SADC countries</td>
<td>2 928</td>
<td>3 286</td>
</tr>
</tbody>
</table>

SUPPORTING ENVIRONMENTALLY ORIENTATED INFRASTRUCTURE PROGRAMMES

The DBSA continues to support internal initiatives to reduce our carbon emissions, water use and waste generation as part of maintaining a sustainable campus for our operations. Our electricity and water usage declined significantly relative to prior years due to the COVID-19 induced closure of the DBSA campus. Outside of internal operations, the Bank supports climate-friendly projects by developing products that promote environmental responsibility and support climate action through co-investment projects with other financial institutions.

<table>
<thead>
<tr>
<th>Consumption/usage levels</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity consumption in MW</td>
<td>0.5</td>
<td>2.7</td>
</tr>
<tr>
<td>Water consumption in kilolitres</td>
<td>3 868</td>
<td>13 056</td>
</tr>
</tbody>
</table>
VALUE ADDED STATEMENT
This value added statement indicates the wealth the DBSA creates through activities for its main stakeholder groups which are the Shareholder, employees, financial institutions (providers of debt capital) and suppliers. It also illustrates how much we reinvest for future growth.

![2021 distribution (%)](image)

<table>
<thead>
<tr>
<th></th>
<th>2021 Actual</th>
<th>%</th>
<th>2020 Actual</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest income</td>
<td>8 341 103</td>
<td></td>
<td>8 286 317</td>
<td></td>
</tr>
<tr>
<td>Interest expense</td>
<td>(3 449 462)</td>
<td></td>
<td>(3 862 814)</td>
<td></td>
</tr>
<tr>
<td>Wealth created by trading options</td>
<td>4 891 641</td>
<td>67.3</td>
<td>4 423 503</td>
<td>75.4</td>
</tr>
<tr>
<td>Fee income</td>
<td>187 858</td>
<td></td>
<td>255 151</td>
<td></td>
</tr>
<tr>
<td>Foreign exchange (loss)/gain</td>
<td>(892 773)</td>
<td>29.9</td>
<td>1 171 519</td>
<td>65.8</td>
</tr>
<tr>
<td>Net loss from financial assets and financial liabilities</td>
<td>(354 454)</td>
<td>0.8</td>
<td>(529 027)</td>
<td>0.5</td>
</tr>
<tr>
<td>Investment and other income</td>
<td>57 864</td>
<td>0.8</td>
<td>202 617</td>
<td>0.5</td>
</tr>
<tr>
<td>Total wealth created</td>
<td>3 890 136</td>
<td>100</td>
<td>5 524 125</td>
<td>100</td>
</tr>
</tbody>
</table>

Distributed as follows

<table>
<thead>
<tr>
<th></th>
<th>2021 Actual</th>
<th>%</th>
<th>2020 Actual</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retained for growth</td>
<td>2 619 640</td>
<td>67.3</td>
<td>4 165 932</td>
<td>75.4</td>
</tr>
<tr>
<td>Impairment losses</td>
<td>1 164 724</td>
<td>29.9</td>
<td>3 632 679</td>
<td>65.8</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>32 827</td>
<td>0.8</td>
<td>29 231</td>
<td>0.5</td>
</tr>
<tr>
<td>Profit for the year attributable to the Shareholder</td>
<td>1 422 629</td>
<td>36.6</td>
<td>503 932</td>
<td>9.1</td>
</tr>
<tr>
<td>Employees: Benefits and remuneration</td>
<td>835 131</td>
<td>21.5</td>
<td>751 070</td>
<td>13.6</td>
</tr>
<tr>
<td>Suppliers: Expenses</td>
<td>324 615</td>
<td>8.3</td>
<td>531 277</td>
<td>9.6</td>
</tr>
<tr>
<td>Social responsibility projects, grants and development expenditure</td>
<td>110 750</td>
<td>2.9</td>
<td>75 846</td>
<td>1.4</td>
</tr>
<tr>
<td>Total wealth distributed</td>
<td>3 890 136</td>
<td>100</td>
<td>5 524 125</td>
<td>100</td>
</tr>
</tbody>
</table>

The DBSA is exempt from normal taxation but is subject to all other South African taxes, including employees’ tax and value added tax. The DBSA paid VAT amounting to R23 million (2020: R62.7 million) during the year.
The primary reason for our existence is to make a positive impact on society, which we achieve by creating value across the infrastructure value chain. Accelerating this impact remains our guiding ambition – our North Star.
In the year under review, the DBSA faced unprecedented challenges, along with the rest of the world as the COVID-19 pandemic affected every aspect of life. As 2020 progressed we realised that the DBSA must redefine what it means to be sustainable in performing our mandate as the pandemic wrought unprecedented misery across the globe, infecting millions, bringing economies to a standstill and changing the landscape of our collective future.

The pandemic has exposed fundamental weaknesses in global systems. It has revealed how the prevalence of poverty, weak health systems, lack of education, and lack of global cooperation have exacerbated the crisis.

In response to the COVID-19 pandemic, the Bank allocated R150 million to programmes in South Africa and the SADC region, aiming to support activities that bolster national and local government capacity, save lives and help ensure that the South African and SADC economies will recover after the lockdowns (refer to page 15 of our Integrated Annual Report for further details). Of this allocation, R104 million had already been spent by the end of the 2020/21 financial year on different initiatives to support communities and clients in their time of need during the pandemic. While it is still unclear what the full and final impact of the pandemic will be, we believe that it is only through our collective efforts and partnerships that we will truly be able to build a clear pathway towards a renewed and inclusive economy and society.

Historically, infrastructure-based economic development has been used widely to overcome the impact of crises, and we were fortunate that even before the pandemic the South African government had positioned infrastructure at the centre of the stimulus needed for our economy to achieve sustainable recovery.

Our directive was clear: the investment in infrastructure must continue – and even escalate – for South Africans to survive this extraordinary challenge. However, this needed to be achieved in a constrained economic environment and with the logistical challenges of lockdowns.

Infrastructure investment is a vital lever in strengthening the economy, creating jobs and enhancing the capacity and reliability of our energy, water, transport and ICT services. Large-scale infrastructure development has a knock-on effect of aggregating demand through multiple sectors of the economy such as construction, manufacturing, demand for commodities and the financial sector. At a macroeconomic level, it enables trade, facilitates regional integration and builds economic resilience and competitiveness.

The DBSA’s strong financial position at the start of the year insulated us somewhat from the worst of the economic pressures. We were nevertheless affected in the short to medium term by currency fluctuations, credit rating downgrades and commodity price headwinds as the global economy continued to deteriorate. These challenges presented us with opportunities to strengthen partnerships and capitalise on existing good relationships, while learning to ‘work smarter’ with the reduced funding that was available.

As our macroeconomic challenges have remained largely unchanged, the imperative to address the social challenges we face as a country, epitomised by poverty, unemployment and extreme inequality, has gained momentum exponentially. Children need classrooms and proper ablution facilities; families need a breadwinner; communities need clean water and proper ablution facilities; and doctors need adequate medical facilities to treat patients. Throughout the infrastructure value chain, the DBSA is helping address these basic needs in local government, the social and economic sectors as well as regionally in the SADC and non-SADC countries.

The primary reason for our existence is to make a positive impact on society, which we achieve by creating value across the infrastructure value chain. Accelerating this impact remains our guiding ambition – our North Star. During the year under review, we made significant advances in increasing our disbursements and accelerating our development impact.

Our disbursements of R13.5 billion are testament to a robust pipeline developed in prior years and demonstrate that we overcame our stumbling blocks in terms of converting approved financing to committed transactions, and finally into disbursements.

The Bank’s financial stability enables us to make meaningful and sustainable development impacts in line with our mandate. Disbursements also affect our financial sustainability as they give rise to interest income over the long term. A strong interest income, in turn, funds our activities particularly our non-lending activities, which support under-resourced municipalities as we fund programmes that address the needs of their industries and citizens. We remain committed to supporting under-resourced municipalities where the needs of the community far exceed the delivery capacity of the government or private sector on their own. This is how we fulfil our catalytic role to crowd-in funding for projects that may not have been possible without our involvement.

The sustainability of the DBSA in the long term relies on our management of emerging risks, particularly during the pandemic, engaging stakeholders, investing in human capital and, perhaps most importantly at this time, good governance. We must remain accountable, transparent and responsible for our actions, and for how we lead the DBSA and support the country in infrastructure development. We must also remain committed in the global efforts to ensure a Just Transition to a more sustainable world.

The DBSA is guided by the priorities and objectives of South Africa’s National Development Plan and the United Nations Sustainable Development Goals (SDGs). We support the South African government in terms of the revised Nationally Determined Contributions (NDCs) emanating from the Paris Agreement. The Bank is one of the key supporters of the Africa Regional Hub of the Sustainable Development Investment Partnership (SDIP), a neutral, global platform of 42 public, private and philanthropic institutions with the shared ambition to scale up finance for the SDGs. The alignment of our organisational objectives with these organisations and goals is critical in ensuring that our stakeholders’ inputs are maximised for the benefit of the nation and region.
Our achievements this year reflect the tireless efforts of our employees. I am honoured to lead such a passionate team, and I am inspired by their fortitude in the face of numerous obstacles both at work and in their personal lives. We remain strong as an organisation through our collective strength as diverse individuals.

As we look to the future, we renew our commitment to the consistent, mindful and dedicated execution of our strategy. This ensures our long term sustainability and enables us to continue making an impact at a regional and national level as well as changing lives for individuals. Simultaneously, we should give greater priority to environmental sustainability, as the threat to human survival and well-being has become more evident. There is an urgency to redirect financial flows and investments towards low-carbon and climate-resilient products and investments.

The vaccine rollout programme will contribute to ensuring that the fallout from the pandemic is well managed, and our current challenges will dissipate. Our hard work on infrastructure development can accelerate this process, as we have seen in the past year, helping us to achieve a sustainable Just Transition and equality in South Africa and on the rest of the continent.

Patrick K Dlamini
Chief Executive Officer and Managing Director
About the DBSA
ABOUT THE DBSA

BACKGROUND TO THE DBSA
The DBSA is a leading DFI that aims to accelerate development on the African continent by effectively expanding access to development finance for integrated and sustainable infrastructure projects. The DBSA also provides programme implementation agency services to government departments and municipalities in South Africa to enhance the delivery of social and economic infrastructure. Infrastructure-led economic growth, which responds to the socio-economic needs of our people and addresses the threat of climate change is vital to improving the lives of the growing African population.

OUR MISSION
To advance the development impact in the region by expanding access to development finance and effectively integrating and implementing sustainable development solutions to:

» Improve the quality of life of people through the development of social infrastructure
» Support economic growth through investment in economic infrastructure
» Support regional integration
» Promote sustainable use of scarce resources

OUR VISION
A prosperous and integrated resource efficient region, progressively free of poverty and dependency.

OUR PURPOSE
Our purpose is to ‘Build Africa’s Prosperity’ by driving inclusive growth and finding innovative solutions that spur socio-economic development across the African continent. Underpinning this purpose is the DBSA’s development position, an ethos of bending the arc of history towards shared prosperity.

OUR VALUES
Shared vision: We share and keep the sustainability, strategic intent and mandate of the DBSA top of mind in all our decisions and actions
Service orientation: We deliver responsive and quality service that speaks to the need of our clients and continuously build relationships that result in win-win outcomes
Integrity: Our deals, interactions and conduct are proof of transparent and ethical behaviour that shows respect and care for all our people (employees, stakeholders, the Shareholder, clients and communities)
High performance: We are enabled, empowered and inspired to deliver consistent quality, effective and efficient results for which we are accountable and rewarded
Innovation: We challenge ourselves continuously to improve what we do, how we do it and how well we work together
OUR MANDATE AT A GLANCE

Our mandate is outlined in the DBSA Act and requires that we:

» Promote economic development and growth, human resource development and institutional capacity building
» Enhance and protect the financial sustainability of the Bank
» Embed and monitor a robust governance framework and systems of control
» Mobilise financial and other resources from the national and international private and public sectors for sustainable development projects and programmes
» Appraise, plan and monitor the implementation of development projects and programmes
» Provide technical assistance in the identification, preparation, evaluation, financing, implementation and management of development projects and programmes
» Mobilise funding for initiatives that minimise or mitigate the environmental impact of development projects or programmes
» Encourage regional integration and achieve an integrated finance system for development
» Address the developmental requirements of the SADC region and the rest of Africa
» Promote regional integration to support South Africa’s commitments to binational and continental trade agreements with countries across the continent
HOW WE SUPPORT THE NDP AND SDGS

Globally, in Africa and at a national level, there exists a renewed commitment towards sustainable development, especially in this time of crisis brought about by the COVID-19 pandemic. The initiatives that the DBSA is aligned to, including the SDGs, Africa Agenda 2063 and the National Development Plan (NDP) are broadly united in their focus on people, prosperity, planet, peace and partnerships.

Direct

The DBSA supports six of the 17 SDGs directly, and by implication the South African government’s efforts towards our revised NDCs in terms of the Paris Agreement. The Paris Agreement calls on countries to reduce their carbon emissions incrementally to collectively meet the global target of limiting the increase in the global average temperature to below 2° Celsius. We have also linked our SDG contributions to several NDP outcomes. The DBSA’s overall contribution to these initiatives shows our commitment to sustainable development at global and national level.

<table>
<thead>
<tr>
<th>SDGs</th>
<th>NDP OUTCOMES</th>
<th>THE DBSA’S CONTRIBUTION</th>
</tr>
</thead>
</table>
| SDG 6 Ensure availability and sustainable management of water and sanitation for all | NDP Outcome 8 Sustainable human settlements and improved quality of household life | » Funding of bulk water reticulation and sanitation infrastructure  
» Post-implementation reviews  
» Provision of implementation capabilities for water and infrastructure development in municipalities  
» Managing the delivery of appropriate sanitation infrastructure in public schools in SA |
| SDG 7 Ensure access to affordable, reliable, sustainable and modern energy for all | NDP Outcome 6 An efficient, competitive and responsive economic infrastructure network | » Preparation and funding of IPPs  
» Preparation and funding of renewable energy programmes  
» Providing planning and implementation support to under-resourced municipalities |
| SDG 9 Build resilient infrastructure, promote inclusive and sustainable industrialisation, and foster innovation | NDP Outcome 6 An efficient, competitive and responsive economic infrastructure network | » Funding of various water and sanitation, renewable energy, mass transit and ICT projects  
» Managing the revitalisation of industrial parks |
| SDG 11 Make cities and human settlements inclusive, safe, resilient and sustainable | NDP Outcome 8 Sustainable human settlements and improved quality of household life | » Housing Impact Fund  
» Support to urban development programmes  
» Financing of municipal infrastructure  
» Implementing agent for Ekurhuleni infrastructure programme |
| SDG 13 Take urgent action to combat climate change and its impacts | NDP Outcome 10 Protecting and enhancing our environmental assets and natural resources | » Funding of IPPs  
» Regional hydroelectric projects  
» Embedded power generation  
» Climate Finance Facility |
| SDG 17 Strengthen the means of implementation and revitalise the global partnership for sustainable development | NDP Outcome 11 Create a better South Africa, contribute to a better and safer Africa in a better world | » Partnerships with global and regional DFIs  
» Association for African Development Finance Institutions (AADFI)  
» International Development Finance Club (IDFC) |
### SDGs

<table>
<thead>
<tr>
<th>SDGs</th>
<th>NDP OUTCOMES</th>
<th>THE DBSA’S CONTRIBUTION</th>
</tr>
</thead>
</table>
| SDG 1 | End poverty in all its forms everywhere | » DBSA supports emerging contractors (SMMEs) in the delivery of infrastructure  
    » The DBSA also provides programme implementation agency services to government departments and municipalities in South Africa to enhance delivery of social and economic infrastructure. |
| SDG 3 | Ensure healthy lives and promote well-being for all across all ages | » Infrastructure implementation work on behalf of the Department of Health  
    » Funding private healthcare groups |
| SDG 4 | Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all | » Implementation work on behalf of the National Department of Basic Education and Provincial Education Departments  
    » Funding of student accommodation programme |
| SDG 5 | Achieve gender equality and empower all women and girls | » An emphasis on gender mainstreaming in the DBSA’s B-BBEE and economic transformation initiatives |
| SDG 8 | Promote inclusive and sustainable economic growth, employment and decent work for all | » Development impact mandate  
    » Promotion of employment of local labour and contractors in projects where the DBSA is an implementing agent |

### SDGs

<table>
<thead>
<tr>
<th>SDGs</th>
<th>NDP OUTCOMES</th>
<th>THE DBSA’S CONTRIBUTION</th>
</tr>
</thead>
</table>
| SDG 10 | Reduce inequality within and among countries | Funding of projects in SADC, e.g.:  
    » Angola: Renewable energy-generating plants across multiple sites to diversify the country’s energy mix  
    » DRC: Assisted Apalia in deploying off-grid hybrid energy, telecoms and media (TV and radio) in rural areas of sub-Saharan Africa. Apalia’s pilot is located in the DRC  
    » Mozambique: Rehabilitation and upgrading of Mozambique’s energy supply network starting with the cities of Pemba and Maputo  
    » Tanzania: Construction of the Dar es Salaam to Makutupora rail network to increase throughput from the agriculturally rich Great Lakes region into the port  
    » Funding of projects outside SADC:  
        » BitPesa: Provision of foreign currency to facilitate efficient cross-border transactions for the Ghana and Burkina Faso energy interconnector |

### SDGs

<table>
<thead>
<tr>
<th>SDGs</th>
<th>NDP OUTCOMES</th>
<th>THE DBSA’S CONTRIBUTION</th>
</tr>
</thead>
</table>
| SDG 2 | Ensure sustainable development patterns | » Achieve the building of a sustainable and efficient infrastructure environment  
    » Support infrastructure to stimulate SDG 10 |
| SDG 7 | Ensure access to affordable, reliable, sustainable and modern energy for all | » Infrastructure implementation work on behalf of the Department of Energy  
    » Funding of projects in SADC |
| SDG 9 | Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation | » Funding of projects in SADC |
| SDG 11 | Make cities and human settlements inclusive, safe, resilient and sustainable | » Funding of projects in SADC |
| SDG 13 | Take urgent action to combat climate change and its impacts | » Funding of projects in SADC |
| SDG 14 | Conserve and sustainably use ocean resources for sustainable development | » Funding of projects in SADC |
| SDG 15 | Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification and halt and reverse land degradation and halt biodiversity loss | » Funding of projects in SADC |
| SDG 17 | Strengthen the means of implementation and revitalize the global partnership for sustainable development | » Funding of projects in SADC |
Enabling sustainability
The sustainability of the DBSA’s development impact is enabled by various key elements. Good governance throughout our operations enables sustainability in the short, medium and long term, while the effective management of risks also reduces threats to our sustainability. The DBSA’s sustainability is further enabled by our investment in our human capital and our ability to engage with our stakeholders.

**GOVERNING FOR SUSTAINABILITY**
Good governance, enabled by our corporate governance framework and policies as well as the strength of our leadership, is essential in ensuring the sustainability of the DBSA. Governance oversight responsibility at the Bank resides with the Board and cascades through management to the whole organisation, safeguarding our ability to remain sustainable. In governing for sustainability, the Bank engages with key legislation, governance principles, partnerships, policies and procedures.

Refer to pages 107 to 132 of our Integrated Annual Report to learn more about how we manage our governance.

**ENGAGING WITH OUR STAKEHOLDERS**
Without the support and collaborative partnerships with our stakeholders, we could not create value or be sustainable in the long term. Our stakeholders are part of the considerable social and relationship capital we have worked to build and maintain over the years. The Bank’s stakeholder-centric approach ensures we understand the needs of our clients, investors and communities. This deep understanding of stakeholder needs enables us to be sustainable. Our success and sustainability is a result of a collective effort to develop infrastructure that improves the lives of all who live in sub-Saharan Africa.

Refer to pages 58 to 62 of our Integrated Annual Report to learn more about how we manage our stakeholder relationships.

**MANAGING OUR EMERGING RISKS**
Persistent and emerging risks continually threaten the sustainability of the DBSA. These risks force us to re-evaluate how we do business and motivate us to develop within the context of our ever-changing environment. As we face these risks, we also acknowledge that opportunities may arise. We must therefore manage both our risks and opportunities to remain sustainable in the long term.

Refer to pages 52 to 57 of our Integrated Annual Report to learn more about how we manage our risks and opportunities.

**INVESTING IN OUR HUMAN CAPITAL**
Without our employees, we would not be able to drive the changes in infrastructure development embodied in our mandate. To remain sustainable, we must invest in our human capital by cultivating a positive company culture and investing in the development of the individuals that support us in all our endeavours.

Refer to pages 96 to 107 of our Integrated Annual Report to learn more about how we manage our human capital.
Our development position
The DBSA’s development position was approved by the Board in 2018. Our position outlines the ethos of the DBSA and forms the departure point from which the Bank delivers on its mandate.

Furthermore, taking from our renewed purpose statement – Building Africa’s Prosperity – the DBSA looks to drive inclusive growth and find innovative solutions to spur socio-economic development across the African continent.

The strategy of the DBSA is centred on ensuring financial sustainability and strong governance, while accelerating and enhancing development impact. As such, the development position of the DBSA is reflected as contributing to a Just Transition toward a renewed and inclusive economy and society that embodies resilience, regeneration, and transcends current trajectories. As a development practitioner, the DBSA holds this to be the transformative change needed to realise a prosperous, integrated and resource efficient continent.

This stance progressively advances the common goals for sustainable and equitable well-being. The DBSA will work in partnership to co-produce impactful development solutions and the sustained platforms underpinning an enabling environment for participation, a sense of purpose, empowerment and deep connections. The DBSA will bend the arc of history through our continued multi-faceted investments in sustainable infrastructure and human capacity development.
Our development impact
Planning and project preparation address challenges hindering infrastructure investment in South Africa, the SADC region and further afield on the African continent.

These challenges include the shortage of bankable projects and the lack of capacity and capability in capital project planning, as well as limited financing. In addressing these challenges, we focus on planning and preparing projects in electricity, water, sanitation, transport and communications infrastructure. In South Africa, we specifically focus on supporting local municipalities in the social sector to de-risk projects and catalyse investment positions to crowd-in third-party capital.

In planning and project preparation, the DBSA supports sponsors by developing a project pipeline that attracts both private and public sector funding for sustainable development in South Africa. This also strengthens the sustainability of the Bank.

The Bank’s activities span the project preparation life cycle. These include creating enabling environments, clearly defining projects, conducting pre-feasibility analysis and bankable feasibilities, and deal structuring. We unlock investment opportunities through leveraging strategic partnerships and embarking on activities that ensure project bankability and ultimately, project success.

Project preparation at the DBSA focuses on four areas:
STRENGTHENING THE SUSTAINABILITY OF RAY NKONYENI LOCAL MUNICIPALITY

**Location:** South Africa/SADC/Rest of Africa

**Sector:** Local Government/Social Sector/Economic Sector

**Value chain:** Plan and Prepare/Finance/Build and Maintain

**Background**
Ray Nkonyeni Local Municipality required assistance to strengthen its institutional and technical capacity to provide reliable electricity services. Ugu District Municipality, within which Ray Nkonyeni is situated, required support for infrastructure upgrades to its water and sanitation systems. The poor condition of ageing infrastructure created poor service and revenue losses and an inability to support electricity network growth and bulk water services, limiting the local municipality’s ability to attract industry and develop into a ‘smart city’.

The DBSA took a multi-year comprehensive and integrated approach using current DBSA programmes to improve the area’s sustainability between 2017 and 2021. These initiatives were supported by strengthening the municipality’s balance sheet.

**Our involvement**
The DBSA provided infrastructure planning, spatial planning, project preparation, financing, embedded generation, asset care and revenue enhancement to Ray Nkonyeni Local Municipality, along with project preparation support and development to Ugu District Municipality.

During the 2018/19 financial year, the DBSA and Ray Nkonyeni Local Municipality, supported by professional service providers, spent R1 million to develop an Electricity Master Plan. This Master Plan identified projects to the value of R201 million that needed to be constructed. The municipality prioritised the following projects for implementation during the first phase:

<table>
<thead>
<tr>
<th>Project</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oslo Beach Electricity Substation</td>
<td>R55 million</td>
</tr>
<tr>
<td>11kV interconnector</td>
<td>R15.5 million</td>
</tr>
<tr>
<td>Centralised network control centre and system</td>
<td>R3 million</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>R73.5 million</strong></td>
</tr>
</tbody>
</table>

Of these, R2 million worth of projects were prepared during the 2020/21 financial year.

The Bank and the municipality developed and completed a roads and stormwater project during the 2019/20 financial year at a cost of R3.5 million.

The DBSA/Ray Nkonyeni partnership also implemented a revenue enhancement programme that increased municipal revenue by R3.5 million during the 2020/21 financial year. This programme included the following initiatives:

- Electricity tariff structure
- Metering and land use audit
- Increase of Notified Maximum Demand (NMD)

During the reporting period, DBSA approved infrastructure loan funding for two municipal projects to the value of R41 million, namely:

- Electricity meter replacement
- Network strengthening

For the Ugu District Municipality, the DBSA contributed project preparation services for developing Ugu’s bulk water services capacity. These projects included:

- Preparation support to upgrade uMbango Waste Water Treatment Works (WWTW) from 5 ML/D to 12 ML/D
- Melville 2 ML/D WWTW development

The Bank has identified a bulk energy project that can be funded through embedded generation in the new financial year. Five town centres have partnered with ICLEI – Local Governments for Sustainability and UK PACT to undertake a feasibility study that will provide technical and funding options. This study is scheduled for completion in November 2021.

**Our impact**
The integrated approach enabled the DBSA to address the bulk capacity and mobility/transport challenges experienced within the municipality through Electricity, Roads and Stormwater master plans, which provide investors with confidence in the area. The master plans have also informed the municipality’s infrastructure plans, including new infrastructure and assets that require upgrade and maintenance. Feasibility for embedded solar generation may provide additional energy system capacity to enable growth.

Revenue enhancement support (tariff structure, metering, integrated billing system) has stabilised the revenue collection and financial stability of the municipality, giving further confidence to lenders.

By 2021 Ray Nkonyeni Local Municipality was being seen as an investment destination:

- The municipality held its first workshop on Presidency-driven investments on 17 March 2021
- Volvo introduced car and bus manufacturing while committing to investing in the municipality
- The United Arab Emirates’ investment is set to focus on steel manufacturing, harbour development, airport precinct and petroleum manufacture, storage and distribution

The United Arab Emirates’ investment is set to focus on steel manufacture, storage and distribution, while committing to investing in the municipality.
PLANNING AND PROJECT PREPARATION CONTINUED

SIX MUNICIPALITIES: PROJECT PREPARATION SUPPORT

| Location: | South Africa/SADC/Rest of Africa |
| Sector:   | Local Government/Social Sector/Economic Sector |
| Value chain: | Plan and Prepare/Finance/Build and Maintain |

Background
The DBSA has been given the responsibility to manage the Project Preparation funds for potential Infrastructure Fund (IF) projects and programmes. The Bank will utilise the programmatic approach for addressing the selected projects in six municipalities and mobilising private sector participation.

The IF has been established to leverage private and public sector investment in public infrastructure and ensure more efficient and effective use of resources. The IF is established as a ring-fenced fund under the interim care and maintenance of the DBSA. The IF will transform public infrastructure finance through the use of “blended finance” in combining capital from the public and private sectors, DFIs, Multilateral Development Bank, and institutions such as the New Development Bank (NDB) established under BRICS. It is also envisaged that the IF will harness skills and capacity from the private sector to improve the investment appeal of these projects.

Six municipalities (Sekhukhune District Municipality, Vhembe District Municipality, Ugu District Municipality, iLembe District Municipality, Ray Nkonyeni Local Municipality and Sol Plaatje Local Municipality) have applied to the DBSA for assistance with project preparation for projects in various sectors, namely water and sanitation and electricity.

Our involvement
To support the six municipalities with project preparation to bring identified projects to the implementation stage. The Bank evaluates bankability, considers blended finance and how to attract multiple private sector investors. The total value of project preparation support to these municipalities is R50 million.

Projected impact
This project is still underway with its main programme activities being:

- Project registration for grant funding
- Bankable feasibility studies (technical, finance, economic, environmental and socio-economic viability)
- Explore blended finance opportunities
- Implementation model (considering suitable type of contracting)
- Private Sector Participation – PSP model
- Project finance structuring
- Build capacity for operations and maintenance
CITY OF JOHANNESBURG (COJ): ALTERNATIVE WASTE TREATMENT TECHNOLOGY

<table>
<thead>
<tr>
<th>Location:</th>
<th>South Africa/SADC/Rest of Africa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sector:</td>
<td>Local Government/Social Sector/Economic Sector</td>
</tr>
<tr>
<td>Value chain:</td>
<td>Plan and Prepare/Finance/Build and Maintain</td>
</tr>
</tbody>
</table>

**Background**
Addressing the mounting waste at Johannesburg’s landfill sites while simultaneously alleviating pressure on the national grid.

**Our involvement**
The project seeks to provide the City of Johannesburg (CoJ) with a waste treatment technology facility that will accept 500,000 of the 1.6 million tonnes of municipal solid waste produced in Johannesburg per annum, and potentially generate 36MW per annum of energy through a ‘design-build-finance-maintain-operate-transfer’ or a Public Private Partnership (PPP).

**Our impact**
The project seeks to have the following estimated development impact for CoJ:
- Contribution towards the clean/renewable energy strategy of the country
- Reduction of waste going to landfill (500,000 tonnes diverted)
- Revenue from sale of by-products (bioenergy, recyclable materials)
- Renewable energy (potential 36MW per annum)
- Job creation of approximately 400 jobs for waste recovery and 80 technical experts

**Environmental:** Prevents further leaching and ground water contamination from the existing landfill sites. Defer, delay or prevent the construction of new landfills and minimise waste through promoting the recovery, recycle and reuse principles.

**Socio-economic:** Job creation by transitioning people from hazardous scavenging at landfill sites into paid work.

**Electricity security:** The CoJ will generate a portion of its own electricity requirements while alleviating pressure from the national grid.
PLANNING AND PROJECT PREPARATION CONTINUED

ECOLOGICAL INFRASTRUCTURE FOR WATER SECURITY PROJECT: INVESTING IN CATCHMENT MANAGEMENT TO BUILD WATER SECURITY

Location: South Africa/SADC/Rest of Africa
Sector: Local Government/Social Sector/Economic Sector
Value chain: Plan and Prepare/Finance/Build and Maintain

Background
Investing in water catchments offers a cost-effective means of enhancing water security. South Africa is a water scarce country, prone to drought and vulnerable to climate change. Despite this, mobilising investment to rehabilitate and maintain water catchments has proven difficult. The deteriorating state of South Africa’s water catchments represents a growing risk to socio-economic progress. Timely investment in catchment stewardship prevents the need to support more expensive emergency measures.

Our involvement
The Ecological Infrastructure for Water Security Project is financed through a Global Environmental Facility (GEF) grant of USD7.2 million (2018 to 2023), with the DBSA managing the project funds and the South African National Biodiversity Institute (SANBI) acting as the implementing agent. Contracted project implementation partners include the World Wide Fund for Nature (WWF), the Water Research Commission (WRC), and the National Business Initiative (NBI).

The project addresses the development of supportive policies, institutional structures and financing instruments to mobilise sustained investment in ecological infrastructure to improve water security. The project is implemented through three work programmes which aim to:

- Create an enabling environment by integrating ecosystem services into the water value chain through natural capital accounts, supportive policies and financing mechanisms
- Strengthen implementation capacity and an evidence base in two strategic water catchments critical to water security, namely:
  - The Berg and Breede catchments in the Western Cape, which provide water to Cape Town and the surrounding high value agricultural areas
  - The Greater uMngeni catchment in KwaZulu-Natal, which supplies water to eThekwini and the Midlands.
- Share the knowledge generated through the project with stakeholders to mobilise action

The project outlines a ‘roadmap’ of identified opportunities and interventions for the public and private sectors to enhance investment in ecological infrastructure and improve water security.

All socio-economic progress rests on a sustained supply of clean water. Ecological infrastructure refers to naturally functioning ecosystems (healthy catchments, rivers, wetlands and Strategic Water Source Areas) that generate and deliver valuable services to people. These ecological infrastructure assets contribute to water security by sustaining the supply of water, improving water quality flowing into dams and generating and delivering valuable services to people and local economies.

Investing in ecological infrastructure plays a critical role in:

- Protecting the value of built infrastructure which is dependent on healthy ecological infrastructure. Investing in ecosystems can save money in the construction and maintenance of conventional infrastructure through addressing possible physical and financial risks to infrastructure investment and improving on environmental, social and governance (ESG) considerations in the credit life cycle of investments.
- Creating opportunities to support the transition to a green economy and the achievement of the SDGs by supporting sustainable land use management practices, job creation, enhancing water and food security, improving resource efficiency and sustainability, enhancing equitable access to resources, and resilience to climate change.

Our impact
The project focuses both on private and public sector financial flows to catchment management.

South African water legislation places the primary responsibility for integrated water resource management with public sector entities and outlines public finance mechanisms to raise funds for catchment management. The project team is working with public water entities to identify priority catchments for water security and to use water prices to mobilise investment in these catchments. Recommendations are being developed to improve financial resource mobilisation to rehabilitate and maintain water catchments.

The project engages with the private sector to support the upscaling of investments in healthy water catchments. This investment environment is influenced by accurate water pricing that reflects the scarcity value of water, precedents that demonstrate the additional water yielded when alien invasive plants are cleared from catchments; the ability for healthy catchments to delay dam siltation; and the nature of improvements to water quality when wetlands and riparian zones are restored. The potential to develop a ‘water bond’ as an add-on to conventional water infrastructure finance, based on ‘returns’ on investment in healthy water catchments is being explored with banks and fund managers.

The roadmap outlines a role for private sector finance and institutional investors to support the transition to water efficiency that will be necessitated as water prices increase.

It also identifies the need to blend different sources of finance in, and funding for, healthy water catchments. The need for blended finance solutions to support both water security in catchments and local post-lockdown economic recovery and job creation is acute. Medium term capacity to blend multiple strands of investment that enhance the role of water catchments in ensuring water security will prove critical to counter the growing pressures placed on South Africa’s water resource by urbanisation and climate change.
BLUE KAROO TRUST: CAMDEBOO SATELLITE AQUACULTURE PROJECT

Location: South Africa/SADC/Rest of Africa

Sector: Local Government/Social Sector/Economic Sector

Value chain: Plan and Prepare/Finance/Build and Maintain

Background
The project involves the farming of catfish in a controlled environment as a viable and sustainable alternative fish source, thereby decreasing reliance on overexploited and rapidly declining wild fish stocks. The project centres on the establishment of aquaculture clusters, which comprise a central management farm and a network of satellite farming systems. The aquaculture clusters will benefit through economies of scale as a result of their collaboration as well as from the support, training, mentorship and access to markets provided by the central structure.

Our involvement
» Applicant: Blue Karoo Trust (trust changed to Karoo Catch (Pty) Ltd as implementing entity to receive funding from the Industrial Development Corporation (IDC)
» Project stage: Pilot to establish satellite farm
» Financial instrument: Recoverable grant
» Applicant and third-party funders contribution: Department of Trade, Industry and Competition (DTIC) – R3.5 million; IDC – R34.2 million (post-pilot funding)

Our impact
» Green Fund (GF) amount: R23.5 million
» Disbursed to date: R23.5 million

The GF funding has contributed towards the establishment of the hatchery, two additional grow-out facilities (one was already established), and the pre-processing line in the factory, as well as the operation of these and other existing facilities.

Overall, the GF component of the project was successfully completed despite a few challenges relating to finalising the processing of fish and bridging finance challenges which were overcome during implementation.

Our development impact
» GF-funded project completed and all deliverables met
» Although the project is closed out, the project cash flows require monitoring in order to recover the grant. The Green Fund provided consent for Karoo Catch (Pty) Limited to incur further funding from the IDC, subject to the GF grant being repaid at the same time as the IDC loan repayment
» The project is set for expansion with the establishment of satellite farms and on-site processing
» Based on what has been demonstrated to date, the project team has already attracted interest from the IDC in order to replicate the model across the country. The project’s aquaculture model has also attracted interest from surrounding municipalities
» Job opportunities created from the project were as follows:
  – Direct job opportunities: 119
  – Indirect job opportunities: 142
  – Induced job opportunities: 78
LANDMARK FOUNDATION: SHEPHERDING BACK BIODIVERSITY PROJECT

Location:
South Africa/SADC/Rest of Africa

Sector:
Local Government/Social Sector/Economic Sector

Value chain:
Plan and Prepare/Finance/Build and Maintain

Background
Unsustainable agricultural farming practices (i.e. poor land use management and lethal predator controls) in South Africa have resulted in land degradation and the loss of plant and wildlife diversity in productive agricultural areas. The Shepherding Back Biodiversity Project aims to reverse these trends through mainstream biodiversity and encouraging the uptake of human shepherding which has been on the decline, while also supporting conservation-friendly land use. Issues to be resolved include:
» Poor living conditions of previous farmworkers
» Stigma associated with herding
» Commercial farmers having a preconceived negative view of the project as a breeding ground for predators

Our involvement
» Applicant: Landmark Foundation Trust
» Project stage: Demonstration at scale
» Financial instrument: Recoverable grant
» Applicant and third-party funders’ contribution: R70.5 million
» Green Fund amount: R7.5 million
» Disbursed to date: R7.5 million

Our impact
» The Shepherding Back project is already demonstrating how traditional skills and knowledge can be applied to commercial agriculture, while minimising environmental impacts
» A herding academy and fully operational learning site have been established, which since inception has trained approximately 20 herders to supervise livestock on 22,000 hectares of conservation-friendly land
» Fair Game product standards have been developed and registered with the South African Meat Industry Company
» Commenced alternative marketing for the Shepherding Back brand which includes launching microenterprises. These will require support to demonstrate their commercial viability.

The Green Fund (GF) is considering the conversion of this recoverable grant to a non-recoverable grant. Recovering the GF grant may hamper efforts to reach financial sustainability and could potentially impact operational efficiency.
APALIA 24 DRC

Location:
South Africa/SADC/Rest of Africa

Sector:
Local Government/Social Sector/Economic Sector

Value chain:
Plan and Prepare/Finance/Build and Maintain

Background
To support Apalia in deploying off-grid hybrid energy, telecoms and media (TV and Radio) in rural sub-Saharan Africa. Apalia’s first operation is sited in the Democratic Republic of Congo (DRC).

Apalia’s objective is to uplift communities in off-grid and weak-grid areas through the provision of clean renewable energy associated with added-value services. Their initial offering is PayTV contents combined with PayGo Solar home systems. This project has registered more than 1,200 subscribers, with the business expecting to reach 3,000 subscribers by September 2021.

Our involvement
» Improve access to information (mobile phone, TV/Radio by Select Horizontal Spacing)
» Environmental benefits of using clean solar energy
» Creation of jobs and opportunities for social interaction
» Facilitate access to financial services such as mobile money (rural unbanked)
» Financial savings – reduced expenditure on kerosene lighting/travel time/mobile charging
» Improved access to education (extra and better-quality lighting hours – lower school dropout rates)
» Improved safety and health (less reliance on kerosene lanterns)

Our impact
This project seeks to achieve proof of concept prior to scaling up to illustrate commercial viability of the pay-as-you-go model and to catalyse commercial financing.

Main accomplishments to date include:
» Launching operations in Bumba and Kenge (north-east of Kinshasa) in July 2020
» Successfully ramping up its customer base from 0 to over 1,200 households in less than six months in 2020. On its way to reaching more than 3,000 subscribing households by September 2021
» A project information memorandum has been completed and is being presented to potential shareholders
» Increasing physical presence in four hubs by the end of 2021
» Approximately USD5 million financing to be invested through convertible instruments to scale up to 12,000 units by the end of 2021
Infrastructure financing
The DBSA provides financing solutions to clients such as municipalities in South Africa, the private sector, state-owned entities, sovereigns and public private partnerships across the continent. Our financing offering includes senior and mezzanine debt for balance sheet lending and project financing structures as well as additional financing products developed by the Bank that are tailored to meet evolving infrastructure requirements.

Our infrastructure financing business contributes to the financial sustainability of the Bank by generating revenue streams from the net interest margin. At all times, the quality of our loan book must be balanced with our development impact imperative. Often good credit quality assets offset non-performing loans, which together translate into sustainable development projects.

The projects we finance contribute to achieving international goals such as the UN SDGs, national goals as outlined by the NDP as well as our strategic objectives, all of which accelerate our collective development impact.

To maximise our effectiveness in providing infrastructure financing, the Bank has developed a deep understanding of what the communities in which we operate need through the client-facing part of our business. This knowledge ensures that our funding is efficiently employed to deliver highly relevant infrastructure solutions.

SIHLAHLENI JUNIOR SECONDARY SCHOOL, EASTERN CAPE

Background
Sihlahleni Junior Secondary School in Alfred Nzo District Municipality in the Eastern Cape is a newly constructed facility.

Our involvement
Manage project from start to finish which involves the procurement of the professional service provider and the contractor that built the school.

Our impact
The facility contains three blocks that include classrooms, a science laboratory, a multipurpose classroom, one media centre, two HOD offices, a staffroom, a kitchen, a pastoral care room, a sick room with water borne ablutions, a reception and admin office, a strong room, a Principal’s office, a Deputy Principal’s office, a storeroom, a print room, two Grade R classrooms, a multipurpose hall, ablutions, external works, a guardhouse, a sports field and a security fence.
BRIDGE CITY PROJECT

Location: South Africa/SADC/Rest of Africa

Sector: Local Government/Social Sector/Economic Sector

Value chain: Plan and Prepare/Finance/Build and Maintain

Background

Bridge City Towers (Pty) Ltd (Bridge City) is a newly established company wholly owned by Instratin Properties (Pty) Ltd. Bridge City was established with the sole mandate of accommodating a greenfield social housing development to be located in KwaZulu-Natal.

The proposed project aims to address social housing shortages. South Africa has a backlog estimated at between 2.3 million and 3.7 million housing units as at 2019. Increasing rates of urbanisation and a growing population have contributed to the housing delivery pressure. It is estimated that 13.1% of the South African population lives in informal dwellings and 5% in traditional dwellings. In addition, housing affordability remains a critical challenge. Only 20.4% of the population can afford the cheapest newly built houses valued at an average of R426 000. Access to mortgage finance is largely limited to high income earners and consumer indebtedness continues to be a concern. The proposed project demonstrates environmental and social benefits through efficient systems and job creation, both during and post construction. The development will accommodate 1 190 social housing units.

Our involvement

Bridge City approached the DBSA for R105 million in Climate Finance Facility funding. This is part of a R515 million social housing development investment required for the development.

This project was approved under the Climate Finance Facility (CFF), which takes gender mainstreaming into consideration. The requirements of the facility specify that all funded projects should apply a gender mainstreaming approach in line with the DBSA gender requirements described in the Environmental and Social Safeguard Standards and have a proper gender assessment and analysis as well as a Gender Action Plan (GAP). In addition, the project should apply a gender mainstreaming approach in line with the Green Climate Fund (GCF) requirements for gender mainstreaming.

The DBSA has a gender mainstreaming strategy with four strategic pillars: investing and strategies, policies and processes, capacity building and knowledge sharing, and partnerships. The strategy is aimed at three targets: embedding the DBSA’s development position and commitment towards supporting the South African NDP, which has gender equality integrated as a theme throughout the plan; the African Union Agenda 2063, which sets clear continental targets for gender equality and addressing gender mainstreaming; and the SDGs, specifically SDG 5 which focuses on gender equality.

This project is classified as Category 2 under the Gender Marker tool due to gender being one or more of the project outcomes, but not a primary objective as per feedback from engagements with the client.

Our impact

Bridge City is wholly black-owned, with a 34.85% women shareholding. Instratin’s direct women ownership is 25.1%, and 9.75% is held by female employees through a staff trust. Zuri Properties is 100% owned by three black females who form part of the Executive team.

The proposed project is likely to have significant long term, direct and indirect gender impacts on the KwaZulu-Natal community.

Approximately 1 000 jobs are envisaged to be created locally as a result of this project, with gender inclusion at its core, especially in relation to employment and rental opportunities. Certain technical supervisory roles for the project have already been earmarked for women and there has been a clear strategy from the organisation to be gender inclusive. Gender mainstreaming has been incorporated into the project life cycle to ensure women’s and men’s needs are taken into consideration.

MIDVAAL LOCAL MUNICIPALITY – PPP ELECTRICITY PROJECT

Location: South Africa/SADC/Rest of Africa

Sector: Local Government/Social Sector/Economic Sector

Value chain: Plan and Prepare/Finance/Build and Maintain

Background

Owing to extensive technical, financial and human resources challenges with regard to the provision of electricity services, in 2013 the Midvaal Local Municipality identified the need to select the most suitable mechanism for electricity services as stipulated in the Local Government: Municipal Systems Act, No. 32 of 2000. The project was registered with National Treasury and approved as a potential PPP. Its vision is to provide basic services to communities that did not have access to sustainable water and sanitation and electricity services.

Our involvement

The Project Preparation Grant has enabled the municipality to proceed with updating the feasibility study and with the procurement of an special purpose vehicle (SPV) to manage the implementation of acquired capex.

Our projected impact

The project seeks to create direct and indirect jobs and allow for the transfer of skills and expertise; to provide subsidised electricity to more than 4 000 indigents; and reduce public expenditure costs while improving service delivery. The number of jobs created is expected to be 693 and 27 in construction and operations, respectively.
UNIVERSITY OF FORT HARE STUDENT HOUSING INFRASTRUCTURE PROGRAMME (SHIP)

Location: South Africa/SADC/Rest of Africa

Sector: Local Government/Social Sector/Economic Sector

Value chain: Plan and Prepare/Finance/Build and Maintain

Background
The University of Fort Hare (UFH) embarked on a comprehensive infrastructure development programme in 2012/13 to address the backlog in student residences, particularly at its Alice campus, which accommodates most of its students.

The University Council agreed to a two-phased approach to construct a village of 17 buildings (2 047 beds), walkways connecting the different sections of the village, a student centre, a parking area and surrounding landscapes and gardens.

Phase 1 consisted of the provision of bulk services and the construction of five buildings, which were financed by the UFH and the Department of Higher Education and Training (DHET). This phase provided 610 beds and was completed in 2015.

Our involvement
The UFH approached the DBSA to co-finance the development of the remaining 1 437 student bed capacity under Phase 2 of the UFH project. The DBSA co-funded 69.5% (R278 million) of the project under the auspices of the Student Housing Infrastructure Programme (SHIP), a collaborative venture between the DHET and DBSA to eliminate the backlogs and subsequently improve the student infrastructure and accommodation. This is in accordance with the DHET strategy to provide an additional 300 000 beds at 26 public universities (200 000 beds) and 50 Technical and Vocational Education and Training (TVET) colleges (100 000 beds).

Phase 2 of the project consisted of 12 buildings comprising 24 single rooms for disabled students, 291 single rooms and 561 double rooms to accommodate the 1 437 students. The project was completed in March 2021.

The UFH SHIP provided the DBSA with the opportunity to expand its support for a green economy and sustainable, greener infrastructure. The project was designed to limit the adverse effect on biodiversity loss, resource utilisation and greenhouse gas (GHG) emissions. During the project’s operation, low maintenance costs and low operating costs were realised from the specification of high-quality materials, skilled workmanship and resource efficient service installations.

Our impact
An evaluation was undertaken to ascertain the development impact of the DBSA in accordance with its mandate. The project had the following principal impacts:

» 12 new residences comprising 1 437 new on-campus beds were constructed
» 500 direct constructions and 145 operational phase jobs were created
» R122.9 million spent on empowering black suppliers.

A survey was conducted as part of the evaluation to solicit students’ opinions of the new accommodation. The results were as follows:

» Majority of the students (70%) felt that the accommodation was comfortable, safe, and closer to the university amenities (lecture venues, library, etc.)
» Majority of students (59%) confirmed that the accommodation is adequate with regard to accessing public transport
» Majority of the students (65%) felt that the residence accommodation had positively affected their academic results

The DBSA, in co-funding the UFH student residence development, is aligned with international conventions such as SDG 4 with inclusive and equitable quality education and promotion of lifelong learning opportunities for all as its theme. Furthermore, the project is congruent with the NDP’s Outcome 5 of creating a skilled and capable workforce to support and fund an inclusive growth path. The project allows students from relatively poor backgrounds to be accommodated in a safe and comfortable environment that is conducive to academic learning as well as reducing the cost of travel.
OUR DEVELOPMENT IMPACT

UFH student housing project
ROYAL BUFFALO HOSPITAL PROJECT

Location: South Africa/SADC/Rest of Africa
Sector: Local Government/Social Sector/Economic Sector
Value chain: Plan and Prepare/Finance/Build and Maintain

Background
South Africa’s healthcare sector mirrors the deep inequalities prevalent in the country. The private healthcare sector, mostly financed through medical aid schemes, is well resourced yet covers only 16% of the population. By contrast, the public healthcare sector is overcrowded, under-resourced, and is struggling to provide healthcare services for 84% of the country’s population. South Africa’s high burden of disease, shortage of healthcare specialists and ageing infrastructure puts strain on the public healthcare sector. Private healthcare in South Africa is expensive and unaffordable, limiting access to quality healthcare services for the majority of South Africans. The lower- to middle-income market cannot afford private healthcare at the current rates, but is willing to pay for quality healthcare at a reasonable price.

Most healthcare institutions servicing remote areas in townships and rural areas across South Africa lack the necessary financial resources and technical capacity to function at their best and are unable to compete with private healthcare facilities.

The disparity in access to good healthcare between South Africa’s public and private sectors provides significant opportunities for innovative reforms that will expand access to affordable and quality healthcare.

Our involvement
The key objective of DBSA’s involvement is to support RH Managers (Pty) Ltd, a black-owned South African licensed fund manager that manages Razorite Healthcare Fund, to rollout a healthcare infrastructure programme to provide accessible and affordable quality healthcare to the greater population of South Africa.

The Razorite Hospital Programme developed by RH Managers entails the development of a portfolio of General Level 2 private hospitals to address the growing need for affordable quality healthcare infrastructure within low- to middle-income areas in South Africa. The programme seeks to empower and assist independent hospital licence holders to unlock capital and management resources in order to develop and operate independent private hospitals.

Our impact
The project has 58% black ownership, including 53% black women ownership. Other positive socio-economic impacts include the creation of job opportunities of approximately 316 construction jobs (including 158 allocated for youth employment) and 245 operational jobs (184 nursing and 61 administrative jobs). Other impacts include empowering independent hospital licence holders to unlock capital to develop and operate private hospitals and improve access to quality, healthcare services to low and middle-income areas.

The project reached financial close in March 2021 and is expected to be operational from February 2022. This project consists of a 150-bed specialist private hospital located in East London, Buffalo City Metropolitan Municipality in the Eastern Cape Province. The total project cost amounts to approximately R516 million. The DBSA has provided funding of R315 million to the project, comprising R265 million in senior debt and R50 million in Broad-Based Black Economic Empowerment (B-BBEE) equity facilities. The B-BBEE equity facility was provided to enable the BEE parties to access funding for acquiring a shareholding in the project.

The project falls within the DBSA’s mandate of promoting economic development and growth through financing social infrastructure. The project will contribute towards improved access to quality healthcare services, resulting in positive health outcomes and ultimately sustainable socio-economic development. In addition, the project promotes active BEE participation by contributing to the development of a black-owned hospital group in the healthcare sector. The project will also contribute towards SDG 3 with the theme “Ensure healthy lives and promote well-being for all at all ages” at its core by addressing the following disparities in South Africa’s healthcare sector in high density areas:

» Access to health services – ensuring availability and affordability of quality health services to low- and middle-income areas
» Quality of health services – ensuring effective, efficient, equitable and patient-centred healthcare.

The DBSA’s Project Preparation Division concluded a R25 million Project Preparation facility with RH Managers in February 2019 to undertake outstanding project preparation work. This was required to complete bankable feasibility studies for a portfolio of six greenfield hospitals in South Africa, with a total capacity of 596 beds.

During the year under review, the DBSA provided project financing facilities to the Royal Buffalo Hospital project, which was the first project of this collaboration. This project reached financial close in March 2021 and is expected to be operational from February 2022. The project consists of a 150-bed specialist private hospital located in East London, Buffalo City Metropolitan Municipality in the Eastern Cape Province. The total project cost amounts to approximately R516 million. The DBSA has provided funding of R315 million to the project, comprising R265 million in senior debt and R50 million in Broad-Based Black Economic Empowerment (B-BBEE) equity facilities. The B-BBEE equity facility was provided to enable the BEE parties to access funding for acquiring a shareholding in the project.
MOZAMBIQUE’S EDM

**Background**
The Government of Mozambique’s national energy utility, Electricidade de Moçambique (EDM), received a senior debt loan facility of USD81.30 million from the DBSA for the rehabilitation and upgrading of Mozambique’s energy supply network. This financing support is in line with Mozambique’s plans to provide universal electricity access by 2030. EDM has launched several projects aimed at strengthening the transmission grid and improving distribution capacity in Mozambique. Phase one, which comprises two of a planned 12 projects is ready for implementation at an all-inclusive estimated cost of USD81.30 million. These projects are located in Pemba City and Maputo City.

**Our involvement**
The DBSA loan facility of USD81.30 million will be advanced directly to EDM as a 15-year senior debt facility. Banco Nacional de Investimento (BNI), Mozambique’s development bank, acted as the borrower’s capital raising and advisory partner for the projects. This is in line with a longstanding MoU with the DBSA to enhance regional DFI partnerships and cooperation.

**Our impact**
The DBSA has been working with EDM and BNI for the past four years with a funding solution to rehabilitate its electricity network in the cities of Maputo and Pemba. DBSA is the only lender in the transaction. It is noteworthy that DBSA made a strategic decision to assist Mozambique and its utility when no other lender was prepared to assist the country during a time of need as well as heeding a call from the Mozambican government to get involved in infrastructure projects in the country. BNI was instrumental in assisting with the project’s due diligence and negotiating guarantees on behalf of the Government of Mozambique.

We believe the energy sector offers significant opportunities to provide both social and economic development in Mozambique with an anticipated 284,000 households receiving connectivity and a stable power connection.

IGNITE MOZAMBIQUE

**Background**
Ignite was incorporated in 2018 in Mozambique for the purpose of deploying 300,000 solar home systems (SHS) under pay-as-you-go platforms in off-grid areas of Mozambique. The business expects to reach 1,800,000 beneficiaries, the majority of whom are expected to be children.

**Our involvement**
The project builds on a broader cooperation agreement with the Government of Mozambique. Its objective is to support Ignite’s roll out of off-grid solar homes systems to rural households as part of the Mozambican government’s ‘Energy for All’ electrification programme. This project is still in progress.

**Our projected impact**
- Environmental benefits of using clean solar energy
- Creation of jobs and opportunities for social interaction
- Facilitate access to financial services such as mobile money (rural unbanked)
- Financial savings – reduced expenditure on kerosene lighting/travel time/mobile charging
- Improved access to education (extra and better-quality lighting hours – lower school dropout rates)
**ANGOLA SUN SOLAR PROJECT**

**Location:** South Africa/SADC/Rest of Africa

**Sector:** Local Government/Social Sector/Economic Sector

**Value chain:** Plan and Prepare/Finance/Build and Maintain

**Background**

As part of the country’s Energy 2025 plan, the Government of Angola, through the Ministry of Energy and Water (Minea) is on the path to increasing its generation capacity to 9,900MW, and increasing connectivity by developing its transmission network and providing off-grid solutions. Furthermore, the plan includes an objective to increase renewable energy (solar and wind energy) by 500MW by 2022 and 800MW by 2025, while also working to develop a framework for independent power producers. The 2025 plan also envisages the development of isolated systems (off-grid solutions) to serve 32 locations, based on small hydro, diesel or solar energy solutions.

Access to power in Angola is low, with a current access rate of 36% (8% in rural areas and 43% in urban areas), leaving 3.4 million households without power. Besides the general shortage of base power supply, Angola’s transmission network is located primarily between the large hydro power plants along the Cuanza River and Luanda (capital city), with few extensions deeper into the hinterland.

The Angola solar power project, which is financed by the DBSA amongst other lenders, involves the development, design, engineering, finance, procurement and construction of 370MW of solar PV power for Minea at a total cost of EUR560 million. The project will be spread across seven locations in the country and will include related infrastructure from the generation points to electrification. The sites were chosen by Minea to serve acute energy generation needs in the specific regions. Over and above implementation of the project, the developer and engineering procurement and construction (EPC) contractor on the project will provide training to the power generation company, Empres Publica De Producao De Electricidade – EP (Prodel) in Angola, which will run the project after its completion.

**Our involvement**

ING Bank of the Netherlands, as Mandated Lead Arranger, invited the DBSA to contribute up to EUR79.5 million. DBSA’s financing of the project is complemented by two credit export agencies that are 100% owned by the Swedish government. They will be partly underwritten by K Sure, a 100% South Korean government-owned export credit agency. A large portion of the financing has already been disbursed by the lenders and implementation of the project is progressing well.

**Our impact**

South Africa is Angola’s fifth largest trading partner in terms of imports. Therefore, increases in Angola’s GDP are likely to have a positive impact on trade relations between the two countries. Furthermore, 3,400 electricity meters will be procured from South Africa at an estimated cost of EUR3.4 million thus contributing to South Africa’s industrialisation.

A well-developed, reliable and fairly costed energy supply network is key to economic development. The lack of such an energy network is often the difference between sustainable economic development and persistent poverty.

Economic development to date in Angola has been hindered by a lack of reliable energy supply. Furthermore, the high cost of running environmentally unfriendly diesel generators has contributed to the budget constraints within Prodel and the fumes from the diesel generators (usually operated within and near towns) has contributed to the rise in respiratory diseases within the smaller towns. Solar PV is considered clean energy and will reduce reliance on diesel generators, thereby adding to the fight against climate change and respiratory conditions.

Financing this Solar PV project will support the economy of Angola by:

- Increasing the supply of electricity
- Supporting the Government of Angola in further diversification of its economy, skills transfer and GDP growth
- Developing infrastructure in and around the project site
- Creating employment
- Training the relevant staff at Prodel and other institutions of government to assist in the future rollout of other solar projects
- Connect 3,400 new households
- Save 935,953 tonnes of CO₂ equivalent emissions

The DBSA is the proud recipient of the award ECA/DFI backed deal of the year from the Trade Export Finance Corporation’s 2021 Awards on the Angola Solar project. These awards recognise projects that are shifting the finance and investment landscape on the African continent.

**OUR DEVELOPMENT IMPACT**

>> 39
TANZANIA RAILWAYS CORPORATION

Location: South Africa/SADC/Rest of Africa

Sector: Local Government/Social Sector/Economic Sector

Value chain: Plan and Prepare/Finance/Build and Maintain

Background

Tanzania Railways Corporation (TRC) is a state-owned company responsible for managing Tanzania’s entire railway infrastructure (including 2 707km of active network lines) and operations, excluding the railway link between Dar es Salaam Port and Zambia, which is operated by Tanzania-Zambia Railway Authority.

The Government of Tanzania is embarking on a programme to invest in a rail network and infrastructure with the ultimate aim of connecting the landlocked states of Burundi, Rwanda, Uganda and the DRC to world markets via the port of Dar es Salaam. The project that the DBSA is financing is the Dar es Salaam to Makutupora electrified Standard Gauge Railway (SGR) Project which will be implemented in two phases. Construction on phases 1 and 2 started in April 2017 and September 2018, respectively. To date, phases 1 and 2 are 46% and 7% complete, respectively. The Tanzanian Ministry of Finance and Planning (MoF), as the borrower has paid just over USD600 million in total for both phases, of which USD333.4 million has been paid for phase 1 and USD267 million for phase 2. An international open tender for 21 locomotives (19 electrical and two diesel) and 1 500 wagons was issued, with delivery of rolling stock at the end of phase 1.

Our involvement

The DBSA collaborated with Yapi Merkezi (Yapi) at the beginning of 2017 in the funding of the Tanzania SGR project. The MoF undertook an international open tender process to select the Mandated Lead Arranger (MLA), which would, subsequent to signing the contract, raise USD1.46 billion of the required USD2.35 billion to fund phases 1 and 2. The proposed funding was to be split between an export credit agency-covered tranche and an uncovered tranche, which resulted in Yapi introducing the DBSA to all bidding commercial banks for the uncovered tranche. Standard Chartered Bank was awarded the role of MLA in August 2018, whereby they immediately contacted the DBSA, Afrexim and Trade and Development Bank to participate in a USD300 million uncovered tranche of the transaction.

DBSA’s participation will be alongside other well-established DFIs in the region that count Tanzania as one of their shareholders and have preferred creditor status in the country. Furthermore, DBSA’s participation will be alongside a 100% Danish government-owned credit export agency, a 100% German government-owned DFI and European investment banks with a strong presence in Tanzania. This is in line with the Bank’s objective of working alongside partners that have extensive experience and a presence in the relevant country, as well as building relationships with other DFIs.

Our impact

The project will contribute towards two broad development goals of ending extreme poverty and boosting shared prosperity along a central land corridor that will create indirect benefits for the 40% of Tanzania’s population living in extreme poverty. Western Tanzania is the country’s breadbasket and requires improved transport linkages to distribute its harvests. This rail link and its traffic volumes will catalyse a corridor of economic activities and job creation that will generate wealth from the Great Lakes to the coast.

Besides linking the agriculturally high-potential western Tanzania to national and export markets, this project will provide a direct connection to landlocked neighbouring countries of Rwanda, Burundi, and Eastern DRC. Given that the project is the first phase in a broader plan for rehabilitating this rail corridor, its effects and benefits are expected to amplify over time, as transport synergies develop with the Great Lakes and the global transport capacity. In addition to increasing market access and creating jobs, the initiative is expected to reduce transport costs by an estimated USD10.8 billion over a 20-year period. Regional GDP in Tanzania, Rwanda and Burundi is expected to grow by 9% in the three to four years after full completion of the rail project.
BITPESA FINANCIAL TECHNOLOGY SOLUTION

**Location:**
South Africa/SADC/Rest of Africa

**Sector:**
Local Government/Social Sector/Economic Sector

**Value chain:**
Plan and Prepare/Finance/Build and Maintain

**Background**
Most international firms and African suppliers request payments in United States Dollars (USD) or other major currencies such as the Euro or the British Pound. The scarcity of USD raises transaction costs which subsequently increase the price of exports, thereby eroding the competitiveness of emerging African exporters. A lack of foreign currency can also delay cross-border transactions by several weeks, thus restricting the financial feasibility of business projects.

These financial transacting impediments (e.g. high transaction cost) encountered by SMEs presented a business opportunity to BTC Africa S.A (BitPesa). The company developed an innovative financial technology solution to aid firms in frontier markets to send and receive money anywhere in the world in a quick, easy and cost-effective manner.

BitPesa matches buyers (importers) and sellers (exporters) of hard currencies (USD). The company operates a network of float accounts in each country where it is present, together with a USD account in the United States of America, United Kingdom and Europe, which are used to facilitate the inward flow and outward payments of USD. The firm acts as a middle market broker by increasing liquidity and interoperability in markets.

**Our involvement**
BitPesa has experienced rapid growth since its establishment and required further capital to manage the increase in volume of transactions. The company approached the DBSA in 2019 for a loan to expand its offerings in Africa. The DBSA agreed to provide a debt facility of USD15 million, in line with its developmental mandate to promote economic development, growth and regional integration through infrastructure finance and development that improves the quality of people’s lives. Moreover, the project is aligned with DBSA’s commitment to support commercially innovative projects on the African continent. The BitPesa project was funded for its commercial viability as well as its contribution to foster development in accordance with the country’s developmental agenda. The primary objectives of the loan funding were to:

- Expand business-to-business (B2B) services in Africa
- Expand BitPesa’s reach to at least five more markets in Africa
- Provide a cost-effective, same-day remittance service for Africa with global reach

**Our impact**
Since the DBSA intervention, the BitPesa platform has expanded to allow large numbers of suppliers to receive their payments sooner. This results in faster delivery of goods and capital recycling, which allows exporters to increase turnover and improve profits. BitPesa clients include African, Middle Eastern and Asian SMEs, European and frontier market banks, and mobile money operators.

BitPesa is present in a variety of industries in Africa, including trade and logistics, financial services, construction, agriculture, energy, manufacturing and fast-moving consumer goods. It currently serves 287 clients in seven African countries, the bulk of these being in Nigeria (199). The number of active SME users increased from nine in 2019 first quarter to 279 in 2020 fourth quarter.

The main outcomes were:

- BitPesa offered better liquidity, interoperability and efficiency of settlement than its competitors
- Cost of remittance was 1% for most transactions in line with SDG 10.c.1 (to reduce remittance costs to less than 3% by 2030)
- Settlement time was, on average, two days
- Reduction in USD dependency of USD725 million in 2020 in comparison to USD305 million in 2019
- Savings arising from using the BitPesa platform was USD2.6 million in 2020
- Intra-Africa trade of USD12.4 million arose from the usage of the BitPesa platform in 2020

1. BTC Africa S.A is the borrower’s name whilst BitPesa is the group name and is used as the project name in the DBSA. The company has subsequently been rebranded to AZA in 2019.
2. A frontier market refers to a market that is more developed than a ‘least developed country’ market, but not at the level of a ‘developed country’ in terms of size, risk and liquidity.
Building and maintenance
We assist government in building and maintaining infrastructure through implementation services, programme management and capacity building services. By augmenting the capacity of the state to deliver infrastructure, the Bank fulfils part of its mandate by facilitating improvements in service delivery and enabling a higher quality of life for all who live in South Africa.

Our involvement in infrastructure delivery accelerates planned infrastructure development, thereby supporting job creation, advancing the green economy and ensuring the delivery of value-for-money infrastructure. Together with our stakeholders, the DBSA improves both the speed and quality of infrastructure delivery.

The DBSA, as an implementing agent, enhances the capacity of the state to deliver infrastructure by:

» Providing efficient and effective planning and procurement to enable accelerated programme/project initiation and execution
» Providing client-centric infrastructure delivery, including planning, design, construction and maintenance solutions through a multidisciplinary team of professionals and technical specialists
» Exercising effective project controls, monitoring and reporting in line with applicable norms and standards

In the year under review, and through partnerships with national, provincial and local government, the DBSA has built new and refurbished existing schools’ infrastructure, and supported broader infrastructure delivery within the social sector, among other initiatives.

Our services also became critical in the interventions aimed at combating the rapid spread of the COVID-19 pandemic. We played an active role in augmenting the capacity of the health ecosystem by building mobile prefabricated testing units and refurbishing existing facilities in five district municipalities in the Eastern Cape, Free State, Gauteng, KwaZulu-Natal, Limpopo, Mpumalanga, and the North West.

EXPANSION OF THE SPRINGS FRESH PRODUCE MARKET

Background
As part of the DBSA implementing agency support to the City of Ekurhuleni, the DBSA received a request to construct an 8 500m² building to expand the existing Springs Fresh Produce Market at a total value of R65.3 million.

Our involvement
Manage project from start to finish which involves the procurement of the professional service provider and the contractor.

Our impact
During construction 27 local subcontractors were appointed to provide labour and supply building material. At least 276 employment opportunities were created during construction.

OUR DEVELOPMENT IMPACT
## UPGRADE OF THE INTENSIVE CARE UNIT AND HIGH CARE WARDs AT 1 MILITARY HOSPITAL ON BEHALF OF THE DEPARTMENT OF DEFENCE

### Location:
South Africa/SADC/Rest of Africa

### Sector:
Local Government/Social Sector/Economic Sector

### Value chain:
Plan and Prepare/Finance/Build and Maintain

### Background
With the outbreak of the COVID-19 pandemic in the country during 2020, the Department of Defence (DoD) identified the need to upgrade and convert the 7th floor of its 1 Military Hospital in Pretoria into an Intensive Care Unit (ICU) and High Care Isolation Units (IU). The project is a legacy project critical to the augmentation of the DoD’s capacity in the fight against the COVID-19 pandemic and uplift the standard of service in the hospital.

Under the Implementing Agency Agreement with the DoD, the DBSA responded to the call to refurbish the 7th floor within a short space of time to respond to the COVID-19 emergency readiness of the hospital.

### Our involvement
The scope of work involved the design, construction and commissioning of the conversion of general wards situated on the 7th floor into a 36-bed ICU and 42-bed High Care Unit. This work included installation of all the designed health technology equipment and furniture, electrical works, mechanical works, ancillary works and a five-year maintenance plan on all health technology equipment.

### Our impact
Due to the emergency nature of the project, the ICU had to be completed within seven weeks. DBSA accepted the challenge together with the Defence Works Formations and the appointed turnkey contractor and rolled out a 24-hour, seven-days-a-week schedule that enabled DBSA to deliver the project and hand over to the DoD on time. Construction kicked off on 17 August 2020 and the facilities were handed over to the DoD seven weeks later on 12 October 2020.

During construction 289 local people were employed, divided between night and day shifts, including 180 youths and 24 females.

The CEO, Mr Patrick Dlamini handed over the project to the Minister of Defence at a ceremony on 19 October 2020.
NORTH WEST HOSPITALS INFRASTRUCTURE SUPPORT PROGRAMME

Location: South Africa/SADC/Rest of Africa

Sector: Local Government/Social Sector/Economic Sector

Value chain: Plan and Prepare/Finance/Build and Maintain

Background
Through the implementing agency agreement with the National Department of Health (NDoH), the DBSA was requested to provide an infrastructure support programme in the North West province, which includes the following sub-programmes:

- Maintenance, refurbishment and replacement of hospital boilers
- HVAC, autoclaves, theatres and other clinical support areas
- Revitalisation of Klerksdorp/Tshepong Hospital Complex
- Backlog maintenance of health facilities, including branding for selected clinics and hospitals

Our involvement
The NDoH mandated DBSA to manage the refurbishment, replacement, and maintenance of boilers in seven hospitals situated in North West province: Nic Bodenstein, Schweizer Reneke, Tsephong, Klerksdorp, Gelukspan, Mahikeng and Zeerust hospitals.

Our impact
The refurbishment work and replacement of boilers at six of the seven hospitals started on 3 June 2019 and was completed on 31 January 2021. DBSA commenced with refurbishment works at Nic Bodenstein on 31 August 2020 and is scheduled for completion on 30 June 2021.

DBSA also:
- Compiled and supplied operating and maintenance manuals for new installations
- Trained current boiler operators on the new boilers and water treatment technology
- Submitted system-specific operation and maintenance manuals complete with general arrangement drawings and pipe and instrumentation diagrams

During construction, at least 291 employment opportunities were created, benefiting at least 33 women and 125 youth. During the same period, 31 SMEs (of which three were women-owned), were contracted.
Since the inception of ASIDI, DBSA has supported the DBE to achieve this goal by constructing and completing 139 schools spread across the provinces of the Eastern Cape, Limpopo, Mpumalanga, North West and Free State. The allocation of these schools was staggered from 2012 in batches of 49 schools (2011/12), 22 schools (2012/13), 50 schools (2014/15), eight schools (2015/16) and 15 schools (2016/17), respectively. Recently the DBE has allocated an additional 47 schools and the DBSA has commenced with procurement of contractors for execution of the work.

Mbekweni High School is located in Enoch Mgijima Local Municipality, Chris Hani District Municipality in the Eastern Cape province. The DBE ceded the contract and reassigned this school to the DBSA from another implementing agent to fast-track the construction of the school.

Our involvement
This project involved the construction of 13 blocks of classrooms, one science laboratory, one multipurpose centre, one media centre, nine offices, two printing rooms, one staff room, one nutrition centre, one storage room, 30 water tanks, eight sanitation facilities, one sports field and 1 843 metres of security fence. Mbekweni High School has been completed and handed over to the DBE.

Our impact
Learner enrolment at the school improved from 293 learners in 2017 to 368 learners in 2019. Twelve (12) local subcontractors and two hundred and sixty six (266) temporary employment opportunities have been created for local labour.
Climate and environmental responsibility
CLIMATE AND ENVIRONMENTAL RESPONSIBILITY

SUPPORTING ENVIRONMENTALLY ORIENTATED INFRASTRUCTURE PROGRAMMES

As a DFI, we recognise that the biggest influence we could have on our collective natural capital is to fund programmes and initiatives that respond to the most pressing environmental issues of our time. Climate change is clearly evident, making it imperative for the DBSA to act by supporting and investing in initiatives aimed at climate change mitigation and adaptation.

The DBSA’s climate finance initiatives involve managing facilities, funds and programmes that promote a greener economy and supporting a Just Transition to a low carbon economy.

The DBSA is an active member of the International Development Finance Club (IDFC), a network of 26 leading national, regional and international development banks that share a similar vision of promoting low-carbon and climate-resilient futures. The Bank is also a member of the Global Innovating Lab for Climate Change, which supports the identification and piloting of climate change financing instruments and products to catalyse private sector money into climate change mitigation projects in developing countries.

GREEN CLIMATE FUND

The Green Climate Fund (GCF) is a global funding mechanism set up by the United Nations Framework Convention on Climate Change (UNFCCC) to support developing countries in responding to climate change. The DBSA was accredited to the GCF in March 2016 to implement micro to large projects nationally and within sub-Saharan Africa. Our accreditation to the GCF provides access to funds for low-carbon and climate-resilient development. The DBSA current climate financing is eight capacity development projects, 16 research and development projects and 31 investment projects. The Bank is involved in a pipeline of projects for financing, including the following initiatives:

- **THE CLIMATE FINANCE FACILITY**
  A lending facility adapted for emerging market conditions, aimed at climate-related investments in southern Africa.

- **EMBEDDED GENERATION INVESTMENT PROGRAMME**
  The DBSA utilised funding from the GCF to develop a guarantee facility to support non-sovereign guarantee-backed power purchase agreements for renewable energy projects in South Africa. We further partnered with ICLEI – Local Governments for Sustainability and UK PACT to undertake a feasibility study that will provide technical and funding options for five local town centres. Refer to page 24 of this report for more information on our involvement and impact in the year under review.

- **MUNICIPAL SOLID WASTE MANAGEMENT PROGRAMME**
  Supports the implementation of organic waste treatment solutions in six pilot municipalities in South Africa. The provision of a waste treatment technology facility to the CoJ will result in the effective management of 500,000 tonnes of municipal solid waste per annum while simultaneously generating electricity.
REDUCING OUR IMPACT ON THE ENVIRONMENT

The DBSA endeavours to continuously improve its own energy, water and sanitation, and waste management. Wherever possible, we reduce the electricity we consume and are developing an off-grid campus to house our operations.

Water

The DBSA actively measures and monitors our water use throughout our operations. Where possible, we develop proactive strategies to manage our water usage as we are committed to being a responsible custodian of water. Although our operations are not particularly water-intensive, we are committed to more efficient water consumption through reduced consumption on our campus. Total water used on the DBSA campus from municipal water sources amounted to 3 868 kilolitres (2020: 7 531 kilolitres) in the year under review.

<table>
<thead>
<tr>
<th>Year</th>
<th>Water consumption in kilolitres</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>3 868</td>
</tr>
<tr>
<td>2020</td>
<td>7 531</td>
</tr>
<tr>
<td>2019</td>
<td>7 144</td>
</tr>
<tr>
<td>2018</td>
<td>10 186</td>
</tr>
<tr>
<td>2017</td>
<td>18 456</td>
</tr>
</tbody>
</table>

Recycling and waste management

Recycling various types of waste is an important part of the Bank’s waste management strategy. We focus on recycling cans and tins, cardboard, newspapers and magazines, plastic and paper. During the year under review, the DBSA did not recycle any materials since all the employees were working from home and the DBSA campus has remained closed since the onset of the pandemic in March 2020. The Bank remains committed to the recycling of the above-mentioned materials once the campus reopens and employees return to work. Waste material is disposed of through legitimate contractors at certified waste disposal facilities. Although the DBSA does not generate significant volumes of waste, it recycles as much as possible.

Energy and emissions

The DBSA is focused on reducing its consumption of non-renewable energy. We mainly consume non-renewable energy through electricity at our offices. During 2021, our energy consumption decreased to 0.5MW from 2.8MW in 2020, primarily as a result of employees working from home. By reducing our non-renewable energy consumption, we lower the GHG emissions associated with the power we use at our campus.

<table>
<thead>
<tr>
<th>Year</th>
<th>Electricity consumption in MW</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>0.5</td>
</tr>
<tr>
<td>2020</td>
<td>2.8</td>
</tr>
<tr>
<td>2019</td>
<td>2.7</td>
</tr>
<tr>
<td>2018</td>
<td>2.7</td>
</tr>
<tr>
<td>2017</td>
<td>2.1</td>
</tr>
</tbody>
</table>

The DBSA continues with the plans to take its campus off-grid, to efficiently manage its water and waste and to provide a platform to showcase innovations within the DBSA’s mandated sectors. The DBSA’s off-grid campus is envisioned as a space where technology can be showcased and solutions developed that have the potential to accelerate development. The majority of the work envisaged for the financial year under review could not be carried out due to campus closure attributable to the lockdown restrictions and implementation of the work from home strategy.
Corporate social responsibility
SUPPORTING CAPACITY BUILDING IN AFRICA: PAN-AFRICAN CAPACITY BUILDING PROGRAMME

The PACBP is the DBSA’s leading skills development platform operating across all regions of the African continent. The programme was established in 2009 and launched into full operation in 2010. It has given the DBSA a positive footprint as a committed skills and institutional strengthening partner supporting the vision of the DBSA CEO who has led (as Chair) both the Association of African DFIs (AADFI) and the SADC Development Finance Resource Centre (SADC-DFRC).

PACBP mandate and objectives

The PACBP’s mandate is to design and deliver capacity building and skills development interventions and solutions aimed at developing human and organisational capability in African and South African institutions. The programme works across multiple sectors across the continent addressing critical capacity-related economic growth and development challenges as part of the DBSA’s contribution towards accelerating shared prosperity. This is part of our DBSA contribution towards achieving Agenda 2063 and the SDGs 2030.

PACBP activities

For over 10 years, the PACBP has been addressing chronic skills challenges in African DFIs and utilities by designing and delivering much-needed skills programmes in collaboration with strategic regional partners. These interventions have included the delivery of a two-year Masters in Public Infrastructure Management graduate degree. This was successfully offered through three regional universities in southern Africa (University of Pretoria), East Africa (Makerere University) and West Africa (Universite Cheikh Anta Diop – Dakar, Senegal) for eight years. An additional node servicing the Central African region has been established and is located at the Omar Bongo University in Libreville, Gabon.

The PACBP has also been actively delivering multiple short courses and other skills interventions such as hosting DFI professionals on study tours to the DBSA and other SoEs in South Africa. This is to directly support skills enhancement towards improved service delivery and infrastructure development in African DFIs and local councils and/or municipalities.

The PACBP has been quietly delivering critical capacity building and skills development interventions across the region. The top courses during the reporting period were as follows:

» Financial Modelling (Zambia Railways and SADC Regional Railways staff)
» Project Finance (Regional DFI staff and SADC-DFRC team)
» Project Management (SADC DFIs and regional partners)
» Project Preparation and Project Finance (SADC DFIs and partners)
» Leadership Skills and High-Performance Cultures (African DFIs)
» Emotional Intelligence Skills (Regional DFI professionals)
» Fundamentals of Professional Coaching Skills (African DFIs)

Each course was delivered at least twice, except for the Leadership, Coaching and Emotional Intelligence courses that have been requested repeatedly by clients, especially by regional DFIs during the 2020/21 financial year.

The programme has been invited to support the skills development and institutional strengthening of local government with strategic partners such as the national departments. In this regard, the PACBP, through the DBSA, has already signed MoUs with the Local Government SETA (LGSETA) and UNISA Enterprise to facilitate providing online training platforms for Local Government officials (using UNISA Enterprise’s advanced online training platforms). Going forward, the programme is also set to offer Executive Coaching using DFI’s standard operating practice as a benchmark.
OUR RESPONSE TO COMBAT COVID-19

Background
The DBSA is supporting government in several of its initiatives to fight the spread of the COVID-19 pandemic and to save the lives of those who are infected. The Bank has allocated R150 million to fighting the pandemic during the year under review.

Our involvement
- Supported the National Disaster Management Centre
- Supplied 25 prefabricated screening and testing units in 25 districts in seven provinces
- Supplied 40 water boreholes and five water tankers to municipalities
- Supplied 149 locally manufactured isolation pods to various healthcare sites and schools
- Accelerated the capacity for PCR testing in collaboration with the CSIR
- Supported neighbouring countries with COVID-19 personal protective equipment (PPE) and other medical supplies.

Our impact
The National Disaster Management Centre was established with the objective to promote an integrated and coordinated system of disaster management, with a special emphasis on prevention and mitigation, by national, provincial and municipal organs of state, statutory functionaries, other role players and communities. It is the nerve centre for monitoring the spread of the virus across the country. Key statistics gathered through the centre inform the allocation of resources and the need to vary lockdown measures. DBSA provided funding for operational and logistical support.

Each prefabricated screening and testing unit was supplied with two tables, five chairs, a water basin, sanitiser holders, PCR test kits, viral transport mediums, disposable medical protective suits, three-ply disposable masks, KN95 masks, surgical gloves, shoe covers, theatre caps, goggles and thermometers to last for at least two months of testing in each area. The units have been located either outside a clinic, hospital or an area where there is easy access to enable the community to test easily. The units are designed to become sustainable assets for the Department of Health.

In response to the water crisis and the need for hygiene in fighting COVID-19, the DBSA was able to provide 40 boreholes in various municipalities areas across the country and deliver five water tankers to Mopani District Municipality and Bushbuckridge Local Municipality.

The 149 isolation pods were each supplied with a bed, mattress, bed linen and a side table.

The Bank collaborated with the CSIR to enlarge testing capacity in laboratories. The PCR test equipment purchased by the DBSA contributed to the acceleration of testing capacity to 13 160 tests and eventually to 20 000 tests per week, supporting the National Health Laboratory Services and mines at the beginning of South Africa’s first wave of infections.

Further collaboration with the CSIR included developing a prototype ventilator to be manufactured in South Africa. This prototype is in the approval stages and should reach manufacturing and distribution phases in 2022.

In addition to our work in South Africa, the DBSA supplied SADC countries (i.e. Eswatini, Mozambique, Zambia and Zimbabwe) with over 17 000 PCR test kits, 250 000 surgical masks, 50 000 face shields, 450 000 pairs of surgical gloves, 100 000 surgical gowns, 10 000 medical suit coveralls, 25 000 goggles and 10 000 pairs of shoe covers.
SOCIAL INNOVATION: DLAB PRECINCT MODEL

Background
The DBSA’s ‘Moonshots’ were developed as catalytic projects to create platforms for collaboration in the organisation’s projects that respond to South Africa’s development needs. As distillations of the DBSA’s development position, the objective of the initiatives is to deliver solutions to challenges that are often systemic, social, and environmental by supporting social progress in an innovative manner. The Moonshots are driven primarily by development impact and social investment as a return.

Our involvement
One of the core innovative solutions created to drive the DBSA’s Moonshots is the development laboratory (DLAB) Precinct Model. The DLAB Precinct Model is an unprecedented South African approach to addressing socio-economic needs in a manner that is inclusive, builds resilience, fosters social cohesion, drives community-based solutions and stimulates economic development for the most underserved youth and local communities.

The DLAB’s three long term objectives are:
» To stimulate economic development in the defined DLAB premises and within the greater DLAB precinct.
» Mobilise communities that embody resilience, regeneration and transcend current trajectories by leveraging DLAB’s position at the community centre – both in value creation and location
» The implementation of affordable technologies that yield green solutions.

As part of the DBSA’s breakthrough agenda initiatives, the initial vision for the DLAB Precinct Model focused on providing access to skills of the future and enterprise development through an integrated approach with three primary implementing partners. It was aimed at providing a common space in communities that reinvents access to education and to the skills of the future across the Science, Technology, Mathematics and Innovation (STEAMI) streams, provide access to digital presence and knowledge and create job opportunities within the Local Economic Development (LED) area of the DLAB Precincts.

The DLAB Precinct Model’s vision evolved to extend beyond the initial scope to include attracting capital to the township economy, creating visibility that leads to further opportunities and the establishment of a multi-stakeholder oversite structure to fulfill a strategic advisory function.

Our impact
The DLABs provide the people who live in these communities with training and learning future skills, as well as job-ready skills and youth employment opportunities within the Precinct zones. It also drives micro-entrepreneurship and brings real first economy jobs into the townships and peri-urban areas. Moreover, the DLABs create safe spaces for sports, art, and recreational activities accessible to local schools. It takes into greater consideration of health and well-being by providing access to basic healthcare and psychosocial skills. DLABs apply technologies and green solutions that create an affordable and sustainable operating environment to provide food security.

Partnering with stakeholders across various organised groups and multiple levels of society builds bridges between key partners and provides pivotal links to co-funding opportunities, resources and skill-sets, as well as the scaling of the overall programme. The DLABs create ecosystems that convene partners to yield impactful development solutions. They provide an environment for participation amongst civil society, business, government, and other like-minded groups that share common developmental goals.

At the centre of this is the DBSA, which continues to be the pivotal link between key players and holds them accountable to achieving the set common objectives. For each DLAB, the DBSA provides a starting capital injection and operational support over a three- to five-year period to enable the precincts to become self-sustaining vehicles.

The DLAB Precinct Model has expanded opportunities and partnerships, where it has created a network of approximately 30 key stakeholder partnerships across international development institutions, national government departments, private business and civil society.

The DLAB Precinct Model is currently in its early stages, as 2020 marked the first year of the DLAB’s implementation with the activation of two DBSA DLABs in Jabulani (Soweto, Gauteng) and Westridge (Mitchell’s Plain, Western Cape). The DBSA invested both financially and non-financially, as well as catalysed an additional capital injection into the two DLABs sites despite the impact of COVID-19. The two sites in Jabulani and Westridge have presented a strong proof of concept for the DLAB Precinct Model producing actual results, in real time, against the committed performance.

Year 2021 sees the implementation of three additional DLAB sites in Louwsburg (KwaZulu-Natal), Waterberg (Limpopo) and Alexandra (Gauteng), as well as the second phase of implementation for the DLAB sites in Jabulani and Westridge.
Corporate social investment
The DBSA’s corporate social investment (CSI) activities are aligned with the Bank’s focus on accelerating sustainable socio-economic development. While the Bank operates across the African continent, our CSI initiatives are focused within South Africa.

Our CSI plan, which outlines projects to be supported, is revised annually. Once the plan has been interrogated and approved by responsible delegated authorities, it forms the basis for programme implementation and periodic performance reporting to the Social and Ethics Committee in compliance to the Companies Act, No. 71 of 2008, as well as the Companies Amendment Act, No. 3 of 2011. Projects included in the plan are selected based on the socio-economic needs identified in communities where we operate. Our CSI plan also sets criteria for CSI intervention as well as an assessment of the relevance of unsolicited applications.

The nature of the DBSA mandate, vision and mission directs the Bank to contribute to sustainable development and to improve the quality of life of people. This is done by supporting economic growth in Africa through infrastructure development.

The DBSA’s CSI programme and related activities are aligned with the Bank’s focus and seek to benefit the poorest of the poor by supporting economic and social upliftment of the communities in which the DBSA operates, focusing on the education and health sectors.

Much of our CSI initiatives over the past financial year had to be adapted to prioritise support to our beneficiaries that alleviated the impact of COVID-19. The support provided included interventions to provide both short term and emergency assistance as well as long term, more sustainable support.

Our CSI operations are guided by the following broad principles:

- Our normal CSI budget is a minimum of 1% of net profit after tax as calculated on the audited amount of the previous year, as legislated. Due to special allocations made to combat the COVID-19 pandemic, the amount used equated to 2.9% of total wealth generated.

  Refer to page 6 of this report.

- Our strategic focus sectors are education and health, which are aligned with the NDP and SDGs.
- Flagship projects are three-year commitments that are reviewed annually. In exceptional cases, they may be reviewed and extended for a further three years or granted on a year-by-year basis depending on development impact and residual needs.
- New projects are added on a roll-over basis to allow for continuity and sustainability and to accommodate the capacity of the CSI function.
- We are proactive in our selection of projects and strive to align our flagship programmes with our frontline divisions. Unsolicited applications are accommodated as pilot projects pending decisions for inclusion as flagship programmes.
- Stakeholder engagement and participation in projects from conceptualisation are fundamental to all projects undertaken in the CSI programme. The acceptance, buy-in and ownership of affected stakeholders are considered a critical element in ensuring the successful implementation of our CSI projects.
PROJECT: SCHOOL LEADERSHIP DEVELOPMENT

Primary beneficiaries: School principals
Secondary beneficiaries: School management teams, school governing bodies and school community

The School Leadership Programme is an initiative designed to improve the quality of education by capacitating school principals from under-resourced schools and enhancing their leadership skills through partnerships with business leaders. The schools selected for this programme are Quintiles 1, 2 and 3 schools, which are non-fee-paying schools in impoverished areas across Limpopo, North West and KwaZulu-Natal.

Principals are partnered with business leaders and go through a leadership development programme that seeks to equip them with necessary management and leadership skills to effectively deal with the obstacles and challenges they face in their unique and individual circumstances focusing on adaptivity. Additionally, the programme empowers principals and business partners in transitioning their leadership styles to be more inclusive, participatory and collaborative in a manner that breaks down barriers, fosters connections among staff and external stakeholders and inspires change.

The programme takes the form of the DBSA sponsoring partnerships between school principals and DBSA employees who volunteer to participate through the Bank’s CSI Staff Volunteer initiative. What is noteworthy is that the CSI programme also provided financial support to teachers in the programme who are normally supported through the fundraising activities of School Governing Bodies (SGBs) but could not be supported in this manner due to a halt in all activities as a result of the COVID-19 pandemic.

R4 244 000
Value of CSI support
PROJECT: ECD INFRASTRUCTURE

Beneficiaries: Communities in Mafefe in Limpopo, Klipgat in North West, two in Virginia and one at Allanridge in the Free State

Since 2020, the DBSA has supported communities by providing age appropriate and safe infrastructure facilities for already established Early Childhood Development (ECD) centres that lack adequate infrastructure but have demonstrated leadership capability for sustainability and growth.

The ECD programme is done in collaboration and in partnership with the provincial Departments of Social Development that assist us in identifying ECDs that can benefit from the intervention.

The ECD infrastructure support includes delivery of a fully equipped container structure consisting of a super service centre, i.e. a mobile convertible container with rooms and equipment such as classrooms, kitchen, sick bay area, tables and chairs, toys and books. In addition, an outside play area is built for the young children.

R8 019 725

Value of CSI support
PROJECT: HANDWASH STATIONS

The COVID-19 pandemic brought to the forefront the importance of basic hygiene in preventing disease. In the rural areas where we provide CSI support, access to basic supplies such as water and soap is not a given and can be a challenge. With the recognition that a simple task such as washing one’s hands can be an effective tool to curb the spread of the coronavirus, the CSI programme was swift to adapt our support to our beneficiary schools in under-resourced municipalities by supplying them with portable, low-tech but innovative handwash stations.

The handwash stations consisted of an innovative structure made up of a roof with gutters to capture rainwater leading to big water tanks. In addition, the stations have metal soap containers with soap dispensers that can be operated with a shoulder and taps for running water were provided. Furthermore, the stations have drains, constructed to dispose the grey water, and allow for recycling for potential use in the vegetable gardens.

The supply of water tanks ensured the availability and access to clean water, providing learners and the school with the ability to comply with hygiene protocols and prevent the spread of the virus. The schools supported with these handwash stations were located across Gauteng, North West and KwaZulu-Natal. In KwaZulu-Natal, the Madonela Clinic was furnished with an isolation pod as additional support.

R3 085 101
Value of CSI support
PROJECT: PPE AND TECHNOLOGICAL EQUIPMENT FOR CURRICULUM CATCH-UP
Regions: Partner schools in KwaZulu-Natal, Gauteng and North West

To have access to educational facilities and to continue with the learning process, PPE such as masks were needed. Intermittently, schools were closed and opened on a rotational basis where learners could be accommodated in school on alternate days or weeks depending on the school’s plan. This meant loss of normal opportunities for covering the prescribed curriculum and ways and means for curriculum catch-up were proposed. Based on the school and environmental needs, some schools requested and were provided with PPE while others were provided with technological equipment such as photocopy machines and spare Britebox, which contained a laptop for teachers’ use and tablets for learners.

**R2 709 281**
Value of CSI support
PROJECT: PACKED FOOD, FOOD VOUCHERS AND SUSTAINABLE FOOD GARDENS

The school feeding scheme is a fundamental mode of health nutrition for most children in under-resourced and impoverished communities. The COVID-19 induced lockdown led to the closure of schools and resulted in unintended societal problems where school learners had no access to meals, particularly in areas where they were dependent on schools for at least one decent meal a day. This heightened the pressure for schools to resume and open for purposes of the feeding scheme primarily. CSI observed the impacts of the COVID-19 pandemic on communities and provided support to over 300 families in communities in the proximity of the DBSA. CSI also leveraged on the strategic partnership with Rise Against Hunger South Africa to provide two rounds of food packaging that supplied 150,000 food packages each to feed over 570 children. Over and above the packed food, a donation was made to enable Rise Against Hunger to start a sustainable vegetable garden that would ensure a supply of fresh vegetables whilst skilling and providing employment for parents working in the garden. This support was given to schools in the area surrounding the DBSA campus, specifically, schools in Tembisa, Olievenhoutbosch and Mooiplaas. The primary focus was on ECDs that do not receive government subsidies.

R3 605 660

Value of CSI support
Reference information
We report in line with the requirements of the GRI. Based on our internal assessment, we believe our 2021 Sustainability Review is compliant with the core option of the G4 Guidelines. The DBSA’s Internal Audit unit has conducted a review of the disclosure items.

<table>
<thead>
<tr>
<th>Profile disclosure</th>
<th>Disclosure</th>
<th>Assurance by DBSA Internal Audit</th>
<th>Cross-reference/direct answer</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strategy and analysis</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>G4-1</td>
<td>CEO/Chair statement</td>
<td>Compliant</td>
<td>Refer to pages 8 to 10 of the 2021 Sustainability Review for the statement from the CEO.</td>
</tr>
<tr>
<td><strong>Organisational profile</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>G4-3</td>
<td>Report the name of the organisation</td>
<td>Compliant</td>
<td>The Development Bank of Southern Africa.</td>
</tr>
<tr>
<td>G4-4</td>
<td>Report the primary brands, products and/or services</td>
<td>Compliant</td>
<td>Refer to 2021 Integrated Annual Report pages 22 to 31.</td>
</tr>
<tr>
<td>G4-5</td>
<td>Report the location of the organisation’s headquarters</td>
<td>Compliant</td>
<td>The DBSA operates from its offices in Midrand, Gauteng, South Africa.</td>
</tr>
<tr>
<td>G4-6</td>
<td>Countries of operation</td>
<td>Compliant</td>
<td>The DBSA’s mandate covers the whole of Africa with a strong focus on the SADC region.</td>
</tr>
<tr>
<td>G4-7</td>
<td>Report the nature of ownership and legal form</td>
<td>Compliant</td>
<td>The DBSA is wholly owned by the South African government.</td>
</tr>
<tr>
<td>G4-8</td>
<td>Report the markets served</td>
<td>Compliant</td>
<td>Refer to 2021 Integrated Annual Report pages 20 to 21.</td>
</tr>
<tr>
<td>G4-9</td>
<td>Report the scale of the organisation</td>
<td>Compliant</td>
<td>The DBSA is a single entity with no subsidiaries.</td>
</tr>
<tr>
<td>G4-10</td>
<td>Workforce scale and split</td>
<td>Compliant</td>
<td>Refer to pages 96 to 99 of the 2021 Integrated Annual Report.</td>
</tr>
<tr>
<td>G4-11</td>
<td>Percentage of total employees covered by collective bargaining agreements</td>
<td>Compliant</td>
<td>The DBSA does not have a recognised labour union or collective bargaining agreements. SACCAWU has organisational rights but no bargaining rights.</td>
</tr>
<tr>
<td>G4-12</td>
<td>Describe the organisation’s supply chain</td>
<td>Compliant</td>
<td>The DBSA has a fully functional Supply Chain Management unit, which is part of the Finance Division. The DBSA Supply Chain Policy finds expression within the provisions of the applicable statutes and regulations, i.e. PFMA and preferential procurement regulations.</td>
</tr>
<tr>
<td>G4-13</td>
<td>Significant changes to the organisation (size, structure, ownership, etc.)</td>
<td>Compliant</td>
<td>None.</td>
</tr>
<tr>
<td>G4-14</td>
<td>Report whether and how the precautionary approach or principle is addressed</td>
<td>Compliant</td>
<td>The principles that form the precautionary approach inform our governance framework for sustainability development reviewed in our Sustainability Review, particularly our management of our economic, social and environmental dividend. Refer to pages 2 to 3 of the Sustainability Review.</td>
</tr>
<tr>
<td>G4-15</td>
<td>List external initiatives signed up</td>
<td>Compliant</td>
<td>Refer to 2021 Integrated Annual Report pages 14, 117 as well as pages 9 and 55 of the Sustainability Review.</td>
</tr>
<tr>
<td>G4-16</td>
<td>List association memberships/participation</td>
<td>Compliant</td>
<td>Refer to 2021 Integrated Annual Report pages 99 and 112.</td>
</tr>
</tbody>
</table>
## Identified material aspects and boundaries

<table>
<thead>
<tr>
<th>Profile disclosure</th>
<th>Disclosure</th>
<th>Assurance by DBSA Internal Audit</th>
<th>Cross-reference/direct answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>G4-17</td>
<td>List all entities included in reporting scope</td>
<td>Compliant</td>
<td>Only DBSA.</td>
</tr>
<tr>
<td>G4-18</td>
<td>Explain implementation of principles for defining report content</td>
<td>Compliant</td>
<td>Refer to page 3 of the 2021 Sustainability Review.</td>
</tr>
<tr>
<td>G4-19</td>
<td>List material aspects identified in the process for defining report content</td>
<td>Compliant</td>
<td>Refer to page 3, 17 and 21 of the 2021 Sustainability Review.</td>
</tr>
<tr>
<td>G4-20</td>
<td>For each material aspect, report the aspect boundary within the organisation</td>
<td>Compliant</td>
<td>Refer to page 3 of the 2021 Sustainability Review.</td>
</tr>
<tr>
<td>G4-21</td>
<td>For each material aspect, report the aspect boundary outside the organisation</td>
<td>Compliant</td>
<td>Refer to page 3 of the 2021 Sustainability Review.</td>
</tr>
<tr>
<td>G4-22</td>
<td>Report effect of, and reasons for, any restatements of information</td>
<td>Compliant</td>
<td>None.</td>
</tr>
<tr>
<td>G4-23</td>
<td>Report significant changes in the scope and aspect boundaries</td>
<td>Compliant</td>
<td>None.</td>
</tr>
</tbody>
</table>

## Stakeholder engagement

<table>
<thead>
<tr>
<th>Profile disclosure</th>
<th>Disclosure</th>
<th>Assurance by DBSA Internal Audit</th>
<th>Cross-reference/direct answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>G4-24</td>
<td>List stakeholder groups engaged by the organisation</td>
<td>Compliant</td>
<td>Refer to 2021 Integrated Annual Report pages 58 to 62 as well as page 17 of the 2021 Sustainability Review.</td>
</tr>
<tr>
<td>G4-25</td>
<td>Basis for identification and selection of stakeholders with whom to engage</td>
<td>Compliant</td>
<td>Refer to 2021 Integrated Annual Report page 58.</td>
</tr>
<tr>
<td>G4-26</td>
<td>Report the organisation’s approach to stakeholder engagement</td>
<td>Compliant</td>
<td>Refer to 2021 Integrated Annual Report pages 58 and 62.</td>
</tr>
<tr>
<td>G4-27</td>
<td>Report key topics and concerns raised and how they have been addressed</td>
<td>Compliant</td>
<td>Refer to 2021 Integrated Annual Report pages 58 to 62.</td>
</tr>
</tbody>
</table>

## Report profile

<table>
<thead>
<tr>
<th>Profile disclosure</th>
<th>Disclosure</th>
<th>Assurance by DBSA Internal Audit</th>
<th>Cross-reference/direct answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>G4-28</td>
<td>Reporting period (e.g. fiscal or calendar year) for information provided</td>
<td>Compliant</td>
<td>The report relates to the financial year from 1 April 2020 to 31 March 2021.</td>
</tr>
<tr>
<td>G4-29</td>
<td>Date of most recent previous report</td>
<td>Compliant</td>
<td>31 March 2020.</td>
</tr>
<tr>
<td>G4-30</td>
<td>Reporting cycle (annual, biennial, etc.)</td>
<td>Compliant</td>
<td>Annual.</td>
</tr>
<tr>
<td>G4-31</td>
<td>Provide contact point for questions regarding the report or its contents</td>
<td>Compliant</td>
<td>Refer to page 3 of the 2021 Sustainability Review.</td>
</tr>
<tr>
<td>G4-32</td>
<td>Report the “in accordance” option, content index, external assurance</td>
<td>Compliant</td>
<td>Refer to page 5 and Annexure A of the Sustainability Review.</td>
</tr>
<tr>
<td>G4-33</td>
<td>External assurance policy, practice and scope</td>
<td>Compliant</td>
<td>Refer to page 3 of the 2021 Sustainability Review.</td>
</tr>
<tr>
<td>Profile disclosure</td>
<td>Disclosure</td>
<td>Assurance by DBSA Internal Audit</td>
<td>Cross-reference/direct answer</td>
</tr>
<tr>
<td>--------------------</td>
<td>----------------------------------------------------------------------------</td>
<td>----------------------------------</td>
<td>-------------------------------</td>
</tr>
<tr>
<td><strong>Governance</strong></td>
<td>G4-34 Report the governance structure of the organisation</td>
<td>Compliant</td>
<td>Refer to 2021 Integrated Annual Report pages 107 to 132.</td>
</tr>
<tr>
<td></td>
<td>G4-56 Describe the organisation’s values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics</td>
<td>Compliant</td>
<td>Refer to 2021 Integrated Annual Report page 108.</td>
</tr>
<tr>
<td><strong>Financial services – product portfolio</strong></td>
<td>G4-FS6 Percentage of the portfolio for business, lines by specific region, size (e.g. micro, SME, large) and by sector</td>
<td>Compliant</td>
<td>Refer to 2021 Integrated Annual Report pages 13 to 31.</td>
</tr>
<tr>
<td></td>
<td>Refer to the notes to the Annual Financial Statements for a breakdown of equity investments, development loans and bonds where a detailed analysis of the sector and client split is provided for development loans.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>G4-FS7 Monetary value of products and services designed to deliver a specific social benefit for each business line, broken down by purpose</td>
<td>Compliant</td>
<td>Refer to 2021 Integrated Annual Report, our strategy pages 42 to 47.</td>
</tr>
</tbody>
</table>

Refer to the separate Integrated Annual Report for more information on the DBSA’s efforts in meeting the guidelines outlined above.
The United Nations Global Compact (UNGC) is a UN initiative to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. The UNGC is a principle-based framework for businesses and the world’s largest corporate sustainability initiative with 13,000 corporate participants and other stakeholders in over 170 countries.

The DBSA became a signatory to the UNGC on 9 September 2014, committing the organisation to the 10 universal principles of the UNGC and reflecting the importance that the DBSA Board and management team place on good corporate citizenship. The DBSA is committed to upholding fundamental human rights, ensuring fair labour practices, working against corruption in all its forms, and protecting the natural environment within which it operates.

<table>
<thead>
<tr>
<th>UNGC Principle</th>
<th>DBSA’s support of UNGC Principle</th>
<th>The DBSA Policy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human rights</td>
<td></td>
<td>Code of Ethics</td>
</tr>
<tr>
<td>Businesses should:</td>
<td>Support and respect the protection of internationally proclaimed human rights; and</td>
<td>Policy</td>
</tr>
<tr>
<td></td>
<td>Make sure that they are not complicit in human rights abuses.</td>
<td>Employment Policy</td>
</tr>
<tr>
<td>Labour</td>
<td>The DBSA supports the United Nations’ Universal Declaration of Human Rights. The DBSA is bound by the Constitution of the Republic of South Africa, which contains the Bill of Rights. All the DBSA employees are bound by the DBSA’s Code of Ethics and are guided in their behaviour in terms of integrity, loyalty, equity, tolerance, impartiality and discretion. The DBSA’s service providers, suppliers and trade partners are bound by the Code. At a project investment level, the DBSA considers the advancement and protection of human rights an imperative. Various social safeguards have been built into the DBSA’s due diligence process.</td>
<td></td>
</tr>
<tr>
<td>Businesses should uphold:</td>
<td>The freedom of association and the effective recognition of the right to collective bargaining;</td>
<td>Employment Policy</td>
</tr>
<tr>
<td></td>
<td>The elimination of all forms of forced and compulsory labour;</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The effective abolition of child labour; and</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The elimination of discrimination in respect of employment and occupation.</td>
<td></td>
</tr>
<tr>
<td>UNGC Principle</td>
<td>DBSA’s support of UNGC Principle</td>
<td>The DBSA Policy</td>
</tr>
<tr>
<td>----------------</td>
<td>---------------------------------</td>
<td>------------------</td>
</tr>
<tr>
<td><strong>Environment</strong></td>
<td>The DBSA recognises the importance of placing poverty eradication and achievement of sustainable development at the centre of its development agenda. The DBSA is legally obliged to promote sustainable development through its operations and this is integrated into the DBSA’s strategy, which highlights the need for effective integration of environment and sustainability issues as the key to ensuring sustainable economic and social development. The DBSA supports the precautionary approach to environmental challenges. Environmental and sustainability considerations at the DBSA are founded on the following key documents: the DBSA Environmental Sustainability Strategy, the DBSA Environmental Policy, the environmental management system and the DBSA environmental appraisal procedures. These documents combine to form the DBSA environmental management framework. The DBSA environmental management framework serves as the structure that ensures the DBSA’s operations, programmes and projects are socially responsible, environmentally sound and in line with government requirements.</td>
<td>Environmental Policy</td>
</tr>
</tbody>
</table>

| **Anti-corruption** | The DBSA has adopted a Code of Ethics articulating the values and acceptable ethical standards to which all persons associated with the DBSA are required to adhere. This notwithstanding, the DBSA acknowledges that in today’s business environment, fraud is prevalent, and all business organisations are susceptible to the risk of fraud. In this regard, the DBSA’s Fraud Prevention Plan sets out and reinforces its policy of zero-tolerance towards fraud and corruption as well as management’s commitment to combating all forms of fraud inherent in its operations. The DBSA’s fraud hotline forms an integral part of its anti-fraud and anti-corruption efforts. The toll-free hotline is independently managed and administered. The Conflict of Interest Policy for the DBSA Board and employees requires the disclosure of all direct or indirect personal or private business interests. All employees sign confidentiality and Declaration of Interest forms when adjudicating on procurement panels. | Code of Ethics, Conflict of Interest Policy, Gift and Hospitality Policy, Whistle-Blowing Policy and Fraud Prevention Plan |
### ACRONYMS AND ABBREVIATIONS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>AADFI</td>
<td>Association of African Development Finance Institutions</td>
</tr>
<tr>
<td>B-BBEE</td>
<td>Broad-Based Black Economic Empowerment</td>
</tr>
<tr>
<td>BRICS</td>
<td>Brazil, Russia, India, China, South Africa</td>
</tr>
<tr>
<td>CoJ</td>
<td>City of Johannesburg</td>
</tr>
<tr>
<td>CSI</td>
<td>Corporate Social Investment</td>
</tr>
<tr>
<td>CSIR</td>
<td>Council for Scientific and Industrial Research</td>
</tr>
<tr>
<td>DBE</td>
<td>Department of Basic Education</td>
</tr>
<tr>
<td>DFI</td>
<td>Development Finance Institution</td>
</tr>
<tr>
<td>DHET</td>
<td>Department of Higher Education and Training</td>
</tr>
<tr>
<td>DLABs</td>
<td>Development Laboratories</td>
</tr>
<tr>
<td>DRC</td>
<td>Democratic Republic of Congo</td>
</tr>
<tr>
<td>DTIC</td>
<td>Department of Trade, Industry and Competition</td>
</tr>
<tr>
<td>ECD</td>
<td>Early Childhood Development</td>
</tr>
<tr>
<td>EDM</td>
<td>Electricidade de Moçambique</td>
</tr>
<tr>
<td>GCF</td>
<td>Green Climate Fund</td>
</tr>
<tr>
<td>GF</td>
<td>Green Fund</td>
</tr>
<tr>
<td>GHG</td>
<td>Greenhouse gas</td>
</tr>
<tr>
<td>GRI</td>
<td>Global Reporting Initiative</td>
</tr>
<tr>
<td>ICT</td>
<td>Information and communications technology</td>
</tr>
<tr>
<td>IDD</td>
<td>Infrastructure Delivery Division</td>
</tr>
<tr>
<td>IDFC</td>
<td>International Development Finance Club</td>
</tr>
<tr>
<td>IPP</td>
<td>Independent Power Producer</td>
</tr>
<tr>
<td>MoU</td>
<td>Memorandum of Understanding</td>
</tr>
<tr>
<td>NDC</td>
<td>Nationally Determined Contribution</td>
</tr>
<tr>
<td>NDoH</td>
<td>National Department of Health</td>
</tr>
<tr>
<td>NDP</td>
<td>National Development Plan</td>
</tr>
<tr>
<td>PACBP</td>
<td>Pan-African Capacity Building Programme</td>
</tr>
<tr>
<td>PPE</td>
<td>Personal protective equipment</td>
</tr>
<tr>
<td>PPP</td>
<td>Public Private Partnership</td>
</tr>
<tr>
<td>SADC</td>
<td>Southern African Development Community</td>
</tr>
<tr>
<td>SADC-DFRC</td>
<td>Southern African Development Community Development Finance Resource Centre</td>
</tr>
<tr>
<td>SAFE</td>
<td>Sanitation Appropriate for Education Programme</td>
</tr>
<tr>
<td>SDG</td>
<td>Sustainable Development Goal</td>
</tr>
<tr>
<td>SDIP</td>
<td>Sustainable Development Investment Partnership</td>
</tr>
<tr>
<td>SGB</td>
<td>School Governing Body</td>
</tr>
<tr>
<td>SHIP</td>
<td>Student Housing Infrastructure Programme</td>
</tr>
<tr>
<td>SME</td>
<td>Small and medium enterprise</td>
</tr>
<tr>
<td>SPV</td>
<td>Special purpose vehicle</td>
</tr>
<tr>
<td>TVET</td>
<td>Technical and Vocational Education and Training</td>
</tr>
<tr>
<td>UFH</td>
<td>University of Fort Hare</td>
</tr>
<tr>
<td>UNFCCC</td>
<td>United Nations Framework Convention on Climate Change</td>
</tr>
<tr>
<td>UNGC</td>
<td>United Nations Global Compact</td>
</tr>
</tbody>
</table>
# GENERAL INFORMATION

<table>
<thead>
<tr>
<th>General Information</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registered office</td>
<td>Headway Hill 1258 Lever Road Midrand Johannesburg South Africa</td>
</tr>
<tr>
<td>Business address</td>
<td>Headway Hill 1258 Lever Road Midrand 1685 South Africa</td>
</tr>
<tr>
<td>Postal address</td>
<td>PO Box 1234 Halfway House 1685 South Africa</td>
</tr>
<tr>
<td>Banker</td>
<td>The Standard Bank of South Africa</td>
</tr>
<tr>
<td>Registered Auditor</td>
<td>Auditor-General of South Africa</td>
</tr>
<tr>
<td>Company registration number</td>
<td>1600157FN</td>
</tr>
<tr>
<td>JSE Debt Sponsor</td>
<td>Nedbank (1 April 2020 to 31 December 2020) Rand Merchant Bank (a division of FirstRand Bank Limited) since 1 January 2021</td>
</tr>
<tr>
<td>Primary Debt Listings</td>
<td>JSE Limited</td>
</tr>
<tr>
<td>Telephone</td>
<td>+ 27 11 313 3911</td>
</tr>
<tr>
<td>Fax</td>
<td>+ 27 11 313 3086</td>
</tr>
<tr>
<td>Home page</td>
<td><a href="http://www.dbusa.org">www.dbusa.org</a></td>
</tr>
<tr>
<td>LinkedIn</td>
<td><a href="http://www.linkedin.com/company/dbusa/">www.linkedin.com/company/dbusa/</a></td>
</tr>
<tr>
<td>Twitter</td>
<td>twitter.com/DBSA Bank</td>
</tr>
<tr>
<td>Email</td>
<td><a href="mailto:dbsa@dbusa.org">dbsa@dbusa.org</a></td>
</tr>
</tbody>
</table>