



# **Independent Second Party Opinion**

## **Sustainability-linked Finance Framework**

**For 20Twenty Financial Solutions (Pty) Ltd**

**October 2025**

## Introduction

IBIS Environmental Social Governance Consulting Africa Proprietary Limited, trading as SLR ('SLR'), has been engaged by 20Twenty Financial Solutions (Pty) Ltd, hereinafter referred to as the "Issuer" or "the Company" or "20Twenty" to perform an independent Second Party Opinion (SPO) to determine the alignment of the 20Twenty's Sustainability-linked Finance Framework (SLFF) dated October 2025 ('the Framework') with the relevant principles and guidelines as outlined below. SLR conducted the SPO based on the ISAE3000 (revised) standard, and relevant International Capital Market Association (ICMA) Principles as agreed in our engagement letter signed 11 August 2025.

20Twenty, based in Windhoek, Namibia, is a purpose-driven financial institution specializing in providing accessible housing finance through an innovative inflation-linked model. This model reduces homeownership costs by up to 30% and enables clients to become debt-free 5 to 15 years sooner, targeting low to middle-income individuals. Notably, after the first two years of operation of 20Twenty, more than one third of the clients are first-time homeowners and more than 40% supported by 20Twenty are female, contributing to gender equality. The company also plans to expand into clean energy financing, such as solar solutions, to support environmental sustainability.

The Sustainability-Linked Finance Framework has been developed by TwentyTwenty Financial Solutions (Pty) Ltd to guide the issuance of sustainability-linked instruments by TT Treasury (Pty) Ltd managed by 20Twenty.

## Subject Matter Information, Criteria, and Scope

The subject matter of this assurance engagement is the 20Twenty Sustainability-Linked Finance Framework, dated October 2025, which outlines 20Twenty's approach to guide the issuance of sustainability-linked instruments. The Framework has been developed in alignment with the core components of the International Capital Market Association's (ICMA) Principles and Guidelines, namely:

Applicable Criteria:

- Sustainability-linked Bond Principles (SLBP) 2024<sup>1</sup>
- ICMA's SLBP pre-issuance checklist

The scope of work included:

- An evaluation of 20Twenty's existing Sustainability and Environmental, Social, and Governance (ESG) strategies and its rationale for issuing the instrument.
- A review of the framework against the requirements of the 5 core components of ICMA's SLBP which included an assessment of the:
  - Selection of Key Performance Indicators (KPIs)
  - Calibration of Sustainability Performance Targets (SPTs)
  - Bond/Note Characteristics
  - Reporting
  - Verification
- A review to assess:
  - The relevance, materiality, robustness and reliability of selected KPIs,
  - The rationale and level of ambition of the proposed SPTs,
  - The relevance and reliability of selected benchmarks and baselines, and the
  - Credibility of the strategy and/or policies outlined to achieve them, based on scenario analyses, where relevant.

<sup>1</sup> <https://www.icmagroup.org/assets/documents/Sustainable-finance/2024-updates/Sustainability-Linked-Bond-Principles-June-2024.pdf>

- Evaluation of 20Twenty's robustness of reporting and alignment of disclosure practices with investor expectations.

Our engagement was conducted following limited assurance procedures to determine whether the Framework, in all material respects, is prepared in accordance with the stated criteria. The scope of the work did not include any post issuance assurance activities.

## Independence and Quality Control

SLR is an independent provider of non-financial assurance services. This engagement was conducted by a multidisciplinary team of non-financial assurance specialists led by Petrus Gildenhuis, who has more than 25 years of experience in non-financial performance measurement involving both advisory and assurance work and supported by assurance consultants, Matthew Diepenbroek and Lara Bezuidenhout.

SLR applies the International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

The engagement was completed with a commitment to maintaining professional independence ensuring the quality and consistency of our work. We confirm that we are independent of 20Twenty during this engagement and that there are no relationships or circumstances that may impair our independence while performing this work in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethics Standards Board for Accountants, and we have fulfilled our ethical responsibilities in accordance with these requirements and the IESBA Code.

## Respective Responsibilities

### 20Twenty

20Twenty is responsible for the development of the SLFF and its application, and the provision of accurate and reliable information to SLR for this assessment. SLR shall not be held liable if any of the information provided by 20Twenty management was not accurate or complete.

### SLR

SLR's responsibilities were to conduct an SPO and to report its conclusions to the Directors in accordance with the procedures followed. SLR conducted the engagement based on the International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance engagements other than audits or reviews of historical financial information issued by the International Auditing and Assurance Standards Board, which Standard inter alia requires that the assurance practitioner follows due process and comply with ethical requirements.

## Inherent Limitations

The assessment of the SLFF was based on the information provided by the entity and evaluated against the relevant principles of ICMA as applicable at the time of the engagement. The Framework is subject to evolving standards, market practices, and interpretations. Therefore, our conclusion is based on the framework's alignment with the ICMA principles as of the date of this report and does not provide assurance on the actual implementation or future performance of the financed projects.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. The procedures performed in a limited assurance engagement are markedly less in scope than those performed in a reasonable assurance engagement.

## Restriction of Liability

Our work has been undertaken to enable us to conclude on the specified scope and objectives of the engagement to 20Twenty in accordance with the terms of our engagement, which includes the publication of this SPO, and for no other purpose. We do not accept or assume responsibility to any third parties i.e., other than to 20Twenty for our work or for this report to the fullest extent permitted by law, save where such third parties have obtained our prior written consent.

The maintenance and integrity of 20Twenty's website, pertaining to the accessibility of this SPO, is the responsibility of 20Twenty's management. Our procedures did not involve consideration of these matters and, accordingly, we accept no responsibility for any changes to either the information in the Framework or our independent SPO report that may have occurred since the date of the SPO.

This SPO is valid as far as no material changes are undertaken by the Issuer to the SLFF as of 30<sup>th</sup> October 2025.

## Summary of Work Performed

20Twenty provided SLR with its SLFF document and relevant supplementary information to support the second party assurance process. SLR's Limited Assurance procedures were based on our professional judgement and consisted of:

- Management enquiry
- Inspection and corroboration of the publicly available market documentation and information.
- Evaluation of the Framework characteristics against the SLBP and ICMA's SLBP pre-issuance checklist requirements.
- A review of internal policy documentation, as they relate to components of the framework, governing 20Twenty's sustainability strategy, environmental and social risk management, and reporting capabilities. Inspection and corroboration of the publicly available market documentation and information related to sustainability reporting and disclosure of information to investors. This included a review of the following documentation:
  - Asset and Liability Risk Management Policy May 2025
  - Credit Policy November 2024
  - Enterprise Risk Management Policy October 2023
  - ESG Policy August 2025
  - Executive Committee and Management Committee Charters July 2025
  - SLFF Exclusions List
  - Social Impact Report February 2025
  - 20Twenty Company Profile 2025
  - Relevant internal reporting and process documentation.

## Summary of Findings

SLR considers the 20Twenty's Sustainability-Linked Finance Framework (SLFF) to be credible, impactful, and aligned with the Sustainability-Linked Bond Principles (2024). This conclusion is drawn from SLR's review of the issuer's Sustainability Strategy, supporting internal documentation and the SLFF, assessed against the requirements of ICMA's SLBP.

The evaluation included in its scope the issuer's sustainability strategy, business model and adherence to the five core components. The review provided an assessment of the relevance, robustness and reliability of the selected KPIs, the rationale and level of ambition of the proposed SPTs, the relevance and reliability of selected benchmarks and baselines, and the credibility of the strategy outline in achieving these SPTs. Through the evaluation of each of the considerations, SLR is of the opinion that the framework supports meaningful sustainability outcomes and reflects a strong approach to environmental and social considerations within their financial instruments. Further detail on this evaluation is summarised in the following table.

*Table 1: SLFF review*

General
<p><b>Structure</b></p> <p>SLR confirms that framework adequately describes the performance-linked nature of the instrument whereby the financial and/or structural characteristics can vary depending on the achievement or non-achievement of predefined sustainability objectives.</p> <p><b>Rationale and Strategy</b></p> <p>SLR confirms that the framework provides an adequate rationale and suitable context for the issuance of a performance-linked instrument including for the selection of the KPIs and an explanation of why the KPIs are in alignment with the issuer's overall sustainability strategy and business model.</p> <p>In addition to a review of the framework, SLR evaluated the internal sustainable development policies, held discussions with strategic management and assessed internal reporting and process documentation. SLR considers the various components to be supportive and in alignment with the stated intention of the issuance, and as such to be aligned with SLBP.</p> <p><b>Inclusion of all core components</b></p> <p>The issuer's SLFF incorporates all five of ICMA's SLBP components, which guide credible sustainability-linked finance. SLR has concluded that the framework aligns with these principles, and as such, is supportive of transparency, ambition, and accountability in the ESG-linked commitments.</p> <p><b>Legal Documentation</b></p> <p>The issuer has disclosed in their framework their commitment to include the relevant KPI definition, SPT and potential variation of the linked-instruments financial or structural characteristic in the relevant bond documentation. SLR considers this aligned with the SLBP.</p>
Selection of KPIs
<p><b>Description and definition of KPIs</b></p> <p>A core requirement of any performance-linked instrument is the inclusion of KPIs upon which the SPTs can be calibrated. The KPIs should be chosen such that they are material, relevant, measurable, verifiable and consistent with the issuer's sustainability and business strategy.</p> <p>The issuer has defined the KPIs as follows.</p>

#### **KPI 1:**

- Description - Improve Financial Inclusion for Homeowners through the provision of new home loans.
- Definition - Number of new home loans provided to homeowners. (Measured as a number)

#### **KPI 2:**

- Description - Volume or Share of Lending Offered to Underserved Populations (Defined as Women)
- Definition - Number of home loans extended to women in Namibia. (Measured as a number)

#### **KPI 3:**

- Description - Volume of Lending to Improve Energy Efficiency
- Definition - Total value of loans extended to clean energy projects, such as solar solutions through power utility agents. (Measured as a monetary value in Namibian Dollars).

SLR confirms that these descriptions, and associated definitions, are appropriate and aligned to the requirements.

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### **Relevance, Consistency and Materiality**

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The assessment of relevance, consistency and materiality considers the issuer's operating context including key national and regional sustainability priorities, and alignment with the United Nations Sustainable Development Goals (SDGs). The KPIs should address issues that are material to the issuer's sector and sustainability strategy while also contributing to broader policy developments and sustainable development outcomes.

SLR confirms that the KPIs chosen can be considered to contribute to a number of Namibia's Sustainable Development Goals, specifically in addressing improved access to housing, financial inclusion, gender equality, and renewable energy.

In addition, the issuer has determined that the broader sustainability strategy, in which these KPIs supplement, will contribute positively to the following SDGs:

- SDG 1: No Poverty
- SDG 3: Good Health and Well-being
- SDG 5 Gender Equality
- SDG 7: Affordable and Clean Energy
- SDG 8: Decent work and Economic growth
- SDG 9: Industrial, Innovation and Infrastructure
- SDG 10: Reduced Inequalities
- SDG 11: Sustainable cities and communities

#### **Further detail:**

**KPI 1:** This KPI is directly aligned with the issuer's core undertaking to expand access to affordable housing finance for Namibia's underserved "missing middle."

**KPI 2:** KPI 2 supports the issuer's commitment to gender-inclusive finance and aligns with Namibia's National Gender Policy, which promotes equal access to economic opportunities.

**KPI 3:** The issuer's energy efficiency KPI reflects the issuer's commitment to supporting Namibia's clean energy transition and sustainable development goals.

The issuer's selection of KPIs demonstrates strong alignment with the ICMA's SLBPs by providing measurable outcomes linked to affordable housing, gender equality, and clean energy access. Each KPI reflects a targeted use of proceeds that supports Namibia's national development priorities while delivering tangible environmental and social benefits. The rationale and context for the selection of the KPIs are aligned with the issuer's strategy and the broader national context, and as such, meets the ICMA requirements in terms of relevance and materiality.

SLR notes that KPI 3 – 'Volume of lending to improve energy efficiency' falls outside of the issuer's current scope of business strategy. Through discussions with management SLR has determined that the medium and long-term strategy for the issuer involves expanding into this market segment through, primarily, the provision of loans and financing to energy efficiency projects. SLR considers this a viable strategy and is

comfortable that the KPI is relevant and material as a chosen indicator given the long-term strategy of the issuer.

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### Historical Performance and Disclosure

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The issuer has chosen KPIs that are quantifiable and form part of the issuers historical reporting, primarily through the annual Social Impact Report. The methodology underpinning these metrics is consistent and quantifiable, further contributing to their use as KPIs in this context.

The issuer has not historically obtained any externally verified KPI values. SLR notes, however, that the issuer has indicated that historical data will be included in the scope of the annual post-issuance assurance report.

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### Baseline Disclosure

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Within ICMA's SLBP, the baselines serve as the reference point against which the SPTs are measured, this ensures that the issuer's commitments represent a material improvement beyond business-as-usual.

SLR confirms that the issuer has included the baseline date and period (February 2025) and has provided the rationale behind the selected date for each KPI – corresponding to the date of the most recently reported figures as per the issuer's 24/25 Impact Report.

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### Back-up mechanisms

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The issuer has included adequate recalculation policies and/or events to be applied in the event non-calculation, namely that a failure to calculate or report on targets will be treated as non-performance as per the SLB structure. The issuer has further indicated that external verification will be obtained in the event of any required recalculations.

### Calibration of SPTs

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#### Description and definition of SPTs

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The issuer has provided a description of the sustainability performance targets that are associated with each chosen KPI. These descriptions are in alignment with the definitions provided earlier in the framework and represent a clear and transparent illustration of the intended improvements targeted through the performance-linked structure of the instruments.

SLR considers this to be in alignment.

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#### Methodology

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The issuer has applied the following methodology to each of the KPIs.

**KPI 1:** Number of new loans issued to borrowers, counted in a particular year. The target is set by estimating the loan book growth and the percentage of new loans to at an estimated average home loan value based on historical data. The credit extension is measured, without taking into count net movements of repayments and early settlements.

**KPI 2:** Number of new loans issued to borrowers who are female, counted in a particular year. The target is set by estimating the loan book growth and the percentage of loans to female owners at an estimated average home loan value based on historical data. The credit extension is measured, without taking into count net movements of repayments and early settlements.

**KPI 3:** Total monetary value of loans (in Namibian dollars) allocated to energy efficiency projects in a particular year.

In the accompanying KPIs and SPTs excel spreadsheet, the issuer has adequately disclosed the scope and parameters considered in determining the SPTs for each KPI.

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### Target Setting and Motivation

In selecting the applicable targets for each of the KPIs the issuer has set the annual targets at a level that is deemed achievable but represents a level of ambition that is beyond business as usual. In selecting these targets, the issuer has referenced independent reports describing the overall context in which these targets exist in illustrating their contribution to, and consistency with, the issuer's overall strategy and alignment with long-term priorities.

The issuer's selection of these targets demonstrates an alignment with the ICMA's SLBPs by providing measurable outcomes directly linked to affordable housing, gender equality, and clean energy access.

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#### Predefined Timeline for Targets and Ambition Level

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The SPTs of each KPI and their respective target observation dates are defined within the issuer's SLFF which will govern the issuance of sustainability-linked instruments.

KPI	Base Year	Baseline	Target Observation Date and SPT
KPI 1: New home loans	2025	60	2026: 200
KPI 2: Female homeowners (Number)	2025	76	2026: 250
KPI 3: Clean energy financing (NAD)	2025	0	2026: 300 million

Additional long-term targets as indicated in the SLFF.

KPI	Target Observation Date and SPT
KPI 1: New homeowners (Number)	2027: 380
	2028: 580
KPI 2: Female homeowners (Number)	2027: 450
	2028: 700
KPI 3: Clean energy financing (NAD)	2027: 650 million
	2028: 1.05 billion

For each KPI the issuer has included a target observation date and targeted improvement from base year for each milestone.

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#### Strategic information

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The issuer has disclosed the material factors supporting the achievement of the disclosed SPTs and the material risks identified that may negatively impact the achievement of the SPTs.

The internal strategy aimed at driving the growth necessary for the achievement of these SPTs is of a proprietary nature and as such has not been disclosed in the framework. SLR, through discussions with strategic management has reviewed the strategy and considers it credible in its role in achieving the stated SPTs.

In addition to the above, SLR has reviewed the identified risks, and associated risk mitigation actions as well as the key factors outside of the issuers control. SLR considers these to be suitable.

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#### Benchmarks

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The issuer has noted the following benchmarks for each KPI.

**KPI 1:** Issuer's performance over the past three-year period reflecting the market ratio of rental vs owner occupancy against participating employer rental vs owner occupancy percentage.

**KPI 2:** The issuers past three-year performance looking at female workforce ratios against the issuers loan ratios.

**KPI 3:** The issuer's past three-year performance with consideration of the issuer's market share in energy financing.

The issuer has included limited benchmark information based on publicly available data. However, due to the limited contextual information available, the issuer has indicated that they will also benchmark against their historical performance for each KPI.



## Note Characteristics

### Description of financial and/or structural characteristics of the Note

The issuer has disclosed, through inclusion in the framework, the following required details:

Component	Description
Applicable couple variation	Step down of between 0.10% to 0.30% per annum
Coupon variation date	To be confirmed in each Applicable Pricing Supplement
Coupon mechanism	Will be additive based on each successful SPT met per KPI)
Maximum cumulative step-down	Will be capped at 0,50% per annum.

SLR notes the intended coupon variation of between 0.10% and 0.30% per KPI, and the stated intention for the chosen variation to be disclosed in the relevant bond documentation. It is strongly encouraged that the coupon variation be at the higher end of this range, to represent a meaningful incentive/penalty. Towards this end, if an applicable issuance should include fewer than three of the KPIs, that a higher coupon variation be chosen to ensure the mechanism remains material.

Given the additive nature of the incentive or penalty structures detailed in the framework, SLR considers the applicable range to represent meaningful incentives or disincentives to encourage achievement of the sustainability performance targets and subsequent sustainable impact.

### Description of other structural characteristics

Relevant activities and changes that could alter or inhibit the calculation and/or verification of the SPTs have been identified and disclosed in the KPI section. This includes language to take into consideration potential exceptional events that could impact SPT calculation or result in SPT restatement.

The issuer has stated the intention to disclose the Report Publication Date and SPT Satisfaction Date in the Applicable Pricing Supplements and/or bond documentation.

The issuer has clarified that failure to obtain verification (through either inability to calculate or failure to report on performance) will be treated as non-achievement and the applicable mechanism will be triggered. SLR considers this to be aligned with the requirements of the principles.

SLR notes that the issuer has not disclosed potential contingency plans in the event of a non-calculation.

## Reporting commitments

### Location and frequency of reporting

SLR considers the issuers reporting location and frequency of reporting to be appropriate. The issuer will report annually on performance, information will be included in the annual social impact report and will be made available on the company's website.

This reporting will include the verification assurance report relative to the KPI outlining the performance against the SPTs and related impact on the relevant financial structure.

### Intended scope and granularity of reporting

The issuer has detailed the intended scope and granularity of their reporting - including up to date data on performance against KPIs, applicable baselines, supporting information on the KPIs, qualitative and quantitative metrics on KPIs, the positive sustainability impact and adjustments to the SPTs, baselines or KPIs.

### Commitment and disclosure of post-issuance external review

The issuer has committed to obtaining external verification on the performance against SPTs and related impact. This will form part of the annual reporting for the issuer. SLR considers the post-issuance commitment and disclosure to be aligned to the ICMA's SLBP Requirements.

## Verification

### Publication of any pre-issuance external review

Issuer has committed to obtaining an SPO that will be made available on their website. As such, SLR confirms that the verification requirements are aligned.

The issuer has committed to seeking Limited Assurance from an independent and qualified assurance practitioner of their performance against each SPT for each KPI annually. And that this verification of performance will be made publicly available.

## Assurance Conclusion

In our opinion, and based on our Limited Assurance procedures conducted, nothing has come to our attention that causes us to believe that the 20Twenty Sustainable Finance Framework (October 2025) is not aligned, in all material respects, with ICMA's SLBP June 2024 edition with regard to:

- Selection of KPIs,
- Calibration of SPTs,
- Bond characteristics,
- Reporting, and
- Verification.



### Petrus Gildenhuys

Director: Reporting and Assurance

30<sup>th</sup> October 2025

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