

## Balondolozzi Impact Investing Overview

### 1. Introduction

At Balondolozzi, sustainability is embedded at the core of its investment philosophy. The firm is committed to creating shared value by promoting financial inclusion, supporting environmentally responsible growth, and aligning investment decisions with the Sustainable Development Goals. Through intentional capital allocation, Balondolozzi seeks to generate measurable social, environmental, and financial outcomes, demonstrating that meaningful impact and long-term investment performance can be inherently interconnected.

Impact investing refers to an investment strategy in which capital is deployed with the intention of generating positive, measurable social and environmental outcomes alongside competitive financial returns. Unlike traditional investing, which evaluates impact as a by-product of financial activity, impact investing places societal benefit at the centre of the investment philosophy. These investments typically support sectors that address structural developmental needs such as renewable energy, affordable housing, sustainable agriculture, healthcare and education, among many others, where measurable improvements can be tracked and reported over time.

Over the past decade, impact investing has gained significant global momentum as investors increasingly recognise the role of capital in addressing climate change, inequality, energy security and access to essential services. This shift reflects a broader movement towards responsible investing, where financial institutions actively contribute to resilient, inclusive, and sustainable economies.

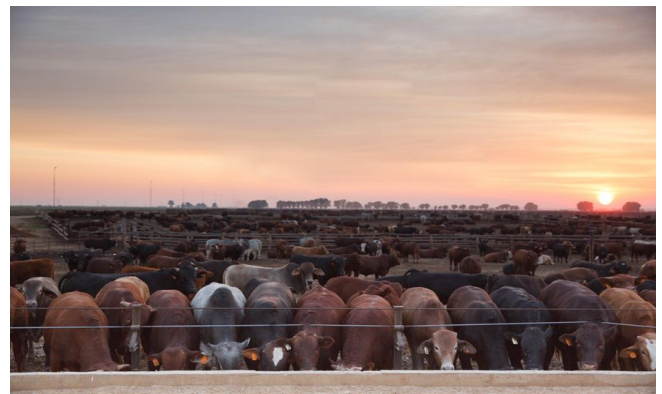
Balondolozzi, from time to time, identifies opportunities where long-term value creation aligns with meaningful social and environmental impact, positioning the firm as a catalyst for sustainable progress.

### 2. Enabling impact through intentional capital allocation that meets both investor return and sustainability goals

Balondolozzi's approach to impact investing involves channelling capital towards businesses and projects that deliver measurable social and environmental benefits alongside financial returns.

#### 2.1 Sustainable Agriculture and Food Security

Balondolozzi has prioritised investments that enhance the sustainability and productivity of South Africa's agricultural sector. Through innovative financing instruments, the firm supports the expansion of agricultural enterprises, strengthens rural employment, and promotes environmentally responsible farming practices. These investments foster resilience within the agricultural value chain by enabling access to capital, improving operational sustainability, and supporting food security on a national scale.



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## **2.2 Clean Energy and Low-Carbon Infrastructure**

Balondolozi supports investments that contribute to Southern Africa’s transition towards cleaner and more resilient energy systems. A key focus area includes infrastructure that enhances the supply and distribution of Liquefied Petroleum Gas (LPG), a lower-emission transitional energy source that offers an alternative to carbon-intensive coal-based electricity. Through strategic partnerships with credible energy providers, the firm helps improve supply chain efficiency, reduce emissions and enhance air quality while stimulating economic activity across regions such as the Western Cape, Northern Cape, and Namibia.



Beyond external allocations, the firm has also taken internal steps to reduce its own environmental footprint. Balondolozi has installed a rooftop solar system to decrease reliance on coal-generated grid electricity, demonstrating its proactive approach to climate mitigation and alignment with global best practices. This initiative reinforces the firm’s conviction that responsible investment must be complemented by responsible operational behaviour.



## **2.3 SMME Growth and Financial Inclusion**

Balondolozi recognises the critical role that small and medium-sized enterprises (SMMEs) play in driving economic growth, job creation and long-term socio-economic resilience. In support of this, the firm may allocate capital to bonds specifically designed to strengthen SMME development by providing access to expansion financing and working capital. These investments enable emerging businesses to scale sustainably, improve operational stability and contribute meaningfully to local economic activity.

By directing capital towards instruments that facilitate financial inclusion, Balondolozi advances its commitment to inclusive economic development. This focus is closely aligned with the firm’s philosophy, which emphasises responsible lending practices, governance quality and long-term value creation.