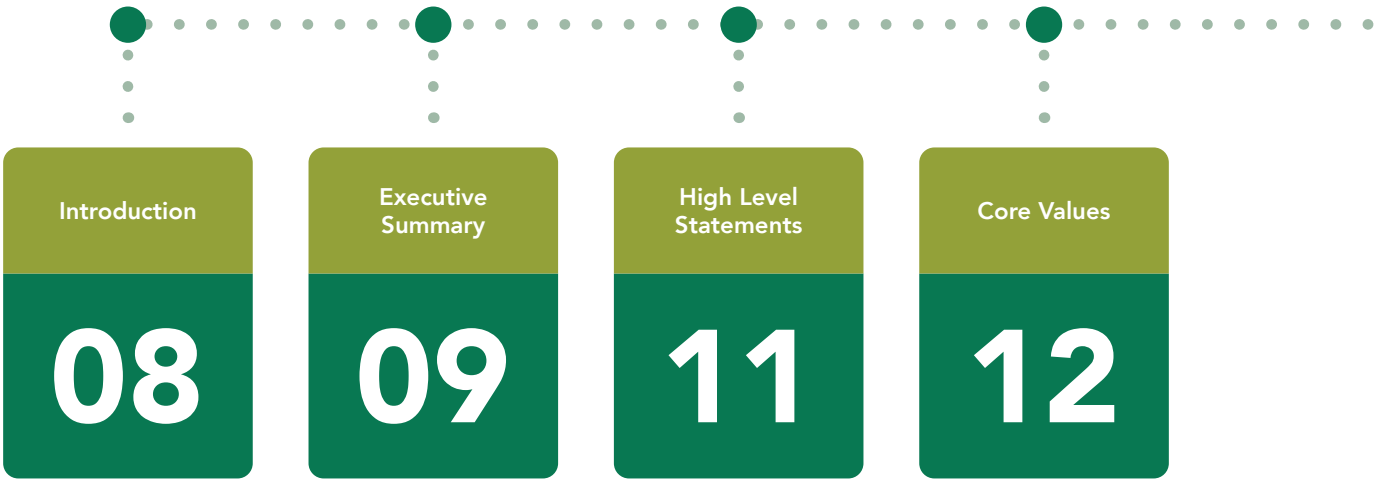
2020
2025

INTEGRATED STRATEGIC

BUSINESS PLAN

NamPower
Powering the Nation and beyond

Contents



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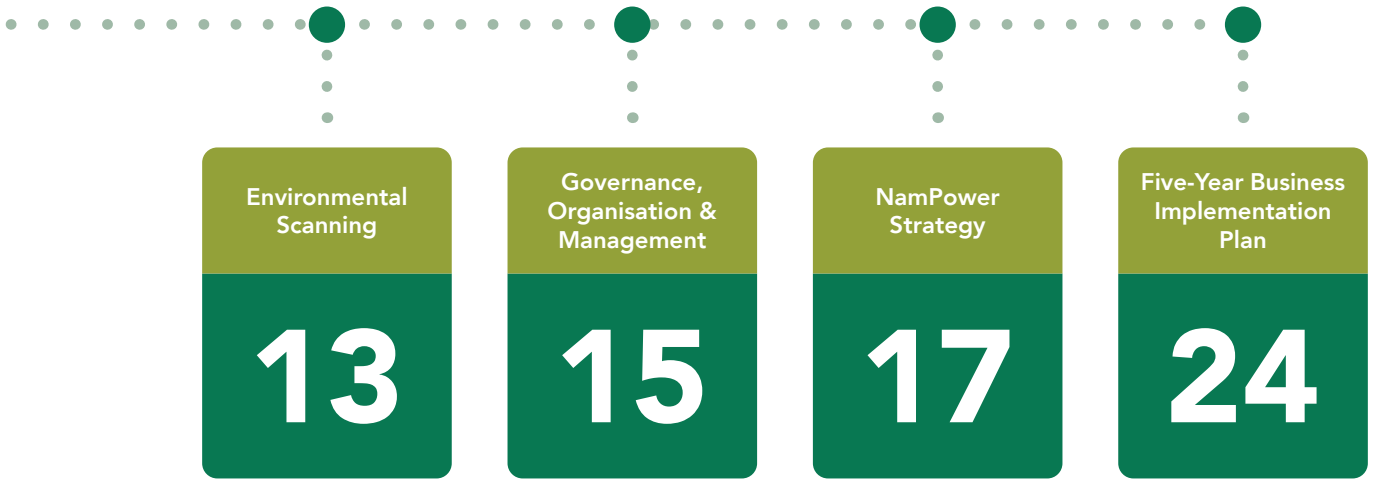

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Symbols and Abbreviations

Abbreviation	Description
AI	Artificial Intelligence
AMD	Asset Management Division
AMI	Augmented Multiparty Interaction
APP	Annual Procurement Plan
ARMC	Audit and Risk Management Committee
BI	Business Improvement
BP	Business Perspective (Scorecard code)
BP	British Petroleum
BU	Business Unit
CAIDI	Customer Average Interruption Duration Index
CAPEX	Capital Expenditure
CC&M	Corporate Communication and Marketing
CCTV	Closed Circuit Television
CFO	Chief Financial Officer
COO	Chief Operating Officer
CoW	City of Windhoek
CP	Customer Perspective (Scorecard code)
CPB	Central Procurement Board
CPI	Consumer Price Index
CS	Corporate Services
CSI	Corporate Social Investment
DAM	Day Ahead Market
DAP	Direct Aid Programme
DC	Direct Current
DFI	Development Funding Institutions
DX	Distribution and Rural Electrification
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortisation
ECB	Electricity Control Board
EDM	Energy Data Management
eDRM	Electronic Document and Records Management
EIA	Environmental Impact Assessment
EMP	Environmental Management Plan
ERP	Enterprise Resource Planning
ES	Engineering Services
ESI	Electricity Supply Industry
ESIA	Environmental and Social Impact Assessment
ET	Energy Trading (Initiative code)
ETD	Education, Training and Development

Abbreviation	Description
EXCO	Executive (Management) Committee
FDI	Foreign Direct Investment
FI	Finance Business Unit (Initiative code)
FM	Fleet Management (Initiatives code)
FOREX	Foreign Exchange
FP	Financial Perspective (Scorecard code)
FTPM	Finance, Treasury & Property Management
FY	Financial Year
GC	Government Collateral
GDP	Gross Domestic Product
GIS	Geographical Information System
GL	General Ledger
GOOSE	Generic Object Orientated Substation Events
GRC	Governance, Risk and Compliance
GRN	Government of the Republic of Namibia
GW	Gigawatt
GWh	Gigawatt-hour
GX	Generation
HES	Head End System
HP	High Pressure
HR	Human Resources
HV	High Voltage
HVDC	High Voltage Direct Current
ICDL	International Computer Driving Licence
ICT	Information and Communication Technology
IDM	Intra-day Market
IEEE	Institute of Electrical and Electronic Engineers
IMS	Integrated Management System
IoT	Internet of Things
IPPs	Independent Power Producers
IR	Investor Relations
IS	iServ (initiatives code)
IS	Internet Solutions
ISBP	Integrated Strategic Business Plan
ISO	International Organisation for Standardisation
JSE	Johannesburg Stock Exchange
km	Kilometre
KPI	Key Performance Indicator

Symbols and Abbreviations

Abbreviation	Description
KRI	Key Risk Indicator
kV	Kilovolt
kW	Kilowatt
kWh	Kilowatt-hour
LP	Learning and Growth Perspective (Scorecard code)
MD	Managing Director Business Unit (initiatives code)
MDM	Master Data Management
Mil / Mn / M	Million
MME	Ministry of Mines and Energy
MOC	Magnitude of Change
MoU	Memorandum of Understanding
MPE	Ministry of Public Enterprises
MRP	Material Requirement Planning
MSB	Modified Single Buyer (Market Model)
MTTR	Mean Time To Repair
MVA	Mega Volt Amp
MW	Megawatt
MWh	Megawatt-hour
N$ / NAD	Namibian Dollar
NCF	National Curriculum Framework
NEEEF	New Equitable Economic Empowerment Framework
NEEEP	NamPower Equitable Economic Empowerment Policy
NetOps	Network Operations
NETS	NamPower Energy Trading System
NIRP	National Integrated Resource Plan
NMD	Notified Maximum Demand
NPCC	NamPower Convention Centre
NSX	Namibian Stock Exchange
OCOO	Office of the Chief Operating Officer (as BU)
OD	Operating Divisions
OEM	Original Equipment Manufacturer
OMD	Office of the Managing Director
OPEX	Operational Expenditure
PA	Per Annum
PDNs	Previously Disadvantaged Namibians
PIM	Preliminary Information Memorandum
PM	Project Management
PMS	Performance Management System
PMU	Procurement Management Unit

Abbreviation	Description
PO	ISO Project Office (Initiative code)
PPA	Power Purchase Agreement
PPP	Public Private Partnership
PS	Power Systems Development Business Unit (initiative code)
PSC	Power System Construction
PSD	Power Systems Development
PTM&C	Protection, Telemetry, Monitoring and Control
PV	Photovoltaic
RACI	Responsible, Accountable, Consulted and Informed
RE	Renewable Energy
REDs	Regional Electricity Distributors
REFIT	Renewable Energy Feed-In Tariff
REMCO	Remuneration and Nomination Committee
RWE	Rheinisch-Westfälische Elektrizitätswerke
SADC	Southern African Development Community
SAIDI	System Average Interruption Duration Index
SAP	System, Applications and Product
SAPP	Southern African Power Pool
SB	Single Buyer
SCADA	Supervisory Control and Data Acquisition
SHE	Safety, Health and Environment
SHEW	Safety, Health, Environment and Wellness
SNR	Senior
SOC	State Owned Company
SOE	State-Owned Enterprise
SOP	Standard Operating Procedure
SS	Sub Station
SSP	System Security Planning
SVC	Static VAR Compensator
SWOT	Strengths, Weaknesses, Opportunities and Threats
SysOps	System Operations
TBD	To Be Determined
Trfr	Transformer
TWh	Terawatt-hour
TX	Transmission
US Dollar/USD	United States Dollar
USc	United States cent
VET	Vocational Education and Training
ZESCO	Zambian Electricity Supply Corporation
ZPC	Zimbabwe Power Company

01 Introduction

NamPower (Pty) Ltd is the national electricity utility and licensee mandated with the generation, transmission, distribution, rural electrification, energy trading, import and export role; as well as being the supplier of last resort, in the new Modified Single Buyer (MSB) Market Framework, approved by Cabinet, in 2015.

The company is the pivotal Electricity Supply Industry (ESI) player and is classified as a commercial enterprise, which resorts under the Ministry of Public Enterprises and under the Ministry of Mines and Energy for the provisions of the Electricity Act, for ESI policy and related matters.

NamPower formulated its Corporate Strategy and Business Plan 2019 – 2023 six months prior to the commencement of the Public Enterprises Governance Act 1 of 2019 ("PEGA Act"). The PEGA Act came into effect on 16 December 2019. As a result of the promulgation of the afore-mentioned Act, NamPower is required to re-align its Corporate Strategy to the Integrated Strategic Business Plan (ISBP) form, as prescribed in the PEGA Act, Section 13. This Integrated NamPower Plan (ISBP 2020-2025) fulfils that specific compliance requirement, as part of the Company's strategic focus, application and prioritisation of resources, over five (5) years.

NamPower's Board of Directors, Executive Management and Staff are committed to the continued creation of shareholder value for the benefit of all Stakeholders. Accordingly, this ISBP considers the value-add from all areas of operations of the company, towards the fulfilment of the Corporate Objectives, over the 5-year period. The ISBP targets will be reviewed on an annual basis and will be motivated, based on market factors, information and company operations.

The Board, Management and Staff will strive towards the achievement of the goals set out in this ISBP, through continuous improvement and innovation, in an increasingly competitive MSB market environment.

02 Executive Summary

In the NamPower Integrated Strategic Business Plan 2020 – 2025, NamPower sets out the strategy to become the leading electricity solutions provider of choice in SADC, a catalyst for economic growth in Namibia and in the region. The overall corporate strategy development process included a global, regional and national market analysis, review of internal capabilities and constraints, as well as stakeholder consultations with government and key players in the electricity sector. Strategic drivers were identified during the strategy development process and these drivers have directed the development of the Company's Strategic Plan:

- Globally, the electricity industry has transformed and in SADC, particularly in Namibia. The electricity sector is changing at an accelerated pace, which is creating new opportunities and challenges for NamPower. With electricity generated from decentralised and often intermittent renewable energy resources through Independent Power Producers (IPPs) and customers, the task of balancing demand and supply provides complex challenges and opportunities. As a result, a closer collaboration between NamPower and the electricity sector stakeholders is required hereon forward.
- For many years, Namibia's electricity sector has been dependent on electricity imports from the SADC region. Rapid technology development in Solar PV, wind, biomass and battery storage will enable NamPower to diversify the local generation mix, reduce dependency on electricity imports and ultimately deliver a sustainable least-cost supply mix to the economy of Namibia.
- Market and Customer-centricity, experience and satisfaction will be critical success factors for NamPower. With increased competition from renewables, greater customer choice and new technology changing consumption patterns, behind the meter. Utilities increasingly need to better understand the customer journey and preferences. Traditionally, this has not been a core capability, but NamPower is committed to transform its business model into a market and customer-centric organisation.
- As the electricity market is evolving, organisational and operational efficiency will be a key driver for NamPower's competitiveness. NamPower's organisational and governance structures will need to evolve to support employees in driving customer-centricity and operational excellence towards making NamPower an electricity solutions company of choice.

The Integrated Strategic Business Plan (ISBP) has been developed in alignment with national planning policies, in particular, in alignment with the evolving National Integrated Resource Plan (NIRP). NamPower is committed to supporting the government in achieving the goals laid out in the periodically reviewed NIRP and aims to significantly contribute to these goals over the next five years, such as:

- Consider 150 MW new NamPower viable generation capacity , comprising amongst various options of: 40 MW of biomass, 20 MW of solar PV, 40 MW of wind and 50 MW of firm power; and
- Procuring 70MW new capacity from IPPs through competitive procurement, comprising 20 MW of Solar PV and 50 MW of wind.

Executive Summary (continued)

The Integrated Strategic Business Plan (ISBP) is based on four strategic pillars that will help NamPower achieve its strategic goals and build the NamPower of the future:

NamPower Strategic Direction/Map

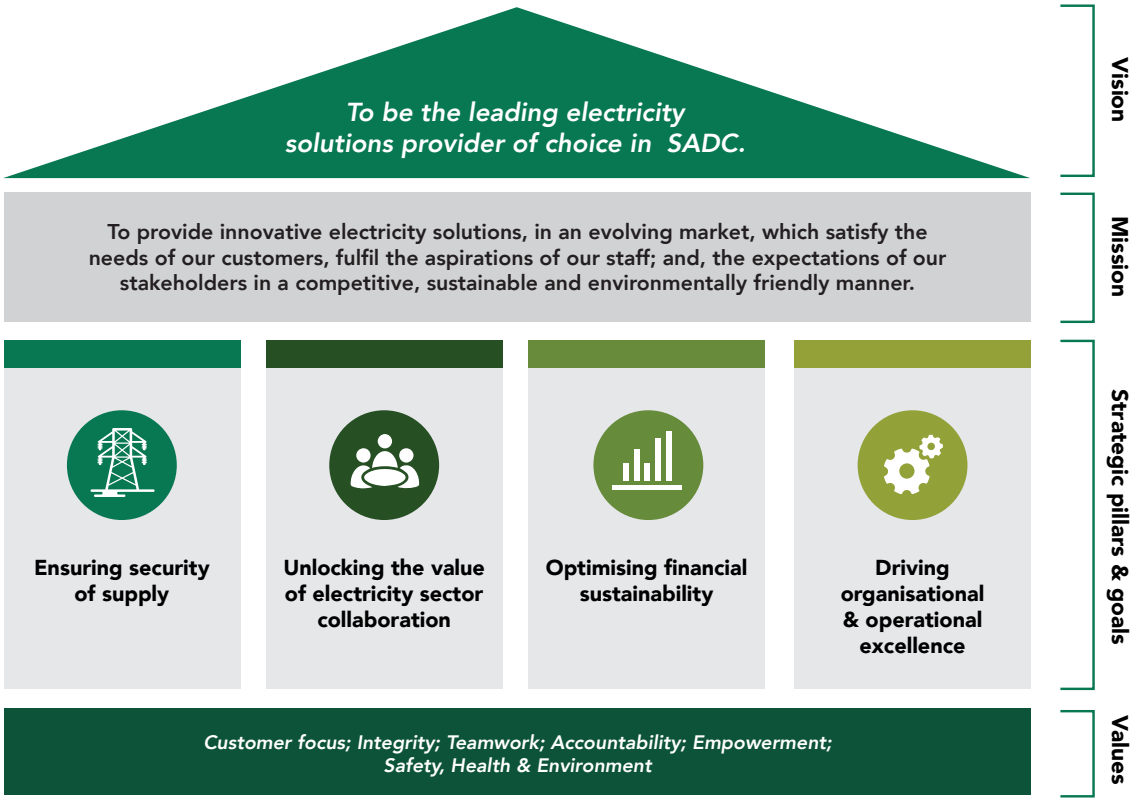


Figure 1: NamPower's four strategic pillars

NamPower has developed a set of strategic goals for each of the four strategic pillars that will drive and guide the Corporate Strategy:

NamPower will **"Unlock the value of electricity sector collaboration"** by supporting the development of the electricity industry and economy, supporting the acceleration of electrification and developing new products and services.

NamPower will **"Ensure security of supply"** by ensuring a least-cost electricity supply mix, optimally expanding the transmission network, optimally expanding generation and by leveraging regional trading opportunities.

NamPower will **"Optimise financial sustainability"** by increasing sales/revenue, ensuring sound liquidity, growing shareholder value, optimising operational cost and efficiencies and maintaining profitability

Lastly, NamPower will **"Drive organisational and operational excellence"** by building an ethical, engaging and high-performance culture, achieving and retaining top employer status and by developing additional capabilities to meet new market requirements. New digital technologies and capabilities are a key enabler of improved NamPower performance and competitiveness.

Therefore, NamPower will invest in the development of new capabilities and is committed to accelerating the development of digital capabilities by implementing innovative and disruptive technologies that will drive operational efficiency.

The progress of the ISBP implementation will be monitored and measured through the Corporate Performance Management System. Integrated plans have been developed to provide details on how NamPower will be delivering on the strategic objectives and how the different business units will drive the implementation of the corporate strategy.

03 High Level Statements

3.1 Mandate

NamPower's mandate is to generate, transmit, distribute, supply and trade in electricity, including the importing and exporting of electricity, and fulfil the role as the supplier of last resort, in the changing regulatory and market environment.

In accordance with the Electricity Act of 2007, NamPower is licenced to generate, transmit, supply and trade electricity, including the importing and exporting of electricity. NamPower's licence to distribute electricity is limited to areas where REDs have not been formed or where the municipalities are not able to provide distribution services.

3.2 Mission and Vision

NamPower's vision and mission statements are supported by the four strategic pillars to guide the strategic direction and behaviour into the future. NamPower will uphold its existing vision and mission statements in the pursuit of these strategic pillars over the next five years. These will cascade down to the subsequent departmental business plans and individual performance agreements.

Core Values 04

NamPower values express the aspiration to achieve high ethical standards in delivering its mandate; to build a culture of teamwork that will bring out the best in each individual; to focus on serving its customers; and, to place priority on the safety and health of staff and the public at all times.

Customer Focus

We value all our customers, and fulfil our duties timeously and diligently, with customer focus as our main aim.

Integrity

We shall be transparent and honest in everything we do and are determined to adhere to ethical business principles and good corporate governance at all times.

Teamwork

We value each individual's contribution to our collective effort as we commit to work together for the good of our company and country.

Accountability

We accept responsibility for each of our duties and to conduct ourselves in a manner consistent with the positions entrusted to us.

Empowerment

We accept our responsibility to grant opportunities to our stakeholders to be trained and developed; and to apply that knowledge in the workplace. We welcome feedback from all stakeholders and seek to learn from all situations.

Safety, Health and Environment

We shall create and uphold a safe and healthy work environment in all our activities. We shall respect our environment in all our dealings and protect both the physical and human environment in all our operations.

05 Environmental Scanning

Over decades, power utilities like NamPower operated, as the only key utility, in a very stable market environment with very limited disruption to their business model and corporate structure. However, more recently power sector markets are transforming at an accelerated pace with significant financial impact on the traditional power utilities. This transformation is being driven by the interaction of five global megatrends: technological breakthroughs, climate change and resource scarcity, demographic and social change, a shift in global economic power, and rapid urbanisation. These megatrends create challenges for all industry sectors. For NamPower to remain relevant, competitive and fulfil its mandate, various factors were considered in shaping its strategy going forward.

Factors considered in the scanning of the Environment

Market
- Trends Global/Regional/Local
- IPPs
- Competitors
- Partners
- Regional trade
- Modified Single Buyer Market Model

Customer
- Customer behavior
- Customer segmentation
- Potential new customers
- Self generation
- "Prosumers"

Policy/Regulation
- National energy policy
- NIRP
- NDP 5 and HPP
- Public Procurement Act
- PPP Act
- Supplier of last resort [MSB]

Namibian Economy
- Expected GDP
- Public spending

Figure 2: Environmental Factors Scanning

Technology
- Solar PV
- Wind
- Energy Storage
- Smart grids
- Thermal
- Behind the meter solutions

Finance
- Financial position
- Tariffs and Trading
- Investment Options
- Options

Internal capabilities
- Technical capabilities
- Management capabilities
- New capabilities
- Succession planning

Asset base
- Transmission network
- Hydro-power
- Coal
- HFO diesel

Strategic Analysis - SWOT

Strengths

1. Competent and skilled workforce
2. Strong financial position
3. Sound NamPower brand
4. State of the art network
5. Sound Business and Organisational systems

Opportunities

1. Availability of external expertise
2. Stable healthy union relations
3. Emerging market needs
4. New Technological Developments
5. Good working relationship with SAPP (regional) utilities
6. Smart partnership and collaboration in a new market environment

Weaknesses

1. Insufficient knowledge management and staff development
2. Reactive decision-making and slow implementation
3. Inadequate network capacity
4. Inadequate communication
5. High network implementation and operational costs
6. High debtors days outstanding

Threats

1. Loss of customers in new market environment
2. New market entrants
3. Inability of customers to service debts
4. Detrimental (external) influence on business sustainability
5. Inadequate regional network connectivity
6. Negative forex exposure
7. Public Procurement Act challenges

06 Governance, Organisation & Management

As the national power utility tasked with the provision of the bulk electricity supply to Namibia, NamPower is a state-owned company, wholly owned by the Government of the Republic of Namibia. NamPower reports to the Ministry of Public Enterprises (MPE) as a Commercial Public Enterprise under the recently gazetted Public Enterprises Governance Act 1 of 2019.

Apart from reporting to MPE who represents the shareholder, NamPower is regulated by the Electricity Control Board whose mandate is to exercise regulatory control over the Electricity Supply Industry (ESI), through the approval of tariffs, ensuring a competitive environment in the ESI and making recommendations to the Minister of Mines and Energy with regards to the issuing of licences and market reforms.

In line with the provisions of the Public Enterprises Governance Act, MPE is responsible for appointing the Board of Directors of commercial public enterprises, who are responsible for the overall performance of the company and are ultimately responsible for:

- Providing strategic direction to the company and ensuring it meets the State's expectations in respect of the public enterprises' achievement of objectives, financial performance and efficiency;
- The company's statutory compliance;
- The delegation of authority and assigning of certain tasks to sub-committees and the Executive Management;
- Developing and maintaining effective governance policies and a strong internal control environment;
- Guiding and monitoring the Managing Director and Executive Management performance.

NamPower, like all Companies and SOEs, is being managed by the Board of Directors, who are appointed by the Minister of Public Enterprises in consultation with the Minister of Mines and Energy. The NamPower Board has four sub-committees through which the Board execute its duties in a more focused and structured manner, namely:

- Audit and Risk Management Committee (ARMC);
- Remuneration and Nomination Committee (REMCO);
- Board Procurement Committee;
- Investment Committee.

In line with the provisions of the Public Enterprises Governance Act, the Board acts as a collective and is required to enter into a Governance Agreement with MPE. In addition, individual Board members are required to enter into performance agreements with MPE.

The Board is supported by the Managing Director and the Executive Management Committee (EXCO), to steer the organisation to the achievement of the objectives, in terms of the approved Business Plan. The Executive Management Committee is the internal leadership team who are responsible for managing the day-to-day operations, while executing the strategy and reporting to the Board on the progress.

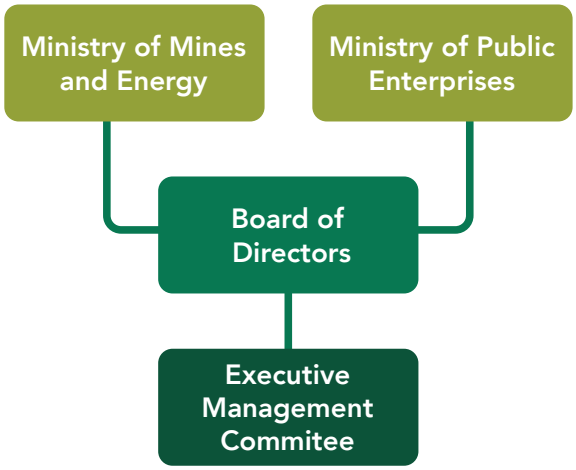


Figure 3: NamPower reporting structures

Organisational Structure

Following the development of NamPower Corporate Strategy and Business Plan 2019 – 2023, the company undertook a re-structuring exercise to align the organisational structure to the new strategy to ensure the successful and effective execution of the planned strategies, as illustrated below:

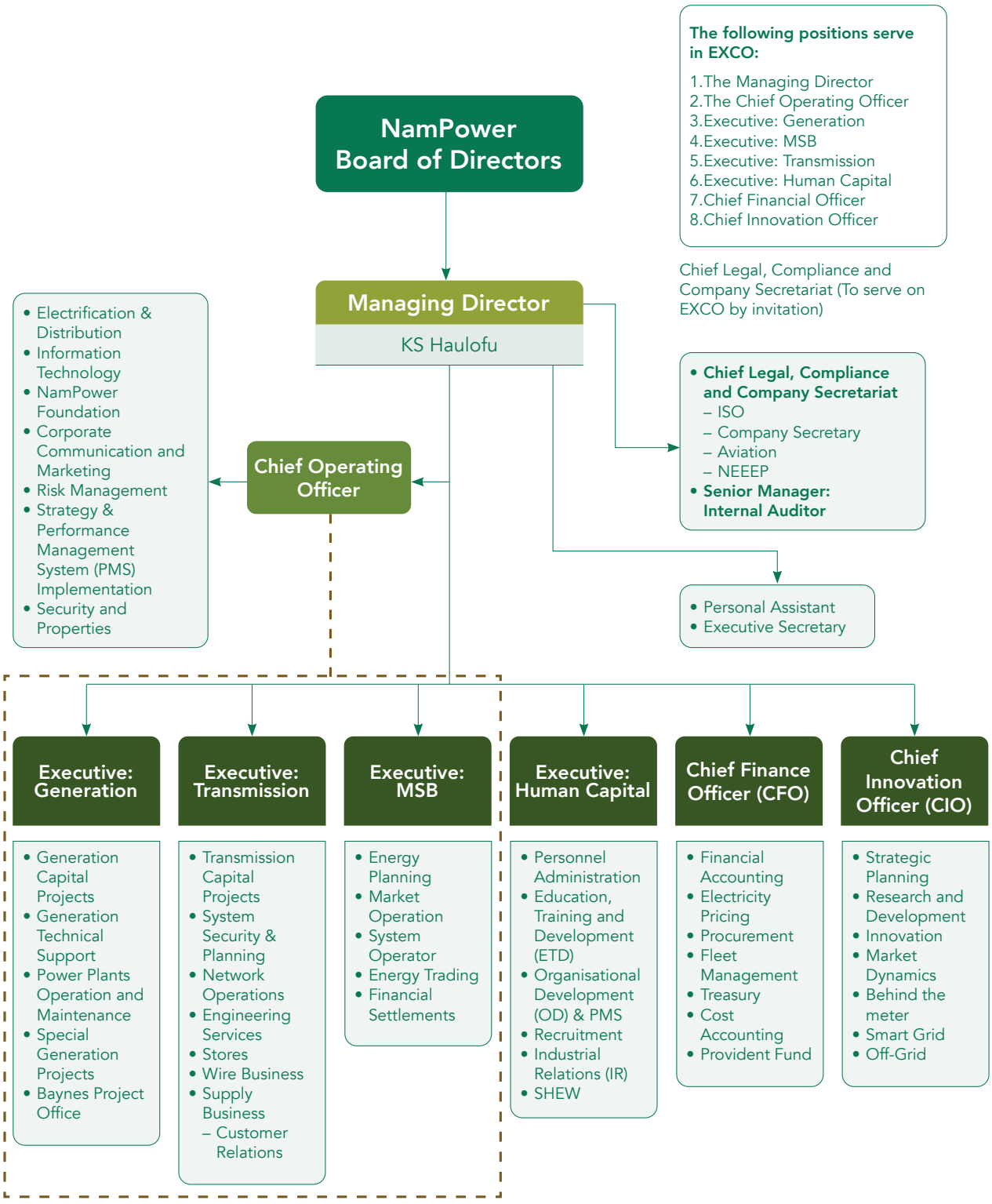


Figure 4: NamPower's Organisational Structure

07 NamPower Strategy

7.1 Strategy Overview and Strategic Map

NamPower's management in close collaboration with the Board of Directors has developed a new corporate strategy that is guided by our vision and mission statement. Furthermore, the NamPower strategy is aligned to the national policies and the National Integrated Resource Plan (NIRP), while also considering trends in the electricity market and changes in customer behaviour. NamPower's aim is to deliver sustainable and viable security of supply and a predictable tariff path that will support economic growth and maintain the business's financial sustainability. NamPower will always consider the implications of its decisions and actions towards its stakeholders, the economy and the environment at large.

Our mission over the next five years is "To provide innovative electricity solutions, in an evolving market, which satisfy the needs of our customers, fulfil the aspirations of our staff; and, the expectations of our stakeholders in a competitive, sustainable and environmentally friendly manner." through both our own resources and strategic partnerships, resulting in reliable and affordable solutions to the benefit of our customers.

In developing the strategy, we have identified four key strategic pillars and derived strategic goals for each pillar on which we will focus over the next five years.

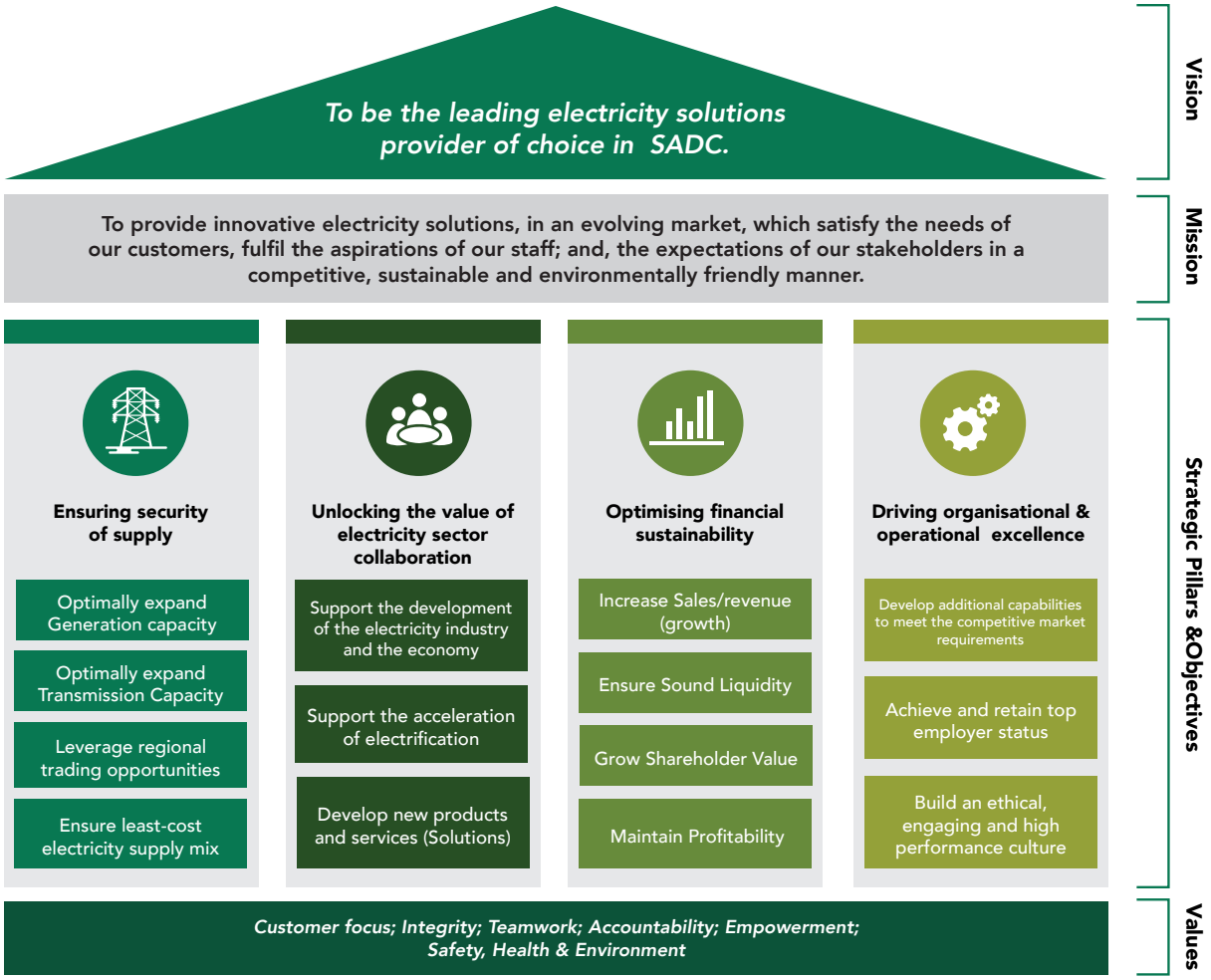


Figure 5: NamPower's Strategy Map

Strategic Pillar 1
Unlocking the Value of Electricity Sector Collaboration

The evolution of the electricity sector in Namibia and the SADC region at large will significantly increase the number of market players. IPPs are entering the SAPP market and consumers are already becoming "prosumers" by feeding in electricity through Solar PV. The increased number of market participants will significantly increase the market complexity. A closer collaboration between stakeholders in the market is needed to manage this increase in complexity.

NamPower values the importance of collaboration with all electricity sector stakeholders to support the development of the industry, accelerate electrification towards universal access, develop new products and services and deliver our project portfolio. The stakeholders envisaged include the following:

Key Customers

Industrial, mining, commercial, REDs, municipalities, town councils, farmers (where no REDs operate), NamWater

Civil Society

NGOs, Namibia Nature Foundation, Universities, Technicons, Research Institutions, General Public

Organised Labour

Representative Union body

Suppliers

Capacity expansion suppliers, fuel suppliers, original equipment manufacturers, other suppliers of goods and services, Independent Power Producers (IPPs)

Government

Public Enterprises, Ministry of Mines and Energy, Ministry of Finance, Ministry of Environment and Tourism, Ministry of Trade and Industry, Ministry of Labour, Ministry of Public Enterprises, Other Government Ministries and Agencies

Business

Financial Institutions, Investors (local and international), Namibia Chamber of Commerce and Industry

International/ Regional Relations

Multilateral institutions, Donor funding agencies, Cooperation agreements, Southern African Power Pool (SAPP)

Employees/Board Of Directors

Employees, Exco, Board

Regulator

Electricity Control Board (ECB)

Industry

Associations and industry experts

Media

Namibian, African and International

Figure 6: NamPower Stakeholder Map

NamPower will therefore redesign the approach to stakeholder engagements. This approach will include the introduction of new and frequent platforms of collaboration.

Implementing this new approach to stakeholder engagement will be critical to the achievement of NamPower's vision.

What we aim to achieve by 2025:
A leading facilitator in electricity market collaboration

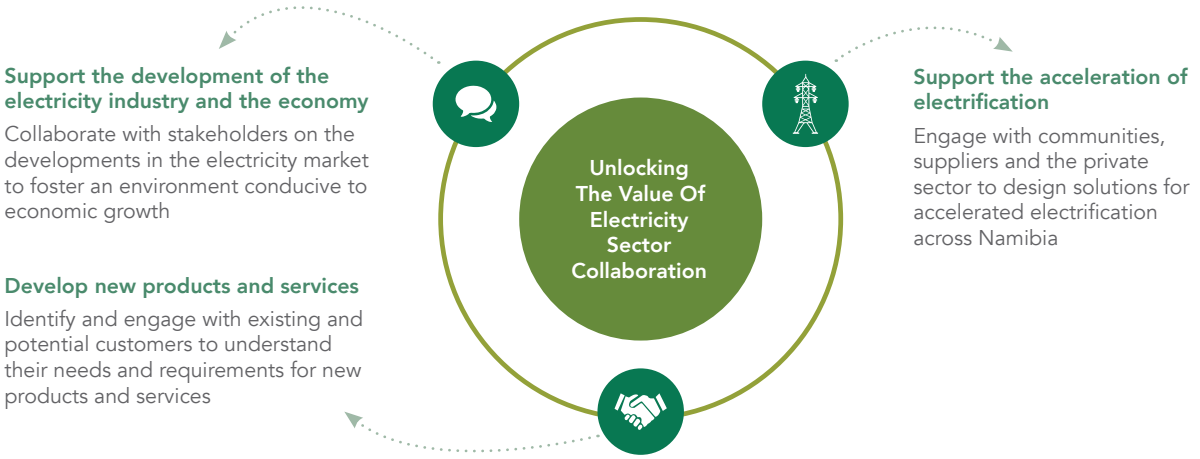


Figure 7: Strategic Objectives for sector collaboration

Strategic Pillar 2
Ensuring Security of Supply

Namibia has numerous power supply options that could potentially be developed to meet the future electricity requirements; however, the country's low load densities, long distances between major load centres and potential generation points make it challenging for NamPower to expand the power system while ensuring security of supply, maintaining reliability levels and keeping the cost of electricity to a reasonable level. Beside a close collaboration with sector stakeholders, the development and implementation of a comprehensive project governance framework will be critical to increase the oversight, assurance and controls of the development and execution of the project portfolio.

What we aim to achieve by 2025:
Implement project portfolio and leverage regional market opportunities

Figure 8: Strategic objectives for Ensuring Security of Supply

Strategic Pillar 3
Optimising Financial Sustainability

Due to the integrated nature of the electricity sector value chain, NamPower has a vested interest in the overall financial sustainability of the sector. NamPower will support the government and the regulator in driving the regulatory change towards a new market design and underlying tariff regime while maintaining the financial sustainability of the electricity sector.

To optimise financial sustainability and increase competitiveness in the evolving electricity market, NamPower will develop and implement customer focused strategies that are aiming at increasing customer confidence which in return increases revenue, shareholders value, sound liquidity and profitability in an ever- evolving Electricity Supply Industry.

What we aim to achieve by 2025:
Successful execution of our strategy while optimising financial sustainability

Figure 9: Strategic objectives for maintaining financial sustainability

Strategic Pillar 4
Driving Organisational and Operational Excellence

NamPower will "Drive organisational and operational excellence" by building an ethical, engaging and high-performance culture, achieving and retaining top employer status, developing additional capabilities and technologies to meet new market requirements and driving innovation and new business opportunities.

Innovation, business development and leveraging new technologies will be key enablers for NamPower to attract top talent and become an employer of choice that will provide opportunities for career growth.

Similarly, committed and engaged employees who live the values of NamPower and drive a culture of high performance will be critical to NamPower becoming the leading electricity provider of choice. In an environment where there tends to be a skills shortage despite the transforming business landscape, succession planning is key to building a pipeline for future leadership and ensuring business continuity. NamPower will place additional emphasis on developing its future leaders through the implementation of robust succession plans.

Furthermore, and for improved decision making, new digital solutions will be implemented through an improved data warehouse and business intelligence platforms to provide a single point of reference for reporting.

What we aim to achieve by 2025:

Become one of Namibia's top employers with a culture driven by our values and performance

Figure 10: Objectives for driving organisational excellence

7.2 NamPower Corporate Scorecard 2020 – 2025

One of NamPower's strategic pillars is to drive organisational and operational excellence. In order to encourage and deliver this successfully, the organisation must be held accountable for what we set out to achieve. The scorecard below indicates what the organisation will be measured on at a corporate level for the next five years.

Key Performance Indicators (KPIs) have originated from NamPower's broad organisational strategy, which allows for alignment to NamPower's greater purpose and mandate, throughout the organisation.

NamPower Corporate Scorecard
2020 – 2025

Perspectives	Strategic Pillar	Strategic Objectives	Obj. Weight %	KPI	KPI Weight %	Responsible BU (Reporting)	
Financial Perspective	Optimising financial sustainability (25%)	**F1. Increase Revenue**	**5%**	1. Sales Growth (%)	5%	MSB	
		F2. Ensure sound liquidity	**5%**	2. Current Ratio (%)	1%	Fin	
				3. Debtors Days	2%	Fin	
				4. DSCR (times)	2%	Fin	
		F3. Grow shareholder value	**5%**	5. Return on Net Assets (RONA) (%) [EBITDA/Net Assets]	5%	Fin	
		F4. Maintain profitability	**10%**	6. EBITDA (% turnover)	10%	Fin	
Customer Perspective	Unlock the value of electricity sector collaboration (20%)	**C1. Support the development of the electricity industry and the economy**	**5%**	7. Number of ESI Initiatives	3%	All	
				8. Locally procured goods & services (% of APP spending)	2%	All	
		C2. Develop new products and services (Solutions)	**10%**	9. % Customer satisfaction	5%	All	
				10. Number of new products and services introduced to the market	5%	GX, TX, DX, COO	
		C3. Support the acceleration of electrification	**5%**	11. Electrification Investment (incl CSI) (% of EBITDA)	2%	COO	
				12. % Completion of rural electrification projects (milestones)	3%	COO	
Internal Business Perspective	Ensuring security of supply (35%)	**I1. Optimally expand Generation capacity**	**10%**	13. % Completion of GX Projects (milestones)	5%	GX	
				14. New Generation MW (External)	2%	GX	
				15. New Generation MW (NamPower)	3%	GX	
		I2. Optimally expand Transmission Capacity	**10%**	16. New transmission lines constructed (km) to optimise the Grid (S-Curve)	5%	TX	
				17. Completion of TX substation projects (S-Curve)	5%	TX	
		I3. Leverage regional trading opportunities	**5%**	18. Total profitable annual net exports (kWh export growth regionally) (%)	5%	MSB	
		I4. Ensure least-cost electricity supply mix	**10%**	19. Average cost of the energy mix supply (cents per kWh)	10%	MSB	
Learning & Growth Perspective	Driving Organisational & Operational Excellence (20%)	**L1. Develop additional capabilities to meet the competitive market requirements**	**10%**	20. % Development of approved Strategic & Critical Positions, with ready now Back-Ups	10%	HC	
		L2. Achieve and retain top employer status	**5%**	21. Employer Status Rating (BC Survey) bi-annually	5%	HC	
		L3. Build an ethical, engaging and high-performing culture	**5%**	22. % Employees Trained annually	2%	HC	
				23. T & D Cost as a % of Labour Cost	3%	HC	
Total Weight			**100%**		**100%**		

	Baselines (2019/20)	Targets					Initiatives
		2020/21	2021/22	2022/23	2023/24	2024/25	
	5%	-6.36%	-2.00%	3.80%	0.00%	3.80%	1. Develop & Implement Customer-Focused Sales Team Capacity with Sales Plan & Targets
	2.9	2 times	2 times	2 times	2 times	2 times	2. Accounts Receivable Management Plan & Targets
	90 Days	75 days	70 days	65 days	60 days	45 days	3. Inventory Optimisation Project and Targets
	3.73 times	1.5 times	1.5 times	1.5 times	1.5 times	1.5 times	4. Accounts Payable Plan & Targets
	2.41%	1.39%	0.70%	1.44%	3.19%	2.95%	5. Projects Appraisal & Contribution to RONA Business Process, SOP & Prioritisation
	18.91%	5.00%	2.50%	5.00%	10.00%	15.00%	6. Cost Efficiency Improvement Programme & Targets
	4	4	4	4	4	4	7. ESI Collaboration and Localisation Plan with Annual Targets
	New	10%	10%	10%	10%	10%	
	81%	75%	80%	80%	82%	85%	8. Periodically Planned Customer Surveys & Targets
	New	1	1	1	2	2	9. Product & Service Development and Innovation Team, Plan & Targets (including IT Systems & Technology Capabilities)
	New	10%	10%	10%	10%	10%	10. DX & RX implementation with enhanced Team, Plan and Targets
	75%	75%	75%	75%	75%	75%	
	80%	75%	75%	75%	75%	75%	11. GX Projects Master Plan & Prioritised roll out Targets
	New	12	56	36	86	36	
	New	N/A	20	58	90	40	12. GX Technology Scanning & Up datedness
	45km	45km	240km	257km	387km	387km	13. TX Projects Master Plan & Prioritised roll out Targets
	20MVA	143MVA	138.5MVA	620MVA	445MVA	80MVA	14. TX Technology Scanning & Up datedness
	New	1.5%	1.5%	1.5%	1.5%	1.5%	15. Regional Energy Trading Sales Plan & Targets
	108c/kWh	96.70	99.79	104.09	108.56	113.23	16. Annual Scenario & Forecast Plan & Targets
	50%	60%	70%	80%	90%	95%	17. Talent, Succession, Retention and Performance management in NamPower (incl addressing job description and remuneration challenges)
	70%	70%	75%	75%	80%	85%	18. Implement and embed employee recognition & reward programmes & EVA Targets & Staff Morale Survey
							19. SHEW Awareness, Plan and Targets (Cost, LTIFR, Sick Leave, etc.)
							20. Performance management improvement Plan and Productivity Targets
	43%	50%	55%	55%	60%	65%	21. (Updated) Ethics Management Plan and Capacity
	1%	1.5%	1.5%	1.5%	1.5%	1.5%	22. Company HC Productivity Plan & Targets
							23. Conduct certification and compliance audits in identified sections

08 Five-Year Business Implementation Plan

In driving the strategy, 5-year Implementation Plans have been developed, aligned to the strategic objectives as set out by the corporate strategy. NamPower will implement the goals set out in its strategy through each of its Business Units. Each BU plan is aligned accordingly.

The 5-year Implementation Plans include:, the Marketing Plan; the Operational Plan; the Investment Plan and related Financial Projections; the Workforce and Skills Development Plan; Financing Plan; and, Risk Management Plan.

8.1 NamPower's Marketing Plan

Introduction/Summary

NamPower's Marketing Plan (draft) prioritises activities required to effectively interact with the market and its various stakeholders in the country and the SADC region. The Plan entails a wide variety of activities and forms an integral part of the company's strategic business plan. The Marketing Plan outlines NamPower's current and future market situational analysis and strategic marketing initiatives that will position the utility to best adapt to the changing electricity supply environment.

With the introduction of the Modified Single Buyer (MSB) model to the electricity industry by the Ministry of Mines and Energy (MME), the "playing field has been levelled" as the model will now allow identified Contestable Customers and Eligible Sellers to transact with each other directly for the supply of electricity of up to 30% of the customer's energy requirement. Classified contestable, transmission, connection customers are now able to buy a portion of their energy requirements directly from a private generator (IPP). The MSB model also aims to allow for private generators to build new generation capacity in Namibia for export purposes. MSB is a further step by Namibia towards greater competition and choice in the electricity industry.

To effectively adapt to the new market environment, NamPower needs to relook its strategies with regards to sales (revenue growth); the improvement of customer service delivery; attract new customers and the retention of existing customers; stakeholder engagements/management. In addition, NamPower needs to develop detailed marketing strategies that will focus on value-added products/services, value proposition, effective and innovative communication with various stakeholders.

The Marketing Plan outlines the strategies, initiatives/programmes that complements the corporate objectives outlined in the Corporate Strategy and Business Plan for the next five years.

This Strategic Marketing Plan also identifies critical challenges that may inhibit the successful implementation of marketing activities. The successful implementation of the marketing activities outlined in this plan calls for collaboration and teamwork from all NamPower functions and as well as operating levels within the organisation.

Marketing Objectives

NamPower is in a unique and advantageous position in that it is a bulk electricity supplier, a transmission utility, distribution utility and specialises in trading of electricity, which gives the company distinct advantage over new market entrants. Although NamPower has a competitive edge, it is important to have an engaging marketing strategy to remain relevant in the Electricity Supply Industry (ESI).

The Marketing Plan highlights the most effective approach centred around the four Ps' of marketing and the three Rs' of customers' values:

- **Product/service** – Developing product offerings and packaging opportunities that best address NamPower's objectives while meeting customer needs.
- **Place** – Nurturing channel strategies that supports the company's strategic intent through constant engagement (ensuring that our channels of distributions are efficient).
- **Promotion** – Develop a comprehensive sales and promotion plan that would reposition the company in this new environment and to promote new and existing product and service offerings.
- **Price** – Benchmark prices within the region to establish competitiveness, without compromising on the company's financial standing.
- **Reliability** – Reinforcing the trust stakeholders have in us, the dependability and consistency of our actions, reactions, our information etc.
- **Responsiveness** – "Listening to the voices of our stakeholders, especially our customers and being responsiveness to their needs, how we attend to queries; requests; etc.
- **Relationship** – foster participatory relations with stakeholders through information and knowledge sharing interventions.

Market Characteristic

NamPower has for years operated in a monopolistic environment as the sole national utility in Namibia in all aspects of its mandate, which is generation, transmission, distribution and trading. With the introduction of the MSB model, a number of competitors (Independent Power Producers, IPPs) are expected to enter the ESI, especially in the generation domain. The future outlook predicts more entrants in the trading and distribution function. Customers are searching for the best prices and superior customer service for the supply of electricity.

Marketing Statement of Intent

NamPower's marketing statement of intent is to position itself as relevant, seen as the supplier of choice, competitive in pricing, with value added services, reliable and experienced (skilled staff), an all-inclusive offering (one stop shop) and financially sound.

Strategic Focus Areas	Description
1. Competition Overview	Generation – NP has a strong competitive advantage due to its strong existing infrastructure, skills base, experience, assets and strong balance sheet to attract investment. New entrants in this space are IPPs and companies venturing into own generation e.g. mines, farms, production firms etc. Implementation of planned generation projects will put NamPower in the forefront in Namibia and regionally as well. **Transmission** – Strong infrastructure back bone with a good prospect to improve transmission infrastructure. Continuous maintenance of our transmission network. There is currently no competition in this sphere. **Trading** – NamPower is part of the Southern African Power Pool (SAPP) providing it with a broad trading network and has built sound relations with SAPP members. Although possibilities for new entities are in the pipeline, NP remains the supplier of last resort. **Distribution** - Regional Electricity Distributors and Municipalities hold majority of distribution licenses country-wide. NamPower distribution capacity is limited to areas where REDS and municipalities are not operational. NamPower currently serves over 5,000 distribution customers posing service delivery challenges. There is a need for NamPower to capacitate its distribution function with sufficient manpower in order to serve existing and prospective customers.
2. Service/Product Positioning	Products in NamPower's setup refers to the provision of **Electricity and Fibre Optic Solutions.** Service refers to functions performed to ensure that the product offered is always available to the customers. E.g. connecting of clients, meter reading services, attending to faults/power outages, billing services, attending to customer queries etc. In order to position our product and services effectively, NamPower needs to create awareness of its product and services. Attract new customers and retain existing customers. Continuously scan and monitor the environment, come up with new innovative solutions for new and existing customers. To be regarded as the leading electricity solutions provider of choice in SADC, based on reliability of product delivery, excellent service and competitive pricing.
3. Sales/Distribution Mechanisms	**Sales** – Establish a NamPower Sales and Customer Service department with a sole function of serving customers' needs in order to grow revenue. **Distribution** – Find innovative ways of serving the customers.
4. Demand Analysis	1. The process for Demand Analysis (or adding step loads) is aligned with NamPower's Customer Connection Policy. Applicants are classified as low, medium or high probability in accordance with the following rules: • **Low Probability** - Applicants who had not accepted NamPower's connection offer within the past 12 months and applicants who are at the initial stage of connection process (held an informal meeting with NamPower); • **Medium Probability** - Applicants who received an offer to connect within the last 12 months and prospective customers who submitted and paid for a formal load application • **High Probability** - Applicants who accepted the offer, signed the Power Supply Agreement (PSA) and made the first payment. All steps need to be completed within 12 months of receiving an offer to connect. 2. **The NIRP** (National Integrated Resource Plan) concerns generation to meet the country demand and supply requirements. Further the NIRP needs to take account of the national electrification plans and the plans to connect off-grid households to the grid over time.

Strategic Focus Areas	Description
5. Key Assumptions	**Weakness** • Reactive decision-making and slow implementation • Inadequate network capacity • Inadequate communication • High network implementation and operational costs • Insufficient customer-centricity • Insufficient stakeholder engagement **Threats** • Loss of customers in new market environment • New market entrants • Inability of customers to service debts • Negative (external) influence on business sustainability • Inadequate regional network connectivity • Public Procurement Act Challenges
6. Key Sub-Plans	
6.1 Sales Plan	NamPower is intending to setup a sales and customer service department with the aim to centralise the customer service function. The purpose is to effectively improve customer service, as customers are an integral part of the organisation. A Sales Plan would entail customer and relationship management strategies, retention strategies, value added services, customer incentives, loyalty schemes, user's consumption analysis, consumption planning and forecasting, customer engagements strategies, etc.
6.2 Communication Plan (SEP)	The company has a Stakeholder Engagement Plan which informs its approach to Stakeholder relations.

Strategic Marketing Initiatives	Responsibilities	Priority	Resources	Budget	Timeline
7. Strategic Marketing Initiatives					
Year 1: 2020/2021					
Position the brand to appeal & relate to end-users through the Powering Life brand campaign. Re-introduce the brand, with an emotional appeal.	Corporate Communication and Marketing	High	Advertising agency	N$2.5 million	February 2021 – June 2021
Debt Collection Programme	Finance, Transmission, Corporate Communication and Marketing, Distribution	High	NamPower Staff	N$500 000	February 2021 – June 2021
Revamp of external website	Corporate Communication and Marketing/I-serve	High	Advertising agency	N$100 000	February 2021 – June 2021
Strategic and concentrated stakeholder engagement and management. Implementation of initiatives as outlined in the corporate Stakeholder Engagement Plan.	Office of the Chief Operating Officer in conjunction with relevant Business Units	High	NamPower Staff	N$800 000	Feb-Dec 2021
Year 2: 2021/2022					
Strategic and concentrated stakeholder engagement and management. Implementation of initiatives as outlined in the corporate Stakeholder Engagement Plan.	Office of the Chief Operating Officer in conjunction with relevant Business Units	High The aim is to Enhance stakeholder relations across all BUs	NamPower Staff	N$800 000	February 2022 – November 2022
Brand campaign to celebrate the 25th anniversary	Corporate Communication and Marketing	High	Advertising agency	N$3 million	July 2021 – August 2021
Safety and Copper theft education campaign (internal and external)	Transmission – NetOps & Corporate Communication & Marketing		Advertising agency	N$1 million	July 2021 – November 2021

Strategic Marketing Initiatives	Responsibilities	Priority	Resources	Budget	Timeline
Competitive based marketing initiatives focusing on the following areas (generation, transmission, trading and distribution)	Office of the Chief Operating Officer in conjunction with relevant Business Units	High to Medium	Staff members and Advertising Agency	N$2 million	February 2022 – June 2022
Year 3: 2022/2023					
Development and Implementation of a Sales and Customer Service Department Development of customer and sales plans/programmes	Chief Operating Officer/ Human Capital/Properties/I-serve/MSB (Distribution) / Transmission/ Debtors/Corporate Communication & Marketing/ Finance	High	Staff and infrastructure	To be determined by the establishment of the department and plans	July 2022 – June 2023
Conduct an external perception survey	Corporate Communication & Marketing	Medium	Research consultancy company	N$350 000	January 2023- July 2023
Strategic and concentrated stakeholder engagement and management. Implementation of initiatives as outlined in the corporate Stakeholder Engagement Plan.	Office of the Chief Operating Officer in conjunction with relevant Business Units	High The aim is to Enhance stakeholder relations across all BUs	NamPower Staff	N$800 000	February – November 2023
Year 4: 2023/2024					
Continue with the implementation of the Sales and Customer Service programme/plan	Office of Chief Operating Officer	High To improve revenue growth through improved customer satisfaction	NamPower Staff	To be determined by the plans and programmes	July 2023 – June 2024
Year 5: 2024/2025					
Evaluation of all initiatives carried out during Year 1 to Year 4 Note: Monitoring would have been done throughout the Years (from Year 1 to Year 4)	Office of the Chief Operating Officer in conjunction with relevant Business Units	Low to Medium To determine impact of the initiatives carried out	NamPower Staff and External Consultancy	N$1 million	July 2024 – June 2025

8.2 Operational Plan

Summary

The NamPower Operational Plan is focused on achieving viable security of supply, through ESI collaboration and continually improved operational efficiency and effectiveness. (Operational Plan - Annexure G Detailed)

CORE Operations Objectives

1. Increased Generation Capacity, Transmission Network Capacity & Reliability
2. Optimised Cost Reduction on Operations & Maintenance
3. Least-Cost Electricity Supply Mix
4. Development of Innovative Products & Solutions

SUPPORT Operations Objectives

1. To add value to our Core Operations effectively and efficiently
2. Optimise Support Services
5. Seamless Internal Customer focus

Operations Statement of Intent

Our Operations Core Intent is to improve productivity and meet competitive priorities (price, quality, reliability and agility) sustainably.

Strategic Focus Areas

Operations Overview

Our Operations are focused on competitively fulfilling our mandate as a licensee of Generation, Transmission, Distribution & Rural Electrification and Energy Trading, in the MSB environment, as the Supplier of Last Resort.

Network Positioning

Our Network shall continuously be improved to provide optimised and reliable electricity to our Customers.

Service Provisioning

Competitive and innovative solutions for our Customers in collaboration with the ESI

Operations & Maintenance

Sales, Commercial, Technical & Engineering excellence.

Key Assumptions

1. Generation Capacity will be installed to meet and exceed current demand, in collaboration with IPPs
2. Transmission Network will continue to supply reliable electricity to all our Customers, and meet national & regional demand
3. NamPower will continue to be the leading MME partner in Distribution and Rural Electrification, for demand growth and economic stimulus.
4. NamPower, as supplier of last resort will trade in SAPP and meet national and regional power opportunities, in-so-doing contribute to the company and economic growth.

8.3 Investment Plan

Summary

NamPower will require about N$ 11.6 billion over the next 5 years (to be revised annually) to expand and meet electricity needs of the country. (Investment Funding - Annexure D Detailed)

Investment Objectives

NamPower will focus on Increased local generation, so as to accelerate local capacity and increase Shareholder Value, to the benefit of the economy

Investment Appraisal Strategy

Our investments shall be considered with the view towards incremental value-addition of RONA (Return on Net Assets).

Investment Statement of Intent

Our intent is to ensure continued long-term Shareholder Value creation above annual inflation, in line with acceptable investment benchmarks.

Table 1: Investment Plan 2021- 2025

Strategic Focus Areas	FY2020/21	FY2021/22	FY2022/23	FY2023/24	FY2024/25
Generation Investments (N$ Mil)	410	1,260	1,110	140	-
Transmission Investments (N$ Mil)	500	1,890	1,770	1,780	1,510
Other Assets (N$ Mil)	460	280	120	180	190

Table 2: Capital Projects - Investment Summary

	Total	FY2020/21	FY2021/22	FY2022/23	FY2023/24	FY2024/25
Generation Projects	2,920	410	1,260	1,110	140	-
Transmission Projects	7,450	500	1,890	1,770	1,780	1,510
Other Capital Projects	1,230	460	280	120	180	190
Total Capital Expenditure	**11,600**	**1,370**	**3,430**	**3,000**	**2,100**	**1,700**
Exchange rate USD : NAD		17.46	18.09	18.75	19.55	20.54

The following key assumptions for the Base Case:

- Exchange rates used starting at USD:NAD 17.46 escalated with forward rates/curve ; foreign currency components are converted at the forward rates to calculate project cost estimates
- Generation Projects cost currency split 80% foreign and 20% local currency.
- Transmission projects currency split 60% foreign and 40% local currency. Transmission project execution has been deferred to be aligned with other regional developments while maintaining a stable transmission network

Capital Expenditure

Table 3: Forex % Split and CPI Assumptions

Generation	NAD	20% Project Specific
	USD	80% to Local
Transmission	NAD	40% Transmission projects generally 60/40 split foreign to local 60%
	USD	60%
Escalation	NAD	NAM CPI
	USD	US PPI and USD:NAD forward curve (see Macro assumptions)

a. Financial Projections (Base Case)

Base case Energy Demand + New Renewable Generation (less dependency on imports)

Table 4: Base case Key Assumptions

Macro Economic		**2020/21**	**2021/22**	**2022/23**	**2023/24**	**2024/25**
NAM CPIA		5.50%	3.20%	4.30%	4.30%	4.30%
US CPI		1.50%	2.00%	2.00%	2.00%	2.00%
NAD:USD		17.46	18.09	18.75	19.55	20.54
NAM Prime		7.50%	7.50%	7.50%	7.50%	7.50%
JIBAR		3.33%	3.33%	3.33%	3.33%	3.33%
LIBOR		0.21%	0.21%	0.21%	0.21%	0.21%
Revenue		**2020/21**	**2021/22**	**2022/23**	**2023/24**	**2024/25**
Maximum Demand	MW	667	685	696	705	721
	% Increase	2.43%	2.77%	1.62%	1.31%	2.21%
National Energy Demand	GW h	4.040	4.026	4.096	1.169	4.208
	% Increase	4.89%	-0.37%%	1.75%	1.78%	0.93%
Electricity Tariff	% Increase	NAM CPI				
		Scenarios NAM CPI +X%				
Expenditure						
Cost of Supply						
Thermal Fuel	% increase	NAM CPI; Oil and Coal Commodity; USD:NAD				
Maintenance	% increase	NAM CPI on maintenance for generation options				
Imports	% increase	US CPI & PPI; SA PPI (Eskom)				
IPP's	% Increase	NAM CPI				
Fixed Operating Cost	% increase	NAM CPI				
Operating Projects	% Increase	NAM CPI				
Generation Supply Mix		**2020/21**	**2021/22**	**2022/23**	**2023/24**	**2024/25**
Ruacana P70	GW h	1.244	1.244	1.206	1.125	1.230
NamPower	GW h	1.282	1.306	1.333	1.356	1.469
IPP's (NAM)	GW h	372	424	606	786	813
Imports	GW h	2.257	2.038	1.770	1.251	997
New GX	GW h	-	-	-	11	460
MSB 30%		129	258	388	764	470
Total Generation	**GW h**	**4.040**	**4.026**	**4.096**	**4.169**	**4.208**
Generation		2020/21	2021/22	2022/23	2023/24	2024/25
NamPower	%	32%	32%	33%	33%	35%
IPP's (NAM)	%	9%	11%	15%	19%	19%
Imports	%	56%	51%	43%	30%	24%
New GX	%	0%	0%	0%	0%	11%
MSB	%	3%	6%	9%	18%	11%
Total Generation	**%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table 5: Base Case Summarised Income Statement projected

Income Statement	2020/21	2021/22	2022/23	2023/24	2024/25
Electricity Sales	6,264,248	6,174,957	6,404,847	6,388,105	6,637,286
Cost of Electricity	4,202,702	4,138,305	4,294,220	3,767,746	3,966,683
Gross Profit	**2,061,546**	**2,036,651**	**2,110,627**	**2,620,359**	**2,670,604**
Other Income	50,000	0	0	0	0
Operating Expenses	1,554,779	1,604,532	1,673,527	1,745,489	1,820,545
Operating projects	249,753	275,202	101,377	102,929	107,355
EBITDA	**307,013**	**156,918**	**335,723**	**771,941**	**742,703**
Depreciation & Amortization	819,994	867,764	970,444	1,108,352	1,188,417
Profit/(Loss) after Depreciation	**-512,981**	**-710,847**	**-634,721**	**-336,412**	**-445,714**
Interest Paid	76,062	92,105	186,168	197,862	148,396
Investment Income	426,001	372,962	287,195	217,525	52,908
Profit/(Loss) before Tax	**-163,041**	**-429,990**	**-533,694**	**-316,749**	**-541,201**
EBITDA margin (%)	**5%**	**3%**	**5%**	**12%**	**11%**
Gross Profit margin (%)	33%	33%	33%	41%	40%

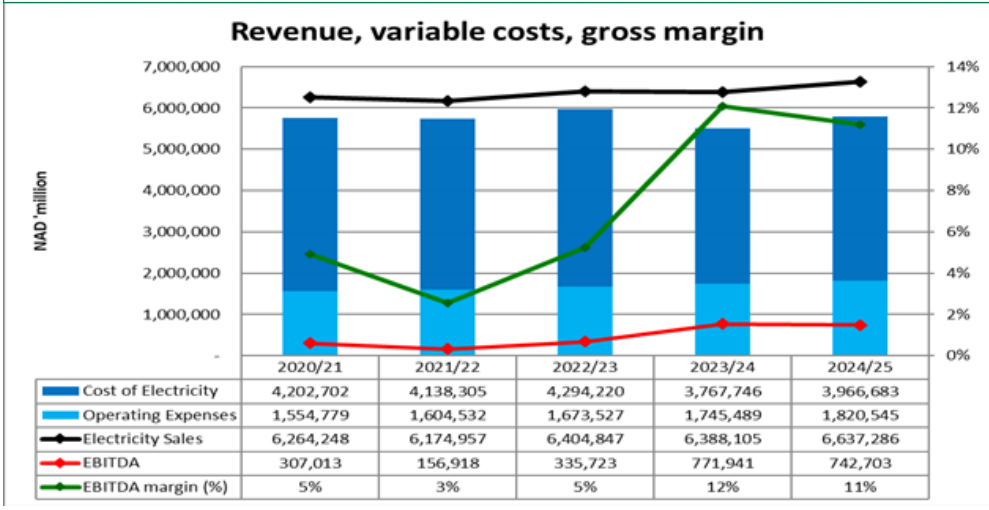


Figure 11: Base case Revenue and Expenses projected

Notes:

1. Revenue is a function of units sold x electricity prices (tariffs):
   a. Energy Demand flat and has been revised down from 2019 forecast. The sluggish economy has slowed down consumption and a long lasting impact of the pandemic has been added as a scenario sensitivity, which is a further 10% reduction in energy demand. Further reduction in demand has been included due the introduction of MSB of 30% over a period of time
   b. 0% tariff increase for financial year 2021 and then Namibian inflation linked thereafter. Electricity tariffs have been unbundled, as from 1 July 2020. The overall tariff however needs to be competitive compared to substitutes up to the end consumer
2. Cost of electricity supply increased due to:
   a. Local IPP generation escalated with NAM CPI
   b. Foreign currency imports are escalated with US PPI/ CPI rates plus valued at the different forward rates for the respective financial years (see Table 1 Investment Plan). The market has seen ±20% depreciation of the Namibia Dollar against major currencies during the year.
3. Gross Profit margins under pressure due to the slower escalation rates of electricity tariffs and even slower energy demand compared to the escalated cost on the cost of electricity supply
4. Operating expenses are running expense, which include labour cost, and escalated at NAM CPI
5. Operating projects are based on projections on maintenance and refurbish plans from management.
6. NamPower expect a decrease over time on investment income due to the investment plan execution and increased cost on financing cost. NamPower will no longer be able to rely on a significant contribution historically earned on interest on investments.
7. EBITDA remains still positive, although margins under pressure during major rollout period s of the investment plan; targeted margin 8-10%

a. Financial Projections (Base Case) (continued)

Table 6: Base Case Balance Sheet projected

Balance Sheet	2020/21	2021/22	2022/23	2023/24	2024/25
Assets					
Non-current Assets	21,616,042	24,753,189	27,727,129	29,799,262	31,463,830
Investments & Other Non-Current Assets	1,314,870	1,244,738	1,218,465	1,180,054	1,537,171
Current Assets	9,320,698	7,435,773	5,975,138	4,789,044	3,978,600
Total Assets	32,251,610	33,433,700	34,920,733	35,768,359	36,979,601
Equity and Liabilities					
Capital and Reserves	22,156,847	22,556,167	23,257,642	24,234,519	25,147,871
Non-Current Liabilities	8,305,215	8,596,251	9,543,879	9,611,761	9,853,270
Current Liabilities	1,789,550	2,281,283	2,119,213	1,922,080	1,978,461
Total Liabilities	10,094,764	10,877,534	11,663,091	11,533,841	11,831,731
Total Equity & Liabilities	32,251,611	33,433,701	34,920,733	35,768,360	36,979,602

Notes:

1. Non-current assets growth by average 10% per annum (±46% over 5 years) due to investment plan rollout
2. Current assets and investments significant decline as cash reserves being utilised for the investment plan
3. Liabilities increased over time due to new loans being acquired to sustain the investment plan

Table 7: Base case Cash flow statement projected

Cash Flow Statement	2020/21	2021/22	2022/23	2023/24	2024/25
Cash from operating activities	**498,964**	**231,740**	**308,722**	**710,051**	**762,351**
(Increase)/decrease in net investments activities	1,833,859	532,476	351,898	154,882	313,684
Net cash used in investing activities	**-1,218,814**	**-2,989,911**	**-3,103,834**	**-2,409,906**	**-2,084,510**
New debt drawdown activities	**0**	**710,000**	**1,320,000**	**470,000**	**800,000**
Debt repayments activities	-226,145	-224,275	-354,876	-286,837	-447,661
(Decrease) / increase in cash and cash equivalents	**887,864**	**-1,739,970**	**-1,478,090**	**-1,361,810**	**-656,136**
Cash balance beginning of period	6,658,827	7,546,691	5,806,721	4,328,631	2,966,821
Cash balance end of period	**7,546,691**	**5,806,721**	**4,328,631**	**2,966,821**	**2,310,684**

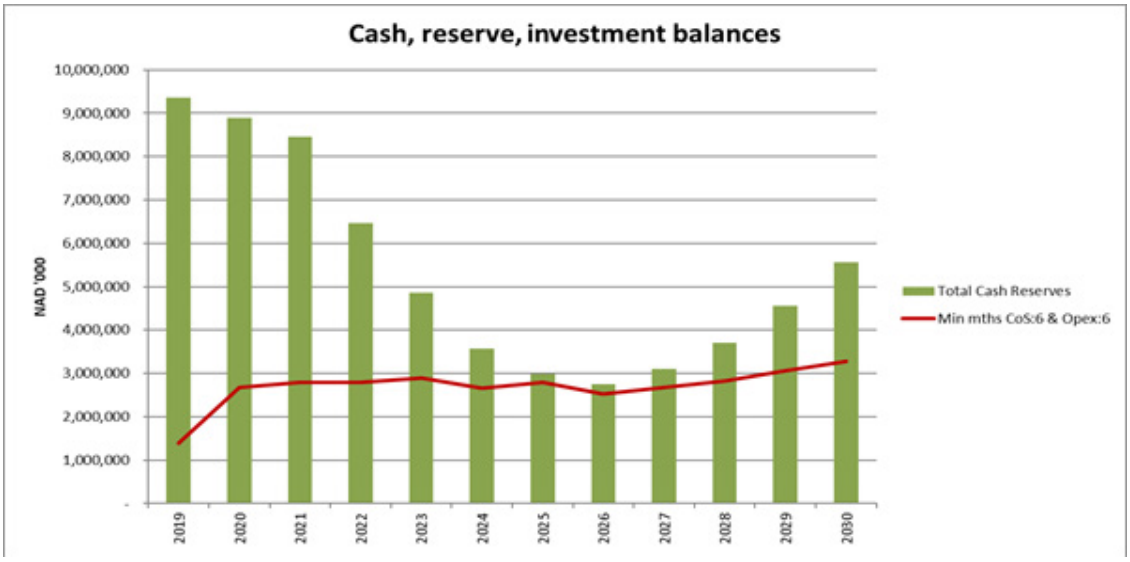


Figure 12: Base Case Projected Cash Reserves with CPI tariff increase

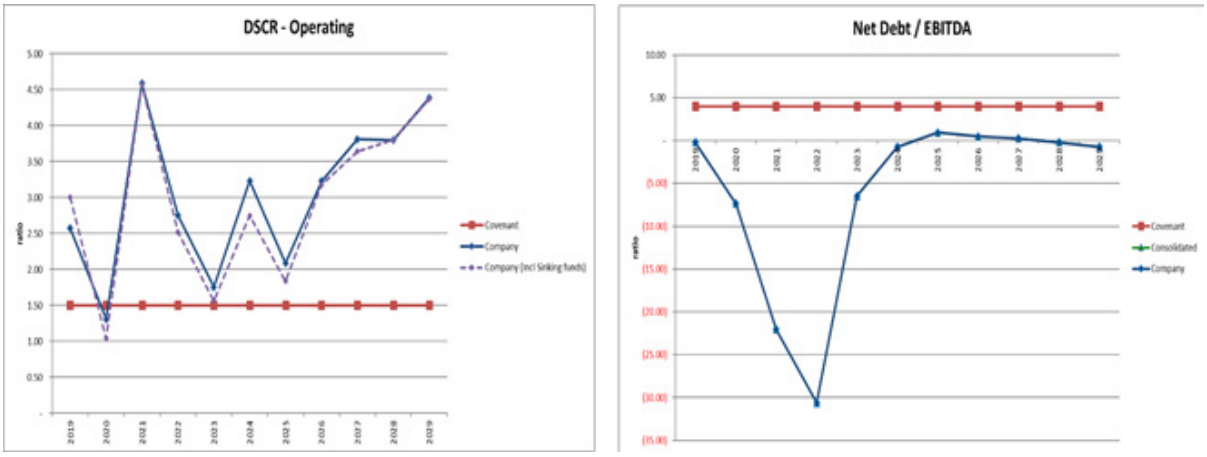


Figure 13: Base case Debt Covenant projections

Notes:

1. Cash generated from operations are still positive and able to support debt covenants (figure 3) set by lenders (DSCR and Net Debt/EBITDA). There is however, a significant decline due to pressure on the EBITDA (Gross Profit) margins as explained above. Due care must be taken to keep debtors collection under control as this will result in further pressure on cash reserves. Currently debtors' collections days are around ±90 days. For every 10 days additional in delay on debtors will have ± N$160-170 million reduction in cash reserves.
2. Cash reserves decreased substantially due to investment plan roll out and as indicted above NamPower intends to grow network assets with around 46% over the next 5 years.
3. In order to finance the investment plan new debt requirement is ±N$3.5billion and further contribution form the ECB's LRMC reserves contributes N$ 500 million. This is required to maintain sustainable cash reserve levels to ensure sufficient liquidity for the Company.

a. Financial Projections (Base Case) (continued)

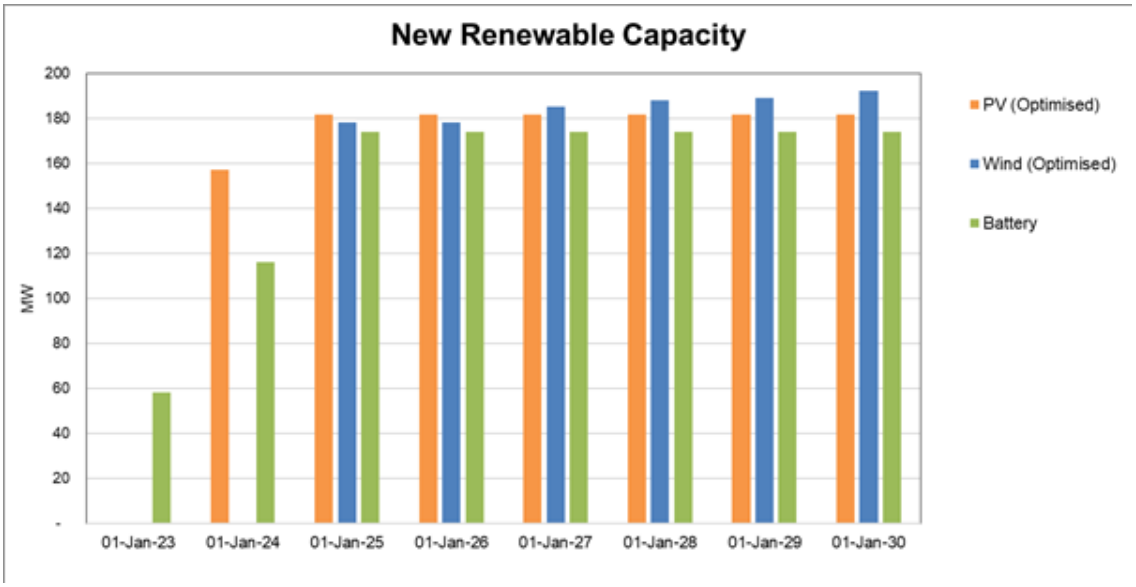


Figure 14: Optimised Run new future generation capacity

Notes: Generation Supply Run:

1. ZESCO PPA to terminate after five years, but to be replaced with energy from renewables, model assumed IPPs.
2. Due to high renewable energy supply, additional capacity like batteries are installed to provide for intermittency
3. Future imports (excl. SAPP off-peak energy as indicated) are limited to a maximum of less than 10% of energy (incl. SAPP off-peak energy, less than 20%).
4. IPPs under MSB up to 30% taken into the supply plan. The 30% energy supply from IPPs under the MSB is included at 5% per annum reaching 30% end of Fin Year 2026
5. Modelled new Renewable (PV and Wind) IPP generation with additional battery storage to provide for intermittency (20% of RE; Mott McDonald Study).

Table 8 : Generation Capacity and Source Outlook

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Current Existing										
Ruacana at P70 (1250GWh p.a)	347	347	347	347	347	347	347	347	347	347
Anixas	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5
Van Eck (retire 2030)	30	30	30	30	30	30	30	30	30	30
REFITS	70	70	70	70	70	70	70	70	70	70
Greenam	20	20	20	20	20	20	20	20	20	20
Hardap	37	37	37	37	37	37	37	37	37	37
Innosun Omburu	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
	531	**531**	**531**	**531**	**531**	**531**	**531**	**531**	**531**	**531**
New Current Strategy in execution										
NamPower PV Omburu		20	20	20	20	20	20	20	20	20
IPP PV Khan		20	20	20	20	20	20	20	20	20
Anixas HFO Walvis Bay			50	50	50	50	50	50	50	50
NamPower Wind				40	40	40	40	40	40	40
IPP Wind Luderitz				50	50	50	50	50	50	50
Diaz Wind			44	44	44	44	44	44	44	44
	-	**40**	**134**	**224**	**224**	**224**	**224**	**224**	**224**	**224**
Country Capacity	**531**	**571**	**665**	**755**	**755**	**755**	**755**	**755**	**755**	**755**
Imports										
ZPC (Zimbabwe 80MW 50% capacity factor; USD based end ing Marcg 2025)	80	80	80	80	80					
ZESCO (Zambia 100MW at 70% capacity factor; USD based ending 2030)	100	100	100	100	100					
Eskom	200	200								
	380	**380**	**180**	**180**	**180**	**-**	**-**	**-**	**-**	**-**
Future										
MSB										

Notes:

1. Ruacana at P70: This amounts to 1250GWh per year, which is between the average (P50) and low (P80) generation capacity from Ruacana;
2. Van Eck at 30MW reliable until 2030;

New supply options include:

1. NamPower 20MW PV plant at Omburu – Fin year 2022;
2. Anixas II 50MW HFO plant at Walvis Bay – Fin year 2023;
3. NamPower 40MW wind plant at Rosh Pinah – Fin year 2024;
4. Diaz 44MW wind plant at Luderitz – Fin year 2023;
5. IPP 20MW plant at Khan substation – Fin year 2022; and
6. IPP 50MW wind plant at Luderitz – Fin year 2024.
7. Imports:
8. ZPC PPA - 80MW at 50% capacity factor per year: USD based contract and terminating March 2025 (3 years);Z
9. Eskom 200MW energy as required: ZAR based contract and terminating March 2022; and
10. SAPP off-peak energy restricted to 330GWh limiting dependence on cheap off peak energy to keep supply portfolio conservative and to align with current actual SAPP imports.

IPPs supplying customers under the Modified Single Buyer (MSB) market:

1. An important assumption is that the 30% energy supply from IPPs under the MSB is included at 5% per annum reaching 30% by end of Financial Year 2026.
2. ZESCO PPA:
   a. A 100MW PPA at a 70% monthly capacity factor, USD based contract terminating in 2030. This contract starts at ±N$ 880 million this year and will soon be more than N$ 1 billion per annum.

Scenario 1: Base case Energy Demand + Dependency on imports – (Likely)

1. All supply options as indicated above.
2. ZESCO PPA to continue as per the contract until 2030, end of agreement.
3. No additional batteries required as most energy is supplied via import contracts.
4. Future imports (excl. SAPP off-peak energy as indicated) are in excess of 30% of energy supplied per annum (incl. SAPP off-peak energy in excess of 40% per annum).
5. Biomass power plant to be delayed for at least 10 years.
6. IPPs under MSB up to 30% as indicated above.
7. The NamPower tariff has to increase annually with the Namibian inflation rate plus 1.5% real term increase until 2026 (not aligned with NamPower strategy).

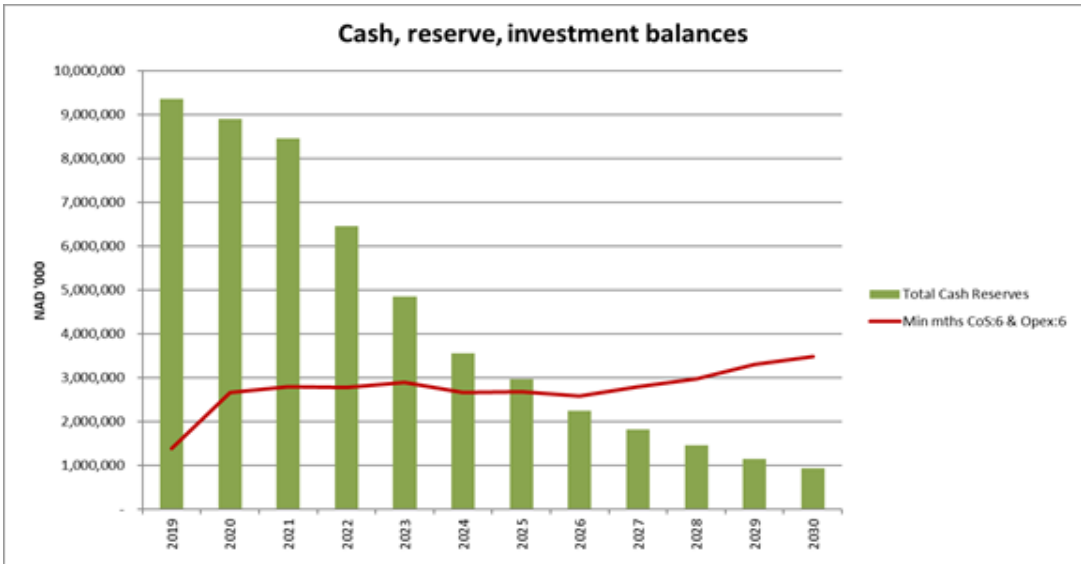


Figure 15: Impact of Scenario 1 on Cash, Reserve, Investment balances
Should the demand decrease as per the "Low Case" energy forecast the additional impact be as follows to maintain sufficient cash reserves:

a. Financial Projections (Base Case) (continued)

Scenario 2: Base Case (Renewable IPP options in Namibia) + "Low Case" energy demand forecast:

1. Due to the lower demand Transmission investment to be decreased with min of 5%.
2. Should this not be achievable to decrease the Transmission investment an additional annual real term increase of 0.5% is required on the electricity tariff annually until 2026 (Nam CPI + 0.5%).

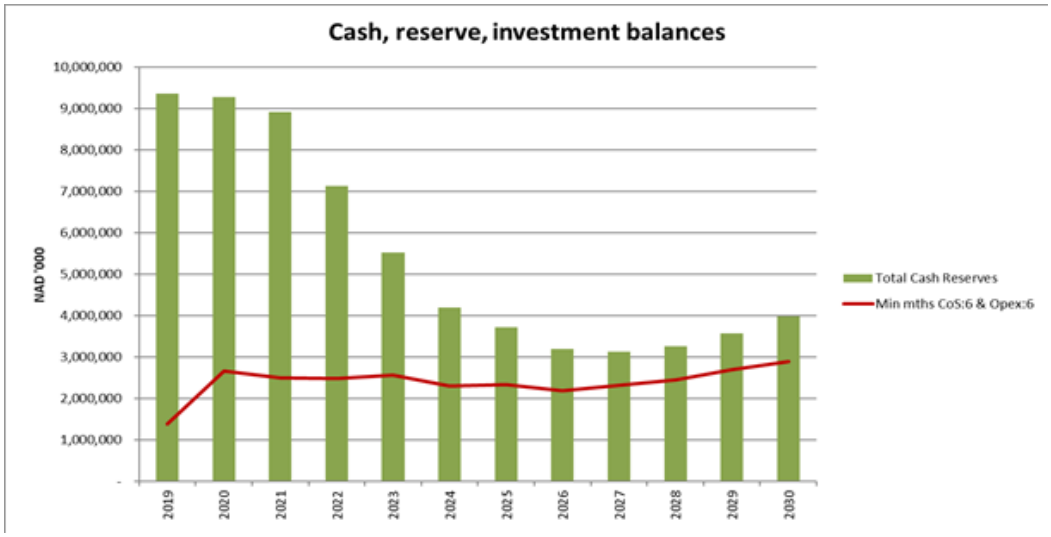


Figure 16: Impact of Scenario 2 on Cash, Reserve, Investment Balances

Scenario 3: Dependency on Imports with "Low Case" energy demand forecast:

1. Due to the lower demand Transmission investment to decrease with a minimum of 10%.
2. Should it not be achieved to decrease the Transmission investment an additional annual real term increase of 1% (increased from Nam CPI + 1.5% to Nam CPI + 2.5%) is required annually on the electricity tariff until 2026 (not aligned with NamPower strategy).

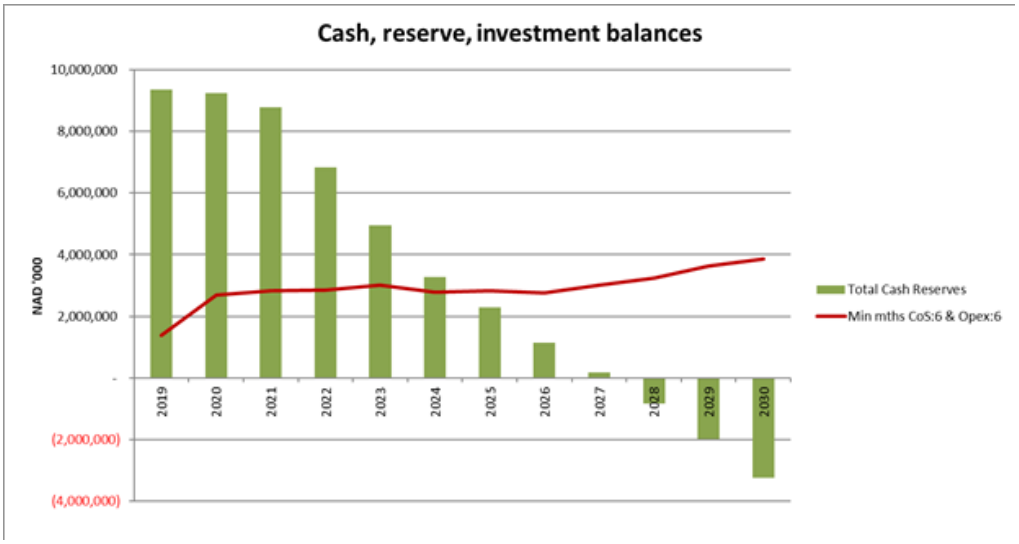


Figure 17: Impact of Scenario 3 on Cash, Reserve, Investment Balances

8.4 Work Force Plan and Skills Development Plan

Summary

A five-year workforce plan has been developed to ensure that NamPower achieves its strategic objectives, key performance indicators and the initiatives within least cost possible as projected. In particular, every possible effort is made by Management to ensure that expenditures do not exceed the budgetary allocations. The Plan includes a date-driven inventory and schedule of skills and knowledge that must be learned in a given role—to ensure that the right knowledge has been transferred. (Workforce Plan - Annexure G Detailed)

Human Capital Objectives

To provide efficient and effective Human Capital services, to be a centre of excellence, to ensure employee wellbeing and to provide a safe working environment that supports NamPower strategy.

Human Capital Profile & Overview: The Human Capital Business Unit is a company-wide, multi-disciplinary support service working in partnership with line managers to source, reward and retain talent. The Business Unit is entrusted with the following tasks:

- Identifying, assessing and selecting skilled individuals for NamPower
- Developing and building skills within NamPower
- Researching and recommending best practices with regard to human capital management
- Developing policies and processes for individual and organisational performance
- Providing guidance for individual and team effectiveness
- Building harmonious relations with the Union
- Ensuring the safety, health and wellness, both physical and emotional, of all employees in a sustainable work environment.

The HC Business Unit provides its support service through the following four functions: Remuneration, Personnel Administration & Industrial Relations; Safety, Health, Environment & Wellness; Organisational Development and Education, Training & Development.

Human Capital Statement of Intent

To be a valued strategic partner, leading best HC practices in all areas where NamPower operates.

Strategic Focus Areas	Description
Investment in Staff Education, Training & Development (ETD) HC Plan & Targets, to align with Competitive Market Capabilities	Involving the Heads of Business Units to determine workforce plan and skills development needs and ensure the implementation thereof. Determining different types of Skills and competencies that will be required in the competitive markets and ensure that appropriate mechanisms have been put in place to address the availability and supply of staff with different skills, competencies and capabilities.
Productivity and PMS Management	Continuously improving the performance management system by giving employees ownership of their objectives, goals, targets and personal development and feedback to be given, for NamPower to be more with engaged employees are more productive and profitable.
Leadership Development & Knowledge Management	Profiling the leadership proficiency of our managers and supervisors and develop appropriate leadership development interventions to ensure that knowledge is maintained and that our leaders are empowered to execute the strategies of the Company
Talent Acquisition, Skillset Analysis	Implementing the Human Capital Management Systems that will aid in finding and hiring the right people to improve on customer service delivery and achieve the execution of the overall business strategy for the Company's future success.
Talent Management, Succession Planning & Retention	Identifying and reviewing critical positions and determining the readiness levels of potential successors to mitigate the continuity risk and to fill these positions. Identifying employees at every level who have the potential to assume greater responsibility advancing the Company's strategic goals. Encouraging meaningful investment in a training and development programmes for high-potential employees for them to stay.
Key Assumptions	• Benchmarked ratio on labour cost • Ownership and buy-in by different stakeholders • Availability of resources(capital, human and time)
HC Cost Containment Plan	• Management control on creating and filling positions and vacancies; • Voluntary early retirement programme; • Incorporation of the learnings from COVID-19; • Continuous revisions of policies, procedures; • Mitigating HCM risks.

8.4 Work Force Plan and Skills Development Plan (continued)

Summary of Workforce Plan

Table 9: Summary of Workforce Plan over 5 Years

Business Unit	Year of resourcing and placement					
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Generation	1	3	0	0	0	0
Transmission	5	9	12	10	5	2
Office of the MD & COO	0	12	1	1	1	0
Human Capital	1	2	1	0	1	1
Finance	1	1	1	1	0	0
Office of Modified Single Buyer	1	4	2	1	1	1

8.5 Financing Plan

The NamPower 5-year Financing Plan is formulated based on the funding requirements of our core operations and support services, as follows.

Summary:	**New Financing requirement ±N$ 3.5 billion**
Financing Objectives: Maintain sufficient liquidity to support the capital expenditure programme of ±N$ 12 billion	
Funding Outlook & Options: • NamPower credit rated and same credit rating as GRN • Market sounding complete and final stages to commit/appoint to lenders • Lenders origination mainly from DFI (development Finance Institutions) • Bond programme registered on the NSX and JSE as fall back to raise funds from the market	
Financing Statement of Intent:	

Strategic Focus Areas

1. Financier Relations Management & Engagement
2. Annual Financial Accounting and International Standards Compliance
3. Continued Investment Appraisal Management
4. Financial & Budget Control
5. Annual Funding Analyses
6. Financial Risk Management
7. Strategic Financing Initiatives

Table 10: Funding Allocation to Projects

Funding Resources	Total	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
		Million				
Cash reserve utilised	5,100	880	2,490	1,370	920	- 560
Cash from operating activities	2,500	490	230	310	710	760
LRMC (PV & *Wind*)	500	-	350	-	*150*	-
Drawdown of new borrowings	3,500	-	360	1,320	320	1,500
Total Funding	**11,600**	**1,370**	**3,430**	**3,000**	**2,100**	**1,700**

Notes: Generation Supply Run:

1. Investment programme of N$11.6 billion to be financed from:
   a. N$ 5 billion form current reserves
   b. N$ 2.5 billion form cash generated from operations
   c. N$ 500 million from the ECB;s LRMC reserve and
   d. N$ 3.5 billion in the form of new debt
2. NamPower already approached the market for financial offers. In due process to shortlist 3 lenders to raise N$ 3.5 billion
3. Lenders are Development Finance Institutions (DFI) which offer long tenor and concessional funding.

Table 11: Projects most likely to be financed

Project	Amount $N
Wind 40MW	±1.2 Billion
PV 20 MW (Refinancing Option/LRMC)	±350 million
Transmission:	
Obib – Oranjemund	±1.2 billion
Auas – Kokerboom	±1.6 billion
Auas - Gerus (Refinancing Option)	±1.2 billion

Projects listed above are the most likely to be financed from lenders. Due to the uncertainty and likely potential delays on some of the projects, it is recommended that NamPower would need to allocate lenders to specific projects. There is appetite for Renewable Generation and Transmission projects, preferably with a link to Renewable Generation.

Table 12: Project Funding Allocation

Funding Plan Allocation		% Project Cost	Total	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Cash reserve utilised			5,100	880	2,490	1,370	920	- 560
Cash from operating activities			2,500	490	230	310	710	760
LRMC (PV & *Wind*)			500	-	350	-	*150*	-
Drawdown of new borrowings			**3,500**	**-**	**360**	**1,360**	**930**	**850**
Lender 1	Wind (40MW)	84%	1,200	-	360	780	60	-
Lender 2	Auas - Kokerboom 400kV	80%	1,300	-	-	-	660	640
Lender 2/3	Obib - Oranjemond 400kV	84%	1,000	-	-	580	210	210
			11,600	**1,370**	**3,430**	**3,040**	**2,710**	**1,050**

8.5 Financing Plan (continued)

1. The LRMC Reserve (ECB) allocated to finance the PV project (N$350 million) and portion of the Wind project (N$150 million). The current reserves end of September 2020 was over N$600 million
2. Lenders are keen to finance the Wind project (over subscription), followed by transmission.

8.6 Risk Management Plan

Our comprehensive Risk Management Plan covers the entire organisation. It incorporates the specific initiatives and governance structures which will add value towards NamPower achieving its strategic objectives. (Annexure H)

Summary

The aspiration of the NamPower Risk and Resilience Management Plan is to deliver a risk-intelligent and resilient organisation that is a recognised leader in its industry. The plan addresses the implementation and maturing of risk and resilience across NamPower over the next five years. The ultimate goal for risk management is to ensure NamPower achieve its strategic objectives through proactive identification, analysing and mitigation of identified risks. The plan focusses on the effective, efficient and sustainable implementation of risk management across NamPower.

Risk Management Objectives

a. Align risk management with its objectives, strategy and culture;
b. Provide a level of assurance that current significant risks are effectively identified and managed;
c. Improve business performance by assisting and improving decision making and planning;
d. Promote a more innovative, less risk averse culture in which the taking of calculated risks in pursuit of opportunities to benefit NamPower is encouraged; and
e. Provide a sound basis for integrated risk management and internal controls as components of good corporate governance.

Risk Outlook

Positive and Continuous improvement Corporate Risk Management.

Risk Management Statement of Intent

To ensure effective governance of risk and an organisational risk management culture.

Strategic Focus Areas

1. Governance of Risk
2. Risk Assessment & Management
3. Corporate Risk Register Monitoring & Evaluation
4. Risk Management Culture & Awareness Promotion and Support Service

ANNEXURE A Company Fact Sheet

Variable	Description
Year of establishment	NamPower, was born out of South West Africa Water and Electricity Corporation (SWAWEK), on July 1996 together with Namibia Water Corporation (NamWater). SWAWEK was formed on 19 July 1964 as a private and fully affiliated company of the Industrial Development Corporation (IDC) of South Africa.
Relevant legislation (Establishing Act and/or Companies Act)	Electricity Act, 2000 (with all its amendments) Public Procurement Act, 2015 Company Act, 2004 (with all its Amendment Acts) Public Enterprises Governance Act, 2019 Labour Act, 1996 (with all its Amendment Acts) Environmental Management Act, 2007 Namibian Constitution Anti-Corruption Act, 2003 Affirmative Action Act, 1998 and many more
Composition of the Board (and term)	Mr. Daniel Motinga - Chairperson Ms. Martha Mbombo – Deputy-Chairperson Ms. Silke Hornung Mr. Clive Kavendjii Mr. Evat Kandongo Dr. Detlof von Oertzen **The Board term is from 01 October 2020- 30 September 2023**
No. of employees (current)	1161 employees
Financial performance history 2016/17 - 2019/20	EBITDA (% of turnover) 28%; 20%; 22%; and 17.91% for 2019/20 DCSR - 3.78; 4.68; 4.44; and 3.73 times for 2019/20 Debtors Days = 59; 66; 85; and 90 days for 2019/20
Level of Government subsidies	None
Capacity	Generation Installed Capacity - 606MW (Ruacana, Anixas and Van Eck Power Station) Transmission network - 11 691km Vehicle Fleet - 473 Vehicle and Equipment Air Fleet – 3 Properties - Residential 115 and Non-residential 12
Industry-relevant key indicators	New Transmission Lines (km), % Transmission System Availability, and Reliability, Substations (MVA), % Generation Plan availability and Reliability, Generation Installed Capacity (MW), New MW installed Average Electricity cost (c/kWh),
Compliance status	Compliant
NamPower Offices	NamPower Centre, Training Centre, New Castle, Van Eck, Brakwater (Windhoek), Okahandja, Rehoboth, Mariental, Keetmanshoop, Aranos, Karasburg, Lüderitz, Walvis Bay, Swakopmund, Omaruru, Otjiwarongo, Tsumeb, Ongwediva, Rundu, Katima Mulilo and Ruacana
Other relevant facts	NamPower is a Member of SAPP

ANNEXURE B SWOT Analysis

Strengths

1. Competent and skilled workforce
2. Strong financial position
3. Sound NamPower brand
4. State of the art network
5. Sound Business and Organisational systems

Opportunities

1. Availability of external expertise
2. Stable healthy union relations
3. Emerging market needs
4. New Technological Developments
5. Good working relationship with SAPP (regional) utilities
6. Smart partnership and collaboration in a new market environment

Weaknesses

1. Insufficient knowledge management and staff development
2. Reactive decision-making and slow implementation
3. Inadequate network capacity
4. Inadequate communication
5. High network implementation and operational costs
6. High debtors days outstanding

Threats

1. Loss of customers in new market environment
2. New market entrants
3. Inability of customers to service debts
4. Detrimental (external) influence on business sustainability
5. Inadequate regional network connectivity
6. Negative forex exposure
7. Public Procurement Act challenges

Strategies

SO - Strategies

Utilise Internal Strengths to pursue and maximise the Opportunities identified in the Market

Strengths

1. Competent and Skilled Workforce
2. Strong Financial Position
3. Sound NamPower Brand
4. State of the Art Network
5. Sound Business and Organisational Systems

Opportunities

1. Availability of External Expertise
2. Stable Union Relations
3. Emerging Market Needs
4. New Technological Developments
5. Good working relationship with SAPP (regional) Utilities
6. Smart Partnerships and Collaboration in the new Market Environment

SO 1: Utilise Staff, Financial Resources and External Expertise to accelerate the development of innovative solutions for the Emerging Market needs, including Telecommunication solutions (S1, S2, O1, O3)

SO 2: Retain and attract new customers by offering tailored customer value-added services based on our Brand, Network and Systems (S2, S3, S4, S5, O3)

SO 3: Enhance our Network capacity by forming strategic partnerships to expand our Market penetration and Brand loyalty, including synergies derived (S3, S4, O3, O5, O6)

SO 4: Align our workforce in terms of sales and commercial focus to enhance our Competitive Advantage with Systems/Plans and Technological Developments with services from External Expertise, where needed. (S1, S5, O1, O2, O3, O4)

ST - Strategies

Identify approaches through which the Company can use its Strengths to minimise our vulnerability to External Threats

Strengths

1. Competent and Skilled Workforce
2. Strong Financial Position
3. Sound NamPower Brand
4. State of the Art Network
5. Sound Business and Organisational Systems

Threats

1. Loss of Customers in new Market Environment
2. New Market Entrants
3. Inability of Customers to service debts
4. Detrimental (external) influence on Business Sustainability
5. Inadequate Regional Network Connectivity
6. Negative Foreign Exchange (FOREX) Exposure
7. Public Procurement Act challenges

ST 1: Develop customer retention and long-term supply propositions based on our Strengths (S1-S5, T1)

ST 2: Establish and understand the propositions and capabilities of new entrants in relation to the Market Needs (S1 – S5, T2)

ST 3: Engage Customers with innovative payment plans and long-term solutions to ensure sustainability of supply (S1 – S6, T3)

ST 4: Proactively participate and lead Market opinion on Stakeholder and ESI Policies and Initiatives (S1 – S5, T4)

ST 5: Prioritise Strategic Regional Network Investments and communicate value/benefits to the Market and the Company in order to reinforce Customer preference and trading revenue growth (S1-S5, T5)

ST 6: Utilise financial position and staff to formulate forex exposure minimisation policies and supply chain interventions (S1, S2, T6)

ST 7: Regularly and proactively engage the CPBN to streamline CPBN-Company interface regulations/processes and procedures and to agree on service levels (S1-S5, T7)

ANNEXURE B SWOT Analysis (continued)

Strategies

WO - Strategies

Utilise Internal Strengths to pursue and maximise the Opportunities identified in the Market

Weaknesses

1. Insufficient Knowledge Management and Staff Development
2. Reactive Decision-Making and slow Implementation
3. Inadequate Network Capacity
4. Inadequate Communication
5. High Network Implementation and Operational Costs
6. High Debtors Days Outstanding (Unsustainable Debtors Level)

Opportunities

1. Availability of External Expertise
2. Stable Union Relations
3. Emerging Market Needs
4. New Technological Developments
5. Good working relationship with SAPP (regional) Utilities
6. Smart Partnerships and Collaboration in the new Market Environment

WO 1: Utilise External Expertise and Smart Partnership collaboration to assist with the formulation and rendering Knowledge Management and Staff Development Solutions and sustainable programmes (W1, O1, O6)

WO 2: Source the relevant Expertise to assist with the formulation of organisational agility and commercial orientation programmes (W2, O1)

WO 3: Strategically utilise expertise and align smart partnerships to accelerate network capacity provision, so as to deliver energy and technological solutions for the market needs (W3, O1, O3, O4, O6)

WO 4: Utilise expertise to benchmark and implement communication best practices and systems, as well as the use of new technological developments (W4, O1, O4)

WO 5: Assess, analyse and implement cost optimisation best practices and initiatives with the assistance of Expertise, Smart Partnerships, Technology advantages and Union support (W5, O1, O2, O4, O6)

WO 6: Utilise expertise to implement innovative technology, solutions for sustainable Customer Relations Management (CRM), Billing and Advance Collection Plans and Systems/ (W6, O1, O4)

WT - Strategies

Identify approaches through which the Company can use its Strengths to minimise our vulnerability to External Threats

Weaknesses

1. Insufficient Knowledge Management and Staff Development
2. Reactive Decision-Making and slow Implementation
3. Inadequate Network Capacity
4. Inadequate Communication
5. High Network Implementation and Operational Costs
6. High Debtors Days Outstanding (Unsustainable Debtors Level)

Threats

1. Loss of Customers in new Market Environment
2. New Market Entrants
3. Inability of Customers to service debts
4. Detrimental (external) influence on Business Sustainability
5. Inadequate Regional Network Connectivity
6. Negative Foreign Exchange (FOREX) Exposure
7. Public Procurement Act challenges

WT 1: Accelerate and develop intellectual property, copyright and trademark (IP, ©, TM) and staff(brain drain) protection policies and practices to ensure company sustainability & interests (W1, W2, T1, T2)

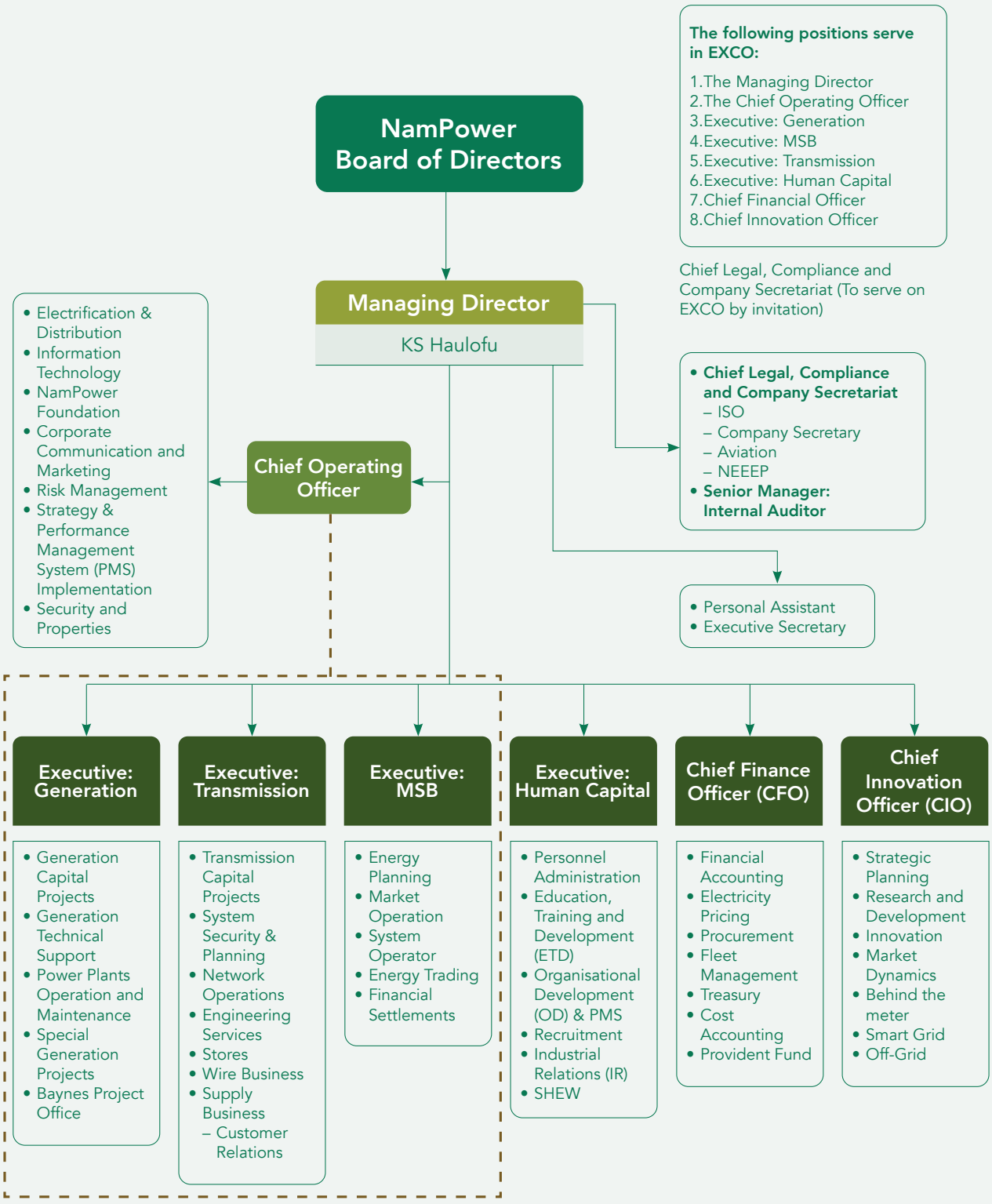
WT 2: Develop Economic and Market Intelligence capacity to know, understand and provide solutions faster to the Market and better than the competitor/new entrants (W1, W2, W3, T1, T2, T4, T5)

WT 3: Acceleration implementation of own network capacity and improve cost efficiency, in order to enhance the scope for customer solutions and value propositions (W2, W3, W5, T1, T2)

WT 4: Review Customer supply relations and implement customer retention policies and value propositions (W2, T1, T2)

WT 5: Accelerate the reduction of Cost of Sales through green network capacity (generation) investments and diversification (W2, W3, W5, T2)

ANNEXURE C Organogram



ANNEXURE D Detailed Investment/Funding Plan

Current case: Renew IPPs & Base Demand **Min DSCR:** 1.34

1 NAMPOWER FUNDING PLAN NAD million

NamPower Capital Budget

	Total	FY2020/21	FY2021/22	FY2022/23	FY2023/24	FY2024/25
Generation Projects	**2,920**	**410**	**1,260**	**1,110**	**140**	**-**
Biomass	-	-	-	-	-	-
NamP Firm (HFO)	1,100	210	660	170	60	-
Wind (40MW)	1,450	20	410	940	80	-
PV (20MW)	370	180	190	-	-	-
Transmission Projects	**7,450**	**500**	**1,890**	**1,770**	**1,780**	**1,510**
Auas - Gerus 400kV	1,220	60	690	350	120	-
Auas - Kokerboom 400kV	1,640	-	-	30	800	810
Obib - Oranjemond 400kV	1,210	-	10	690	250	260
Kunene-Omatando	540	30	210	150	150	-
Kavango 220kV, 132kV Masivi & Shiyambi 66kV	210	-	50	160	-	-
Khomas Substation	180	10	80	90	-	-
Erongo Substation Development	190	10	90	20	70	-
Otjikoto-Masivi 220 kV line	20	-	-	-	-	20
ANNA (Kunene – Cahama 400kV)	-	-	-	-	-	-
Other Transmission	2,240	390	760	280	390	420
Other Capital Projects	**1,230**	**460**	**280**	**120**	**180**	**190**
Sustainable capex	1,230	460	280	120	180	190
Total Capital Expenditure	**11,600**	**1,370**	**3,430**	**3,000**	**2,100**	**1,700**
Exchange rate USD : NAD		17.46	18.09	18.75	19.55	20.54

Funding Requirement

	Total	FY2020/21	FY2021/22	FY2022/23	FY2023/24	FY2024/25
Cash reserve utilised	6,292	970	2,536	1,432	1,062	292
Cash from operating activities	2,008	400	184	248	568	608
LRMC (PV ; Wind)	500	-	350	-	*150*	-
Drawdown of new borrowings	2,800	-	360	1,320	320	800
Total Funding	**11,600**	**1,370**	**3,430**	**3,000**	**2,100**	**1,700**

ANNEXURE E Detailed Financial Projections

Investment Plan /Capital Expenditure Programme

Base case Energy Demand + New Renewable Generation (less dependency on imports)

Start of period	01-Jul-20	01-Jul-21	01-Jul-22	01-Jul-23	01-Jul-24
End of period	30-Jun-21	30-Jun-22	30-Jun-23	30-Jun-24	30-Jun-25
Period indicator	Forecast	Forecast	Forecast	Forecast	Forecast
Days per period	365	365	365	366	365
Current case: Renew IPPs & Base Demand					
1 INCOME STATEMENT					
Revenue					
Energy sales	4,228,575	4,119,306	4,242,572	4,112,384	4,252,459
Capacity sales	1,721,778	1,775,403	1,875,180	1,981,503	2,083,188
Government levies	139,607	146,117	156,110	166,828	176,792
Operational grant funding	50,000	-	-	-	-
Other	313,895	280,248	287,095	294,218	301,640
Total	**6,453,855**	**6,321,074**	**6,560,957**	**6,554,933**	**6,814,078**
Operating costs					
Variable costs	-4,202,702	-4,138,305	-4,294,220	-3,767,746	-3,966,683
Government levies	-139,607	-146,117	-156,110	-166,828	-176,792
Fixed cost - core business unit	-988,566	-1,020,200	-1,064,069	-1,109,824	-1,157,546
Fixed cost - support services	-566,213	-584,332	-609,458	-635,665	-662,999
Fixed cost - operating projects	-249,753	-275,202	-101,377	-102,929	-107,355
Total	**-6,146,842**	**-6,164,157**	**-6,225,234**	**-5,782,992**	**-6,071,375**
EBITDA	**307,013**	**156,918**	**335,723**	**771,941**	**742,703**
Depreciation	-928,696	-999,418	-1,098,557	-1,241,466	-1,321,530
Amortisation of intangible assets	-11,161	0	0	0	0
Amortisation of swaps and capital grants	12,281	24,072	20,531	25,531	25,531
Amortisation of other deferred revenue	107,582	107,582	107,582	107,582	107,582
EBIT	**-512,981**	**-710,847**	**-634,721**	**-336,412**	**-445,714**
Interest received on all reserve balances	12,342	12,167	13,432	15,730	22,893
Interest received from financial investments	101,068	66,954	50,736	41,259	30,016
Interest received/(paid) on cash balance	312,591	293,840	223,027	160,536	116,131
Interest existing loans	-76,062	-63,305	-51,768	-37,862	-30,026
Interest new debt	0	-28,800	-134,400	-160,000	-234,500
Foreign exchange gain/(loss)	0	0	0	0	0
Profit/(loss) from sale of strategic investments	0	0	0	0	0
Profit Before Taxation	**-163,041**	**-429,990**	**-533,694**	**-316,749**	**-541,201**
Current taxation	-	-	-	-	-
Deferred taxation	52,173	137,597	170,782	101,360	173,184
Net profit	**-110,868**	**-292,393**	**-362,912**	**-215,390**	**-368,016**
Dividends from strategic investments	0	0	0	0	0
Profit available for distribution to shareholders	**-110,868**	**-292,393**	**-362,912**	**-215,390**	**-368,016**
Dividends paid	0	0	0	0	0
Retained profit/(loss)	**-110,868**	**-292,393**	**-362,912**	**-215,390**	**-368,016**
Reserves/loss opening balance	8,980,908	8,870,040	8,577,646	8,214,734	7,999,345
Reserves/(loss) closing balance	**8,870,040**	**8,577,646**	**8,214,734**	**7,999,345**	**7,631,328**

ANNEXURE E Detailed Financial Projections (continued)

2 BALANCE SHEET

Assets					
Fixed Assets					
Total Property Plant & Equipment	21,616,042	24,753,189	27,727,129	29,799,262	31,463,830
Comprising:					
Land & Buildings	516,427	525,630	540,310	554,986	569,616
Machinery and Equipment	225,704	160,414	130,965	91,333	76,696
Transmission/Distr - Base Network	12,988,663	14,823,916	16,624,590	18,514,359	20,131,046
Power Stations	7,294,407	8,596,019	9,721,478	9,862,960	9,847,806
Assets Under Construction	-	-	-	-	-
Strategic Stock	590,842	647,210	709,786	775,625	838,666
Investments & Other Non-Current Assets					
Investments	638,858	516,858	422,788	228,530	457,340
Strategic Investment and Investments in Associates	121,034	121,034	121,034	138,034	155,034
Investment in Joint Venture	-	-	-	-	-
Interest in Subsidaries	5,002	5,002	5,002	5,002	5,002
Investment Properties	20,175	20,175	20,175	20,175	20,175
Loans Receivable	15,008	15,008	15,008	15,008	15,008
Intangible Assets	-	-	-	-	-
Derivative Assets	-	-	-	-	-
Debt Service Reserve Accounts	94,689	67,190	63,418	154,580	229,155
Sinking Funds	-	-	-	-	-
Other Reserve Accounts	198,826	278,193	349,762	397,446	434,179
REDs	221,279	221,279	221,279	221,279	221,279
Current Assets					
Investments	214,120	122,000	94,070	271,470	42,660
Cash and Cash Equivalents	7,546,691	5,806,721	4,328,631	2,966,821	2,310,684
Trade and Other Receivables	1,519,840	1,465,723	1,509,331	1,505,793	1,578,362
Inventory	40,047	41,329	43,106	44,960	46,893
Total Assets	**32,251,610**	**33,433,700**	**34,920,733**	**35,768,359**	**36,979,601**
Equity and Liabilities					
Capital and Reserves					
Issued Share Capital	165,000	165,000	165,000	165,000	165,000
Share Premium	900,000	900,000	900,000	900,000	900,000
Capital Revaluation Reserve	12,111,569	12,784,375	13,820,932	14,982,678	16,230,695
Strategic Stock Revaluation Reserve	110,238	129,145	156,975	187,496	220,848
Reserves	8,870,040	8,577,646	8,214,734	7,999,345	7,631,328
Total Equity & Reserves	**22,156,847**	**22,556,167**	**23,257,642**	**24,234,519**	**25,147,871**
Non-Current Liabilities					
Interest Bearing Loans and Borrowings & Bonds	598,089	429,381	340,406	253,367	169,613
New Long Term Loans & Bonds	-	360,000	1,680,000	1,903,904	2,520,041
Provisions	358,804	374,259	389,756	405,246	420,671
Deferred Revenue - Capital Grants	177,287	506,756	486,225	610,694	585,163
Deferred Revenue - Other/Total Actual	860,657	753,075	645,493	537,910	430,328
Derivative Liabilities	28,474	28,474	28,474	28,474	28,474
Deferred Tax Liabilities	6,281,904	6,144,307	5,973,525	5,872,165	5,698,981
Current Liabilities					
Trade and Other Payables	1,647,451	2,106,187	2,023,849	1,732,557	1,704,455
Loans Due to Subsidiaries	6,388	6,388	6,388	6,388	6,388
Interest Bearing Loans and Borrowings & Bonds - short	135,710	168,708	88,975	87,039	83,755
New Long Term Loans & Bonds - short term portion	-	-	-	96,096	183,863
Current tax liability	-	-	-	-	-
Total Liabilities	**10,094,764**	**10,877,534**	**11,663,091**	**11,533,841**	**11,831,731**
Total Equity & Liabilities	**32,251,611**	**33,433,701**	**34,920,733**	**35,768,360**	**36,979,602**

3 CASH FLOW STATEMENT

Revenue	6,453,855	6,321,074	6,560,957	6,554,933	6,814,078
Operating costs	-6,115,932	-6,131,864	-6,191,551	-5,747,914	-6,034,903
Tax	0	0	0	0	0
Change in working capital	161,041	42,530	-60,684	-96,968	-16,825
Cash from operating activities	**498,964**	**231,740**	**308,722**	**710,051**	**762,351**
Capital expenditure	-1,218,814	-2,989,911	-3,103,834	-2,315,694	-1,796,040
Intangible assets	0	0	0	0	0
Strategic investments	0	0	0	-17,000	-17,000
Financial investments (new)	0	0	0	-77,212	-271,470
Cash invested	**-1,218,814**	**-2,989,911**	**-3,103,834**	**-2,409,906**	**-2,084,510**
Interest received on all reserve balances	12,342	12,167	13,432	15,730	22,893
Interest received/(paid) on cash balance	312,591	293,840	223,027	160,536	116,131
Cashflow from strategic investments (Dividends receive	0	0	0	0	0
Cashflow from other investments	0	0	0	0	0
Capital inflow from financial investments	1,300,000	214,120	122,000	94,070	271,470
Interest received on financial investments	228,221	81,055	79,421	42,981	35,546
Invested cash returns	**1,853,154**	**601,182**	**437,881**	**313,317**	**446,039**
Cash flow available before Government investment	**1,133,305**	**-2,156,989**	**-2,357,232**	**-1,386,538**	**-876,120**
Government investment	0	0	0	0	0
Capital grants received	0	350,000	0	150,000	0
Cash flow available before new borrowings	**1,133,305**	**-1,806,989**	**-2,357,232**	**-1,236,538**	**-876,120**
Drawdown of new borrowings	0	360,000	1,320,000	320,000	800,000
Cash flow available for exisiting borrowings servic	**1,133,305**	**-1,446,989**	**-1,037,232**	**-916,538**	**-76,120**
Interest paid on existing borrowings	-76,062	-63,305	-51,768	-37,862	-30,026
Repayment of existing borrowings	-150,084	-132,170	-168,708	-88,975	-87,039
Cash flow available for new borrowings service	**907,160**	**-1,642,464**	**-1,257,708**	**-1,043,375**	**-193,185**
Interest paid on new borrowings	0	-28,800	-134,400	-160,000	-234,500
Repayment of new borrowings	0	0	0	0	-96,096
Cash flow available for reserve transfers	**907,160**	**-1,671,264**	**-1,392,108**	**-1,203,375**	**-523,781**
DSRAs movement	15,335	27,499	3,772	-91,162	-74,575
Sinking fund movement	0	0	0	0	0
Other reserves	-19,085	-79,367	-71,569	-47,684	-36,733
Cash flow available for post-retirement medical ber	**903,411**	**-1,723,131**	**-1,459,905**	**-1,342,222**	**-635,089**
Contribution to post-retirement medical benefits	-15,546	-16,838	-18,185	-19,589	-21,047
Cash flow available for shareholder	**887,864**	**-1,739,970**	**-1,478,090**	**-1,361,810**	**-656,136**
Dividends paid	0	0	0	0	0
Share capital repaid	0	0	0	0	0
Share premium repaid	0	0	0	0	0
Remaining cash for period	**887,864**	**-1,739,970**	**-1,478,090**	**-1,361,810**	**-656,136**
Cash balance beginning of period	6,658,827	7,546,691	5,806,721	4,328,631	2,966,821
Cash balance end of period	**7,546,691**	**5,806,721**	**4,328,631**	**2,966,821**	**2,310,684**

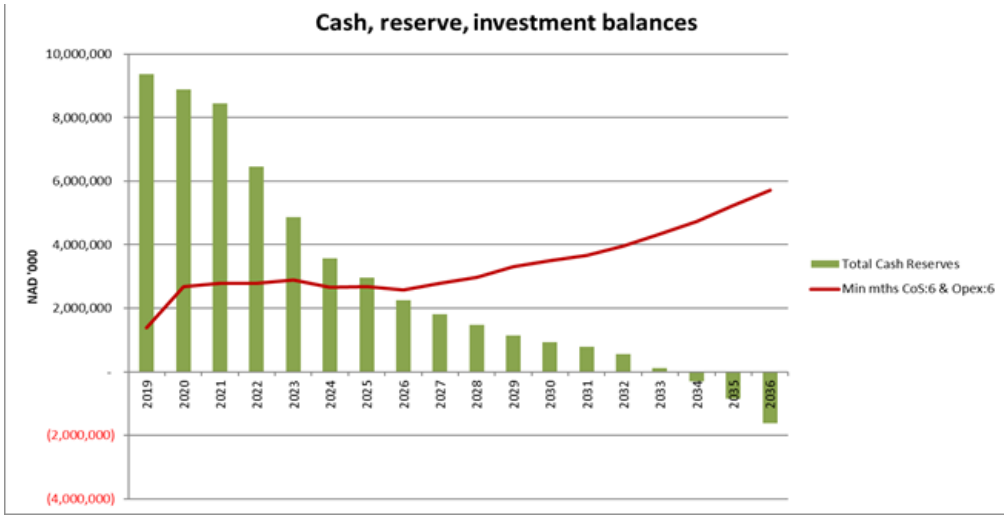
ANNEXURE E Detailed Financial Projections (continued)

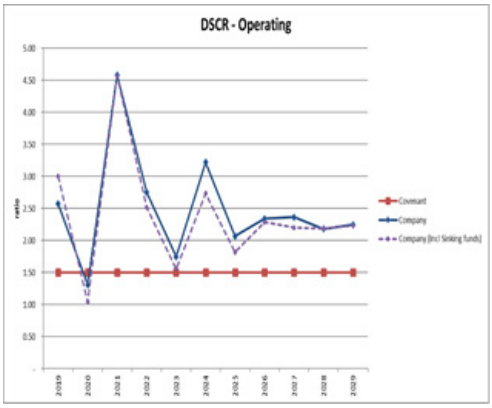
Scenario 1: Base case energy remaining with import agreements

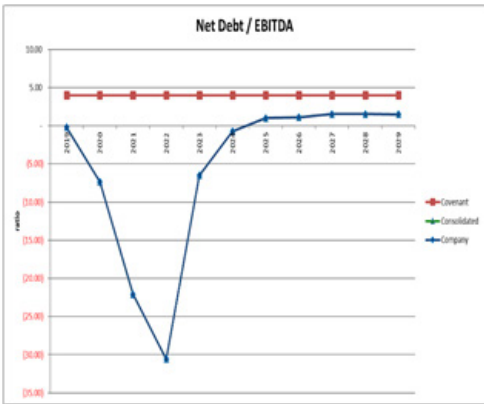
Income Statement	2020/21	2021/22	2022/23	2023/24	2024/25
Electricity Sales	6,264,254	6,174,967	6,404,803	6,387,021	6,378,479
Cost of Electricity	4,203,356	4,138,167	4,296,860	3,769,875	3,745,874
Gross Profit	**2,060,898**	**2,036,801**	**2,107,943**	**2,617,146**	**2,632,605**
Other Income	50,000	0	0	0	0
Operating Expenses	1,554,779	1,604,532	1,673,527	1,745,489	1,820,545
Operating projects	249,753	275,202	101,377	102,929	107,355
EBITDA	**306,366**	**157,067**	**333,039**	**768,728**	**704,705**
Depreciation & Amortization	819,994	867,764	970,444	1,108,352	1,188,417
Profit/(Loss) after Depreciation	**-513,628**	**-710,697**	**-637,405**	**-339,625**	**-483,712**
Interest Paid	76,062	92,105	186,168	197,862	148,868
Investment Income	425,990	372,938	287,124	217,336	52,908
Profit/(Loss) before Tax	**-163,700**	**-429,865**	**-536,450**	**-320,152**	**-579,672**
EBITDA margin (%)	**5%**	**3%**	**5%**	**12%**	**11%**
Gross Profit margin (%)	33%	33%	33%	41%	41%

Balance Sheet	2020/21	2021/22	2022/23	2023/24	2024/25
Assets					
Non-current Assets	**21,616,042**	**24,753,189**	**27,727,129**	**29,799,262**	**31,463,830**
Investments & Other Non-Current Assets	**1,314,870**	**1,244,738**	**1,218,465**	**1,180,054**	**1,537,171**
Current Assets	**9,320,182**	**7,435,209**	**5,972,427**	**4,782,819**	**3,885,040**
Total Assets	**32,251,095**	**33,433,136**	**34,918,022**	**35,762,134**	**36,886,042**
Equity and Liabilities					
Capital and Reserves	**22,156,399**	**22,555,804**	**23,255,405**	**24,229,968**	**25,117,160**
Non-Current Liabilities	**8,305,004**	**8,596,080**	**9,542,826**	**9,609,619**	**9,838,818**
Current Liabilities	**1,789,693**	**2,281,253**	**2,119,791**	**1,922,547**	**1,930,064**
Total Liabilities	**10,094,697**	**10,877,333**	**11,662,617**	**11,532,166**	**11,768,883**
Total Equity & Liabilities	**32,251,095**	**33,433,137**	**34,918,022**	**35,762,135**	**36,886,042**

Cash Flow Statement	2020/21	2021/22	2022/23	2023/24	2024/25
Cash from operating activities	**498,458**	**231,714**	**306,664**	**707,039**	**753,159**
(Increase)/decrease in net investments activities	1,833,847	532,452	351,826	154,693	313,212
Net cash used in investing activities	**-1,218,814**	**-2,989,911**	**-3,103,834**	**-2,409,906**	**-2,084,510**
New debt drawdown activities	**0**	**710,000**	**1,320,000**	**470,000**	**800,000**
Debt repayments activities	-226,145	-224,275	-354,876	-286,837	-447,661
(Decrease) / increase in cash and cash equivalents	**887,347**	**-1,740,019**	**-1,480,221**	**-1,365,011**	**-665,800**
Cash balance beginning of period	6,658,827	7,546,173	5,806,154	4,325,933	2,960,922
Cash balance end of period	**7,546,173**	**5,806,154**	**4,325,933**	**2,960,922**	**2,295,122**







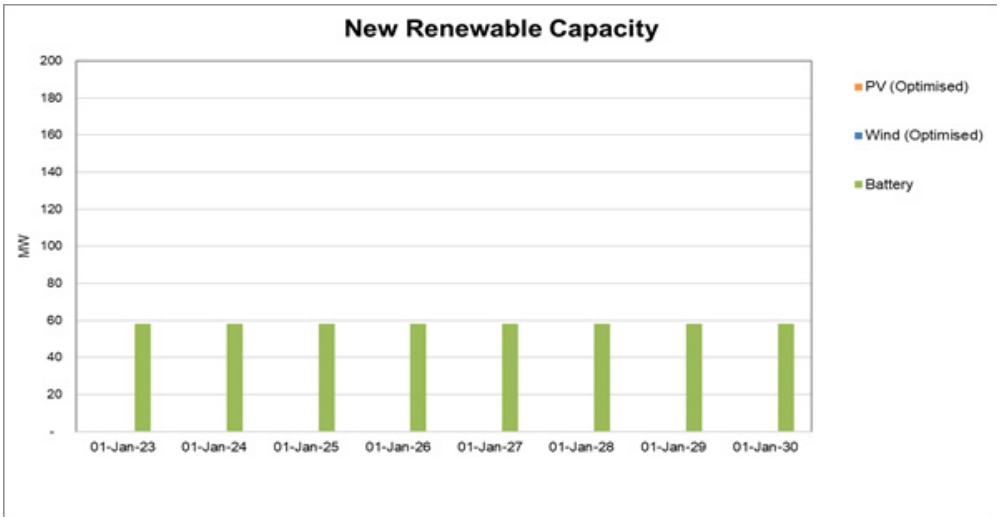


Figure 18: Impact of Scenario 1 on Cash, Reserve, Investment Balances; DSCR; EBITDA and New Renewable Capacity

ANNEXURE E Detailed Financial Projections (continued)

Scenario 2: Base Case (Renewable IPP options in Namibia) + "Low Case" energy demand forecast

Income Statement	2020/21	2021/22	2022/23	2023/24	2024/25
Electricity Sales	5,668,000	5,571,967	5,776,272	5,736,367	5,831,362
Cost of Electricity	3,640,775	3,533,425	3,652,945	3,061,615	3,050,043
Gross Profit	**2,027,225**	**2,038,542**	**2,123,327**	**2,674,752**	**2,781,319**
Other Income	50,000	0	0	0	0
Operating Expenses	1,554,779	1,604,532	1,673,527	1,745,489	1,820,545
Operating projects	249,753	275,202	101,377	102,929	107,355
EBITDA	**272,693**	**158,808**	**348,423**	**826,334**	**853,418**
Depreciation & Amortization	819,994	867,764	970,444	1,108,352	1,188,417
Profit/(Loss) after Depreciation	**-547,301**	**-708,956**	**-622,021**	**-282,019**	**-334,999**
Interest Paid	76,062	92,105	186,168	197,862	118,674
Investment Income	444,761	397,664	316,149	245,670	52,908
Profit/(Loss) before Tax	**-178,602**	**-403,397**	**-492,040**	**-234,212**	**-400,764**
EBITDA margin (%)	**5%**	**3%**	**6%**	**14%**	**15%**
Gross Profit margin (%)	36%	37%	37%	47%	48%

Balance Sheet	2020/21	2021/22	2022/23	2023/24	2024/25
Assets					
Non-current Assets	**21,616,042**	**24,753,189**	**27,727,129**	**29,799,262**	**31,463,830**
Investments & Other Non-Current Assets	**1,314,870**	**1,244,738**	**1,218,465**	**1,180,054**	**1,537,171**
Current Assets	**9,762,503**	**8,063,060**	**6,602,012**	**5,369,378**	**4,625,098**
Total Assets	**32,693,415**	**34,060,987**	**35,547,607**	**36,348,693**	**37,626,099**
Equity and Liabilities					
Capital and Reserves	**22,155,165**	**22,572,568**	**23,302,368**	**24,335,371**	**25,344,219**
Non-Current Liabilities	**8,304,423**	**8,603,969**	**9,564,926**	**9,659,220**	**9,945,670**
Current Liabilities	**2,233,828**	**2,884,451**	**2,680,313**	**2,354,102**	**2,336,211**
Total Liabilities	**10,538,251**	**11,488,420**	**12,245,239**	**12,013,323**	**12,281,881**
Total Equity & Liabilities	**32,693,416**	**34,060,988**	**35,547,607**	**36,348,693**	**37,626,100**

Cash Flow Statement	2020/21	2021/22	2022/23	2023/24	2024/25
Cash from operating activities	**502,318**	**227,980**	**317,334**	**716,357**	**876,946**
(Increase)/decrease in net investments activities	1,852,619	557,179	380,852	183,027	343,405
Net cash used in investing activities	**-1,162,425**	**-2,819,308**	**-3,139,731**	**-2,482,792**	**-2,118,751**
New debt drawdown activities	**0**	**710,000**	**1,320,000**	**470,000**	**800,000**
Debt repayments activities	-226,145	-224,275	-354,876	-286,837	-447,661
(Decrease) / increase in cash and cash equivalents	**966,367**	**-1,548,424**	**-1,476,421**	**-1,400,245**	**-546,061**
Cash balance beginning of period	7,045,843	8,012,209	6,463,786	4,987,365	3,587,119
Cash balance end of period	**8,012,209**	**6,463,786**	**4,987,365**	**3,587,119**	**3,041,058**

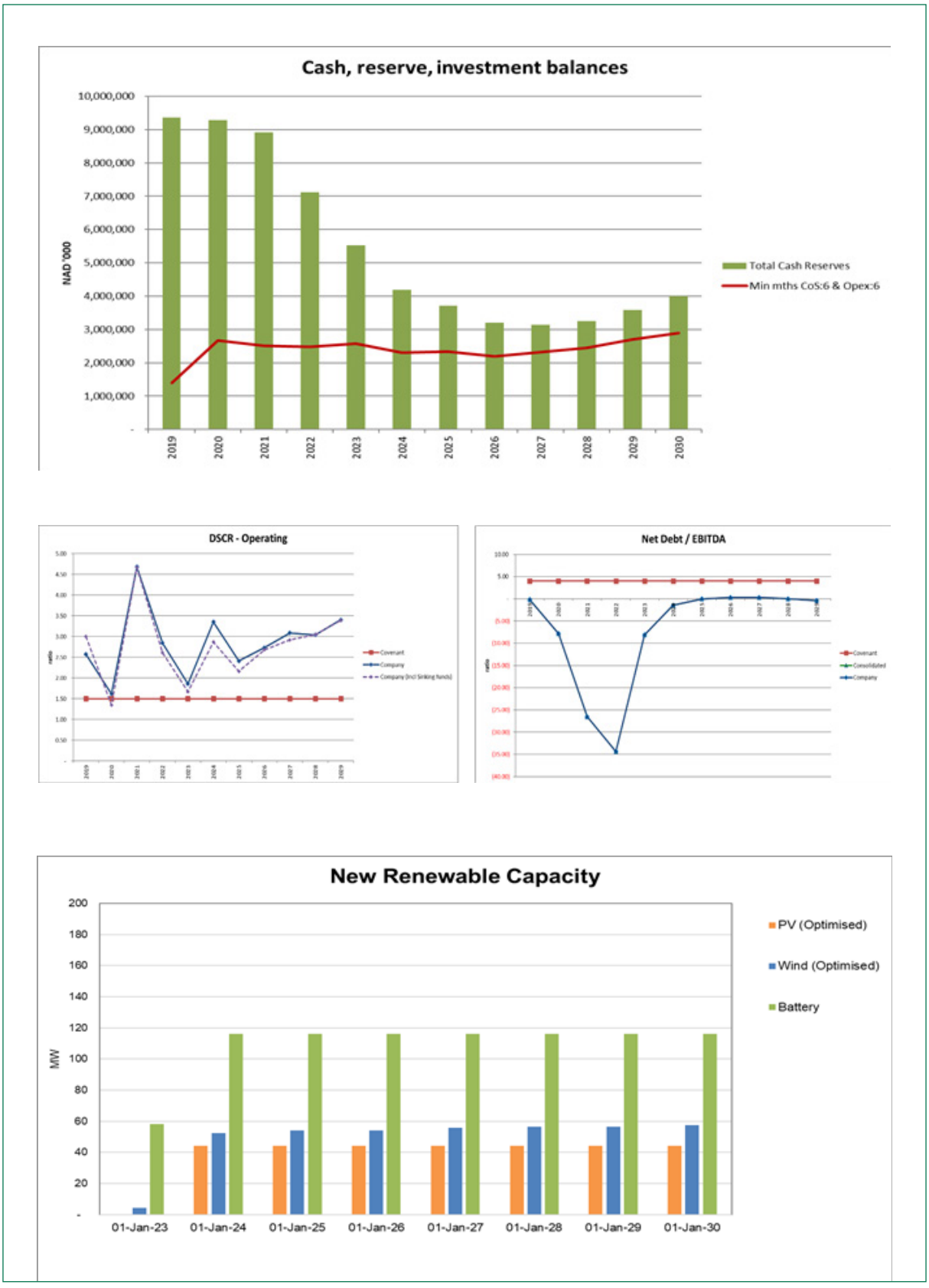


Figure 19: Impact of Scenario 2 on Cash, Reserve, Investment Balances; DSCR; EBITDA and New Renewable Capacity

ANNEXURE E Detailed Financial Projections (continued)

Table 13: Base Case Key Assumptions

Base Case Key Assumptions		2020/21	2021/22	2022/23	2023/24	2024/25
Macro Economic						
NAM CPI		5.50%	3.20%	4.30%	4.30%	4.30%
US CPI		1.50%	2.00%	2.00%	2.00%	2.00%
NAD:USD		17.46	18.09	18.75	19.55	20.54
NAM Prime		7.50%	7.50%	7.50%	7.50%	7.50%
JIBAR		3.33%	3.33%	3.33%	3.33%	3.33%
LIBOR		0.21%	0.21%	0.21%	0.21%	0.21%
Revenue		2020/21	2021/22	2022/23	2023/24	2024/25
Maximum Demand	MW	667	685	696	705	721
	% increase	2.43%	2.77%	1.62%	1.31%	2.21%
National energy demand	GWh	4,040	4,026	4,096	4,169	4,208
	% increase	4.89%	-0.37%	1.75%	1.78%	0.93%
Electricity Tariff	% increase	NAM CPI Scenarios NAM CPI +X%				
Expenditure						
Cost of Supply						
Thermal fuel	% increase	NAM CPI ; Oil and Coal Commodity ; USD:NAD				
Maintenance	% increase	NAM CPI on maintenance for generation options				
Imports	% increase	US CPI & PPI; SA PPI (Eskom)				
IPP's	% increase	NAM CPI				
Fixed Operating Cost	% increase	NAM CPI				
Operating Projects	% increase	NAM CPI				
Generation Supply Mix		2020/21	2021/22	2022/23	2023/24	2024/25
Ruacana P70	GWh	1,244	1,224	1,206	1,125	1,230
NamPower	GWh	1,282	1,306	1,333	1,356	1,469
IPP's (NAM)	GWh	372	424	606	786	813
Imports	GWh	2,257	2,038	1,770	1,251	997
New GX	GWh	-	-	-	11	460
MSB 30%		129	258	388	764	470
TOTAL Generation	**GWh**	**4,040**	**4,026**	**4,096**	**4,169**	**4,208**
Generation	**(% composition)**					
NamPower	%	32%	32%	33%	33%	35%
IPP's (NAM)	%	9%	11%	15%	19%	19%
Imports	%	56%	51%	43%	30%	24%
New GX	%	0%	0%	0%	0%	11%
MSB	%	3%	6%	9%	18%	11%
TOTAL Generation	%	**100%**	**100%**	**100%**	**100%**	**100%**
Capital Expenditure						
Generation	NAD 20%	Project specific as provided by project team leaders, generally 80/20 split foreign to local				
	USD 80%					
Transmission	NAD 40%	Transmission projects generally 60/40 split foreign to local				
	USD 60%					
Escalation	NAD	NAM CPI				
	USD	US PPI and USD:NAD forward curve (see Macro assumptions)				

ANNEXURE F Market Analysis

Market Overview

Power Market Trends

Global Market Trends

Over decades, power utilities like NamPower operated in a very stable market environment with very limited disruption to their business model and corporate structure. However, more recently power sector markets are transforming at an accelerated pace with significant financial impact on the traditional power utilities. This transformation is being driven by the interaction of five global megatrends: technological breakthroughs, climate change and resource scarcity, demographic and social change, a shift in global economic power, and rapid urbanisation. These megatrends create challenges for all industry sectors.

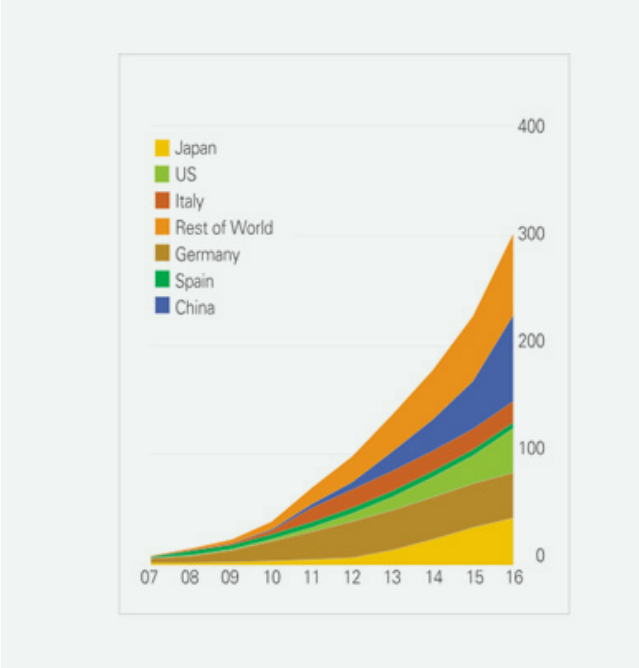


Figure 20: Solar PV generation capacity (GW cumulative installed capacity)

In the power sector, their impact is greater due to a number of simultaneous disruptions involving customer behaviour, new competitors, government policy, and regulation. In particular, the technological advancement in renewable energy, wind and solar photovoltaic (PV), is leading to the gradual erosion of traditional utility revenues. The cost per kilowatt-hour (kWh) for solar PV and wind has come down in recent tenders to USD 2ct per kWh. As these technologies become a financially viable option for customers, they may leave the grid or install self-generation capacities and become consumers and producers at the same time – the so-called "Prosumers".

As a result, several utilities globally have started to respond to disruptions in their markets. For example, utilities in Europe with large thermal generation capacities such as RWE and others were forced to radically transform their business to improve financial sustainability. Many utilities have invested in new "behind the meter" solutions to provide customers with "smart home" services to manage their energy consumption more effectively. Transmission grid operators, like TenneT in the Netherlands, have achieved significant growth by expanding their operations to other countries, investing in sea cables and in fibre optic capacities.

As the electricity market in Southern Africa, particularly in Namibia has started to transform, NamPower will need to increase customer focus to respond to the changing customer needs and explore new opportunities for growth in a changing market environment.

Sub-Saharan Market Trends

Namibia forms part of the Southern African Power Pool (SAPP), an electricity power pool formed in 1995 consisting of 16 member utilities in 12 countries, each represented by their respective electric power utilities as organised through the Southern African Development Community (SADC). The SAPP aims to facilitate the development of a competitive electricity market within the SADC. This saw the introduction of a Short-Term Energy Market in 2001, the establishment of the Day-Ahead Market (DAM) in 2009, and live trading in the Intra-Day Market in 2015 followed by Forward Physical Monthly and Forward Physical Weekly in 2016. The power pool recorded an installed capacity of 67,190MW in 2017.

NamPower is significantly dependent on electricity imports from neighbouring countries to meet domestic demand, generally importing up to 60% of the total demand, and so has entered into a number of power import agreements within SAPP to secure supply. A significant portion of these import agreements will expire within the next few years, resulting in a potential supply risk if these contracts cannot be prolonged or significant domestic generation capacity is not installed and available. The current agreement with ZESCO Limited for 100MW is set to expire at the end of January 2030. The agreement for 80MW from Zimbabwe Power Company (ZPC) is set to expire at the end of March 2025. As of 01 April 2017, NamPower secured a five-year Power Purchase Agreement (PPA) with Eskom, with a firm supply of 200MW and 300MW off-peak, while excess can be acquired from the SAPP.

The SAPP plans to commission a total of 23 085 MW in the next 5 years from 2019 to 2023. Overall, utilities within the SAPP have committed to increase generation capacity providing ample reserves and surplus capacity within the region. IPPs will contribute 15%. Solar and Wind contribution is at 10% and 2% respectively.

Activities on the competitive market marginally decreased in 2018/19 from 2 124 GWh of 2017/18 to 2 054 GWh.

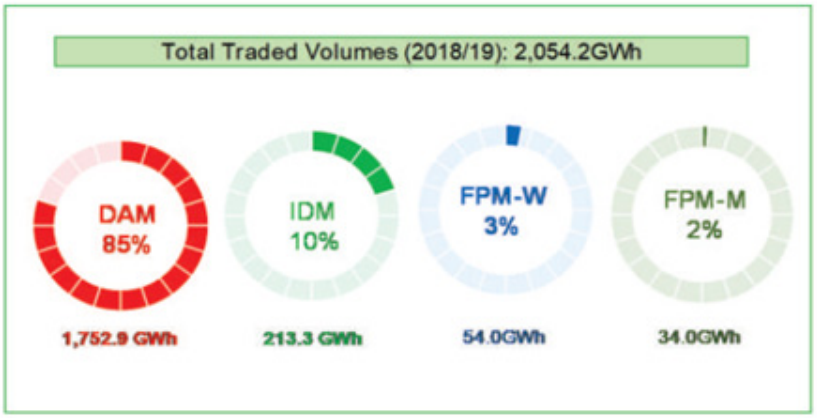


Figure 21: Total Energy Traded on different Market Platforms (GWh)
Source: SAPP Annual Report 2019/20

In recent years, there was a significant decrease in the Day-Ahead-Market (DAM) price which is the biggest trading platform in SAPP (85% of total energy traded is through DAM). However, risks in the market could affect this declining price trend in the SAPP. In particular, the largest player in the market, Eskom Holdings SOC in South Africa, is facing significant financial challenges due to cost over-runs in its new build programme, which could potentially result in higher tariffs over the next couple of years. NamPower is actively involved in the SAPP trading and is closely monitoring the development in the region to pro-actively adapt to changes in the market.

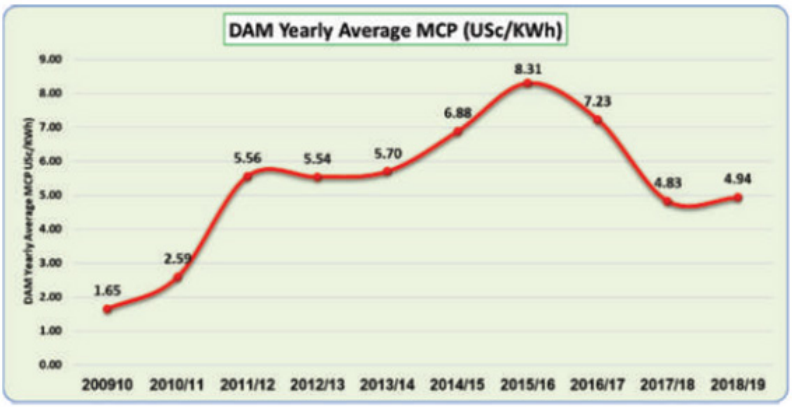


Figure 22: Total Energy Traded on different Market Platforms (GWh)
Source: SAPP Annual Report 2019/2

ANNEXURE F Market Analysis (continued)

Namibian Market Trends

Over the last five years, Namibia has seen a fluctuating growth of peak demand.. The demand for power is expected to decrease in the next two years due to economic depression coupled with the Skorpion Mine that has stopped operations. However, a stable growth is forecasted beyond 2021.

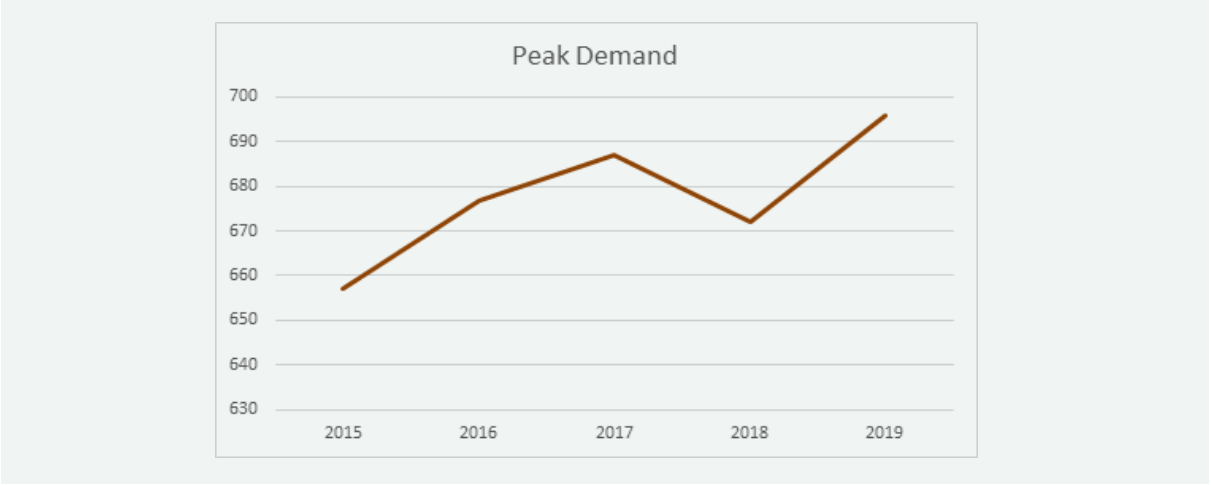


Figure 23: Namibia's Historic peak demand (MW)

The sales per unit to customers have increased by 27% from 2.92 Terawatt hours (TWh) to 3.73 TWh in 2017. NamPower anticipates that future growth will be driven by Regional Electricity Distributors (REDs) and Mines. However, sales in particular to the mining industry is dependent on global commodity markets, and changes in commodity markets could lead to the closure of mines in the next five years, with a direct impact on NamPower sales. Furthermore, we expect the overall growth rate in demand to be lower than the last five years due to the expected Gross Domestic Product (GDP) growth being lower than in recent years and due to consumers investing in self generation capacities.

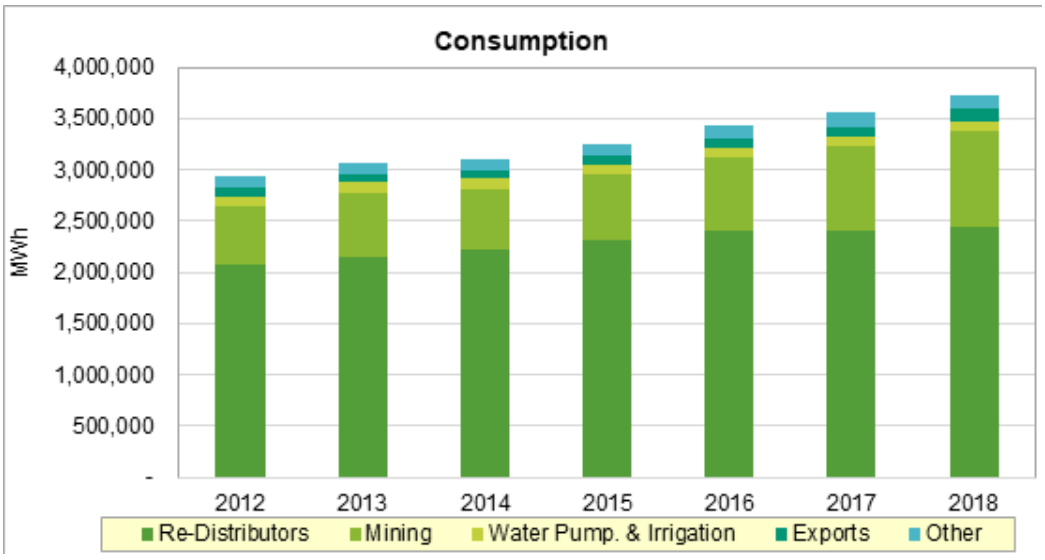


Figure 24: Consumption by customer groups (MWh) per FY

Local generation over the last five years was mainly driven by NamPower's Ruacana hydro power station. A further 15MW generation capacity has been created at the Ruacana power station arising from the replacement of the plant's station runners.

NamPower has signed PPAs with renewable energy Independent Power Producers (IPPs) through a process of tendering and through the Renewable Energy Feed In Tariff (REFIT) programme. The PPAs consist of 132MW solar and wind generation projects currently operating. 70MW is supplied from the REFIT programme and 62 MW is supplied by IPPs outside of the programme. A total of 220 MW, of which 114 MW is allocated to IPPs and the rest to NamPower is committed and planned to be commissioned in the next five years.

Source	Installed
NamPower	
Anixas (peak)	22.5
Paratus	-
Ruacana	347
Van Eck	15
Total	**384.5**
Existing IPPs	
InnoSun (Solar)	4.5
37 MW Solar PV	37
Green Nam	20
REFIT	70
Total	**132**
Planned Projects	
Diaz Wind	44
IPP PV	20
NP PV	20
Anixas II Firm Power Station	50
IPP WIND	50
NP WIND	40
BIOMASS	40
Total	**220**
Import PPAs	
ESKOM FIRM	200
Eskom (Additional Energy)	300
Zesco	100
ZPC	80
Total	**680**

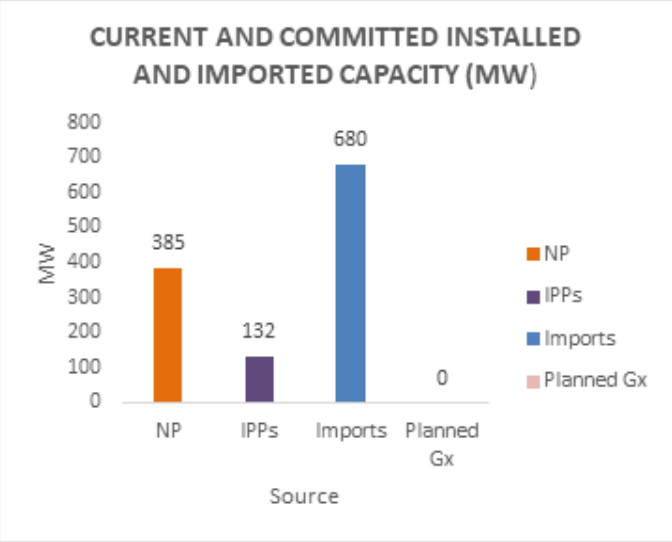


Figure 25: Installed capacity – current, Imports and Planned

Note:

- Current installed capacity (NamPower): Current installed capacity is 384.5MW. However, available capacity from the Ruacana power station is seasonal, as it is dependent on sufficient rainfall and water flow in the Kunene River catchment area. Additionally, availability of Van Eck power station is low and Anixas power station is run only when there is a power supply shortfall in the country.
- Current installed capacity (IPPs): A total of 132MW is currently installed and operational from IPPs.
- Imports: Amount of energy imported is dependent on the available supply from the NamPower, IPPs and demand requirements. The additional energy (300MW from Eskom) is a non-firm agreement.

In addition to these capacities, consumers in Namibia have started generating their own power, mainly through solar PV. However, the energy mix still consists of a large share of power imports of mainly coal-generated electricity from Eskom in South Africa. Due to shortages in generation capacity in the SAPP market in 2014-2015, NamPower had to enter into agreements with alternative power providers. These contracts enabled NamPower to avoid load shedding in Namibia at times when South Africa have to temporarily load shed customers.

Due to tariff hikes mainly imposed through imports as well as due to the contracting with alternative power producers, tariffs were increased by an average of 10% p.a. over the last five years.

ANNEXURE F Market Analysis (continued)

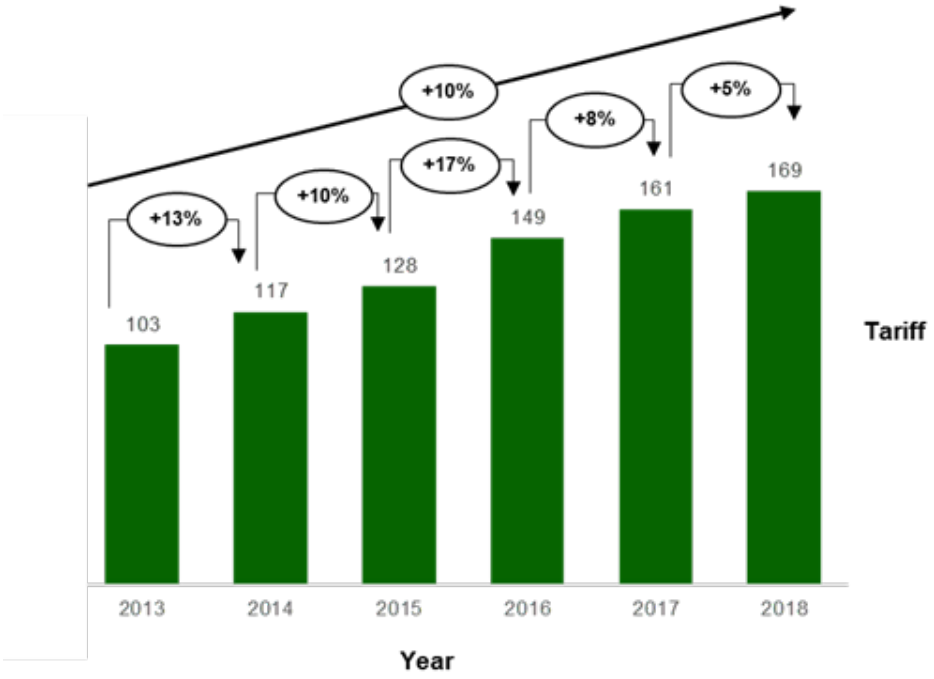


Figure 26: NamPower tariff increases (historical)

However, due to positive developments in the regional market and the phasing out of expensive contracts, NamPower was able to reduce tariff increases closer to levels of the Consumer Price Index (CPI).

Macro-Economic Environment

Following the Global Financial Crisis in 2008, Namibia entered into a period of strong growth between 2010 and 2015. This growth was primarily driven by three key factors, namely: an expansionary fiscal budget aimed at supporting the domestic economy through civil works projects, an influx of Foreign Direct Investment (FDI) aimed at funding the construction of the Tschudi, Otjikoto and Husab mines, and historically low interest rates, which facilitated the uptake of credit by the public. In essence, growth during this time was driven by a construction and consumption boom.

Figure 27: Namibia GDP growth curve (2008–2019)

Towards the end of the growth period, a number of different internal and external factors interacted and essentially worked together to usher the Namibian economy into a period of slow growth and eventually a recession in 2017. This contraction signified the country's lowest growth in more than two decades and stemmed from a number of sectors, but was primarily driven by large contractions in the construction, wholesale and retail trade sectors. One of the largest negative effects of the slowdown in the Namibian economy in 2017 was the steep increase in unemployment in particular in the construction industry.

The short- to medium-term growth outlook is expected to moderate slightly, with GDP expected to increase to 1.2% and 2.1% during 2018 and 2019, respectively. This outlook is to be supported by moderate growth in the primary-sector industries, and increased mining output driven by increased diamond, copper and gold production in particular.

Public spending is expected to remain constrained in the medium term and thus is unlikely to be a key driver of growth. Increased investment expenditure driven by local pension funds, the African Development Bank loan and infrastructure development projects is expected to be the primary hope for growth throughout both 2018 and 2019.

The Government of the Republic of Namibia is focusing on alternative options to finance infrastructure with the participation of private sector. NamPower is committed to this focus and will engage with local investors and lenders to discuss funding and lending options in the project portfolio for the next five years.

Changes in Customer Behaviour

Change in customer behaviour will become a critical driver for NamPower in the future. The business model of NamPower will need to adapt to these changes and become even more customer-centric and reliant on customer interactivity to develop new products and services. All of these changes are being underpinned by technological innovation such as solar PV and storage, which is transforming our customer's power choices and the way the energy system can be managed.

The customers' approach to energy is changing because of the availability of financially attractive alternatives. In the past, customers were relatively disengaged, seeking to interact with NamPower only when there was a problem. Now some customers have started to generate their own electricity or getting involved in monitoring and managing their energy through new control and automation devices.

These changes will provide NamPower with new business opportunities, but, in many cases, these new markets are also attractive to other suppliers outside the traditional power industry. As a result, going forward NamPower will need to consider key questions with regard to customer transformation:

Changes in customer behaviour will lead to a slowdown of the growth in demand:

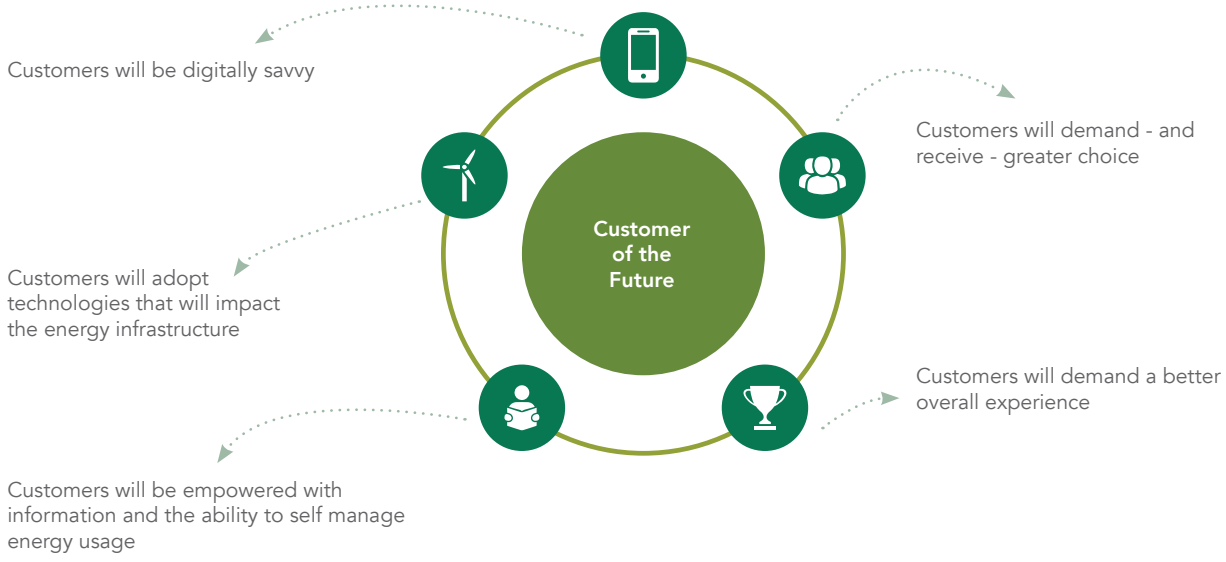


Figure 28: Changes in customer behaviour

ANNEXURE F Market Analysis (continued)

Although Namibia has experienced an increasing peak (average annual increase of 2%) and energy demand (average annual increase of 4%) over the past five years, going forward we expect the overall growth rate in demand to be lower than the past five years due mainly to the following:

- Customers investing in self-generation
- Lower growth in GDP

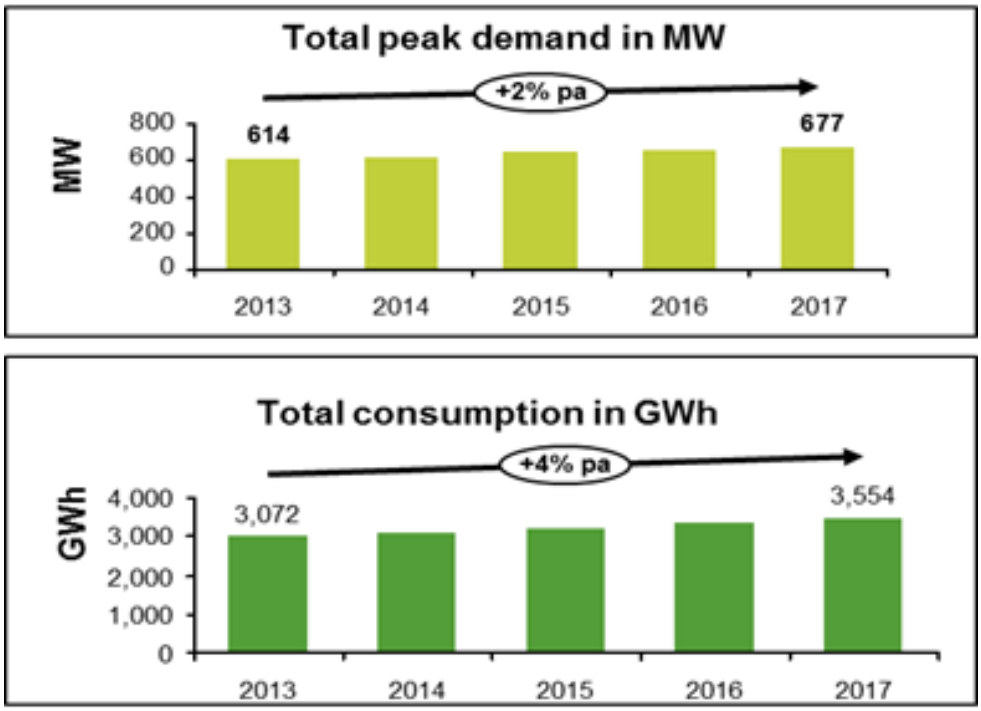


Figure 29: Peak demand and consumptions trends for Namibia

Changing Regulatory Environment

In November 2000, the Cabinet of the Republic of Namibia (GRN) approved a model for the restructuring of the Namibian Electricity Supply Industry (ESI). A key feature of the approved model was the establishment of a Single Buyer (SB) function, embedded within NamPower. The implementation of the SB was seen as the most appropriate mechanism to manage and administer electricity-trading arrangements and to contract new investments in electricity generation.

In view of Namibia's experiences in engaging with IPPs, the emergence of different market structures, funding requirements, significant cost reductions in photovoltaic and wind costs and the emergence of new storage technologies has prompted the Electricity Control Board (ECB) to re-examine the suitability of an exclusive SB market model for Namibia.

The proposed market design has incorporated the following four design principles:

- **Fairness:** All participants should be treated fairly – i.e. all market participants, including IPPs, must be allowed to operate on a level playing field and transact under the same clear and transparent market rules.
- **Efficiency:** Regulated tariffs must reflect the cost of supply and prices must be set through effective competition and choice. Processes must be transparent and fit for purpose. Contain and manage risks.
- **Simplicity:** Given the size of the Namibian market, it is important that the market design and market rules are clear and easy to understand.

Ease of Implementation: The market design and rules should not impose undue cost and time burden on market participants.

Overall, the design has to balance market efficiency and market complexity. This has led to the adoption of a phased approach, which starts with simple changes and allows the market to evolve to something more complex over time.

The phased approach achieves a number of objectives, the most important of which is that it allows the industry to manage the tempo it wishes to open the sector for more competition and choice. The different phases are listed below:

- Existing Trading Arrangements
- **Phase 1:** Allow bilateral trading between sellers and buyers, initially based upon 20% of the energy consumed by individual transmission customers
- **Phase 2:** Allow sellers to export power
- **Phase 3:** Allow buyers to import power
- **Phase 4:** Allow third-party traders to buy and sell power

Through the introduction of IPPs, captive power generation and net metering, the Namibian electricity market has already evolved to offer greater competition and opportunities for choice (at the generation level). Over time, efficient competitive markets are believed to produce the most efficient outcomes – i.e. by offering supply choice, providing the lowest costs to customers and by allocating the risk of investment to the investor. NamPower will pro-actively engage with the stakeholders in the industry to prepare for the change of the traditional business model and also support the sector's financial sustainability.

Implications for NamPower

The table below gives a summary of the changes seen in the industry and the resultant implications for NamPower:

Table 14: Summary of Industry Changes & Impact on NamPower

1	**Market/Strategy**	The shift in the market model towards the Modified Single-Buyer Market model in combination with the change in customer behaviour, will significantly transform the electricity sector landscape. In addition, government would like to considerably reduce the country's dependency on electricity imports. NamPower's strategy needs to be aligned to the changes and policy objectives.
2	**Revenue**	As the market model is expected to change, revenue implications will need to be analysed to measure the impact on financial sustainability. NamPower will need to be proactive in this regard.
3	**Asset base**	In light of the changes in the market, NamPower will need to develop an investment portfolio to balance the changes in the generation mix of local capacity, increase transmission grid resilience and respond to government's commitment to greenhouse gas reduction and economic development.
4	**Governance/ stakeholder engagement**	Strong and robust governance frameworks will be key to successfully implementing NamPower's new strategy. The change in the market model will increase the complexity in the market; NamPower will need to expand existing stakeholder management to be the lead partner in the electricity market of the future.
5	**Operating model**	As the energy market and business is changing, NamPower's operating model will need to be aligned to the new market and NamPower's new role in the market.
6	**Capabilities**	NamPower's capability and skill set requirement will need to be aligned to the revised strategy and operating model.
7	**Financial sustainability**	NamPower was able to maintain a strong financial position over the last five years that was based on traditional balance sheet funding. Going forward, NamPower will explore new funding options and leverage new sources of capital that will be required for its capital-intensive generation capacitation portfolio.

ANNEXURE G NamPower Operational Plan 2020 - 2025

Strategic Pillar	Strategic Objectives	Strategic Initiatives	Responsible BU	
OPERATIONAL PLAN 2021/22 FINANCIAL YEAR				
Optimising financial sustainability (25%)	F1. Increase Revenue	Grow the GridOnLine	TX	
	F4. Optimise Operational Costs & Efficiencies	O&M Cost Optimisation Programme & Targets	TX	
		Optimise Maintenance Repairs and Operation (MRO) stock	TX	
		Acquisition and optimise NamPower Properties Maintenance and refurbishment	OCOO	
Unlock the value of electricity sector collaboration (20%)	C1. Support the development of the electricity industry and the economy	Ensure availability and reliable of Fleet Vehicle	Finance	
		Support the development of ESI through collaboration and provide valuable input in shaping the Industry. Review and develop trading rules and relevant operating guidelines	MSB	
	C2. Develop new products and services (Solutions)	Explore new product a & Services: 1) ancillary services; 2) Reliability Services; 3) Balancing Services; 4) Energy Banking Services	MSB	
	C3. Support the acceleration of electrification	Implement electrification projects	OCOO	
		Mobilise electrification funding	OCOO	
Ensuring security of supply (35%)	I1. Optimally expand Generation capacity	Implement GX Projects Master Plan & Prioritised roll out Targets as per project schedules	GX	
		Implement Gx Maintenance Plan as scheduled	GX	
	I2. Optimally expand Transmission Capacity	Implement TX Master Plan and fibre Gap closure for Optimal control	TX	
		Strengthen the line & substation construction team	TX	
		Acquire strategic stock	TX	
		Implement maintenance plans, Operational projects and MSB Metering & Billing processes	TX	
	I3. Leverage regional trading opportunities	Upgrade ETS for SAPP Balancing Mechanism	MSB	
	I4. Ensure least-cost electricity supply mix	Optimise Trading options and ensuring least supply to the end user	MSB	

	Resource Requirements	Budget	Timeline/Duration
	OPERATIONAL PLAN 2021/22 FINANCIAL YEAR		
	Asset: Fibre Gaps closures,	N$26,000,000	1 year
	Assets ; Improve maintenance cost and coordination, acquire remote monitoring devices, acquire low maintenance equipment, replace old generation equipment that are expensive to maintain	N$80,000,000	5 year
	Assets: Improve Emergency stock levels, lifting equipment's, warehouse, storage spaces in the regions	N$560,000	12 months
	Alteration to NamPower Head Office Refurbishment of Radio Property renovation of Brakwater Workshop - outsource. Acquisition of Erf 204 Lafrenz, Windhoek	N$34,000,000	12 months
	Replacement and Maintenance of Fleet vehicles	N$41,580,380	12 months
	Consultants, ECB, MME, ESI, ,End Users REDS, Technology developers/ designers IPPS, Contestable Customers, Financiers & Lenders	N$234,000,000	5 years
	Consultants, ECB, MME, ESI Partners, IPPs Financiers & Lenders, SAPP Trades	N$5,000,000	On going
	Reticulation Lines, Off-Grid, in collaboration with MME, REDs and Local Authorities	N$32,000,000	12 Months
	Stakeholders	N$-	On going
	NamPower Projects 1. 20MW Omburu PV Project 2. 40MW Wind Power Project 3. 50MW Firm Power Project 4. 58MW BESS Project 5. 40MW Biomass Project IPPs 1. 20 MW Solar PV 2. 50 MW Wind	N$83,300,000	12 months
	Ruacana Power Station Van Eck Power Station Anixas Power Station	N$100,900,000	12 months
	Assets: New TX lines, new substations, OPGW/Optic fibre and FACTS devices	N$700,000,000	12 months
	Assets: Vehicles/Trucks and drilling equipment	N$3,000,000	12 Months
	Asset: strategic spares	N$250,000,000	12 Month
	Asset: Vehicles/Trucks, Engineering and testing equipment, IT systems and equipment, Remote monitoring devices, MSB Metering & Billing	N$32,000,000	12 month
	Consultants	N$5,000,000	1.5 year
	SAPP Pool and Utilities and IPP negotiations	N$-	ongoing

ANNEXURE G NamPower Operational Plan 2020 - 2025 (continued)

Strategic Pillar	Strategic Objectives	Strategic Initiatives	Responsible BU	
Driving organisational & operational excellence (20%)	L1. Develop additional capabilities to meet the competitive market requirements	Develop and improve IT Systems & Technology Capabilities	OCOO	
OPERATIONAL PLAN 2021/22 FINANCIAL YEAR				
Strategic Pillar	Strategic Objectives / Strategic Focus Area	Strategic Initiatives	Responsible BU	
Optimising financial sustainability (25%)	F1. Increase Revenue	Grow the GridOnLine	TX	
	F4. Optimise Operational Costs & Efficiencies	O&M Cost Optimisation Programme & Targets	TX	
		Optimise Maintenance Repairs and Operation (MRO) stock	TX	
		Acquisition and optimise NamPower Properties Maintenance and refurbishment	OCOO	
Unlock the value of electricity sector collaboration (20%)	C1. Support the development of the electricity industry and the economy	Ensure availability and reliable of Fleet	Finance	
		Support the development of ESI through collaboration and provide valuable input in shaping the Industry. Review and develop trading rules and relevant operating guidelines	MSB	
	C2. Develop new products and services (Solutions)	Explore new product a & Services: 1) ancillary services; 2) Reliability Services; 3) Balancing Services; 4) Energy Banking Services	MSB	
	C3. Support the acceleration of electrification	Implement electrification projects	OCOO	
		Mobilise electrification funding	OCOO	

	Resource Requirements	Budget	Timeline/Duration
	Acquisition, Development and Updating of IT Tools & Equipment and Systems	N$40,980,000	12 months
		N$1,668,320,380	
	OPERATIONAL PLAN 2021/22 FINANCIAL YEAR		
	Resource Requirements	Budget	Timeline/Duration
	Assets: Fibre Gaps Closures Building space	N$17,000,000	1 year
	Assets ; Improve maintenance cost and coordination, acquire remote monitoring devices, acquire low maintenance devices, replace old generation equipment	N$300,000,000	5 year
	Assets: Improve Emergency stock levels, lifting equipment, warehouse & storage spaces in the regions	N$5,000,000	12 months
	NamPower Residential and Non-Residential Properties - outsource maintenance	N$5,000,000	12 months
	Replacement and Maintenance of Fleet vehicles	N$40,000,000	12 months
	Consultants, ECB, MME, ESI, ,End Users REDS, Technology developers/ designers IPPS, Contestable Customers, Financiers & Lenders	N$299,000,000	5 years
	Consultants, ECB, MME, ESI Partners, IPPs Financiers & Lenders, SAPP Trades	N$15,000,000	On going
	Reticulation Lines, Off-Grid, in collaboration with MME, REDs and Local Authorities	N$50,000,000	12 Months
	Stakeholders	N$-	On going

ANNEXURE G NamPower Operational Plan 2020 - 2025 (continued)

Strategic Pillar	Strategic Objectives	Strategic Initiatives	Responsible BU	
Ensuring security of supply (35%)	I1. Optimally expand Generation capacity	Implement GX Projects Master Plan & Prioritised roll out Targets as per project schedules	GX	
		Implement Gx Maintenance Plan as scheduled	GX	
	I2. Optimally expand Transmission Capacity	Implement TX Master Plan and fibre Gap closure for Optimal control	TX	
		Strengthen the line & substation construction team	TX	
		Acquire strategic stock	TX	
		Establish line and substation maintenance team	TX	
		Implement maintenance plans, Operational projects and MSB Metering & Billing processes	TX	
	I3. Leverage regional trading opportunities	Upgrade ETS for SAPP Balancing Mechanism	MSB	
	I4. Ensure least-cost electricity supply mix	Optimise Trading options and ensuring least supply to the end user	MSB	
Driving organisational & operational excellence (20%)	L1. Develop additional capabilities to meet the competitive market requirements	Develop and improve IT Systems & Technology Capabilities	OCOO	
OPERATIONAL PLAN 2022/23 FINANCIAL YEAR				
Strategic Pillar	Strategic Objectives / Strategic Focus Area	Strategic Initiatives	Responsible BU	
Optimising financial sustainability (25%)	F1. Increase Revenue	Grow the GridOnLine	TX	
	F4. Optimise Operational Costs & Efficiencies	O&M Cost Optimisation Programme & Targets	TX	
		Optimise Maintenance Repairs and Operation (MRO) stock	TX	
		Acquisition and optimise NamPower Properties Maintenance and refurbishment	OCOO	

	Resource Requirements	Budget	Timeline/Duration
	NamPower Projects 1. 20MW Omburu PV Project 2. 40MW Wind Power Project 3. 50MW Firm Power Project 4. 58MW BESS Project 5. 40MW Biomass Project IPPs 1. 20 MW Solar PV 2. 50 MW Wind	N$2,592,000,000	12 months
	Ruacana Power Station Van Eck Power Station Anixas Power Station	N$104,400,000	12 months
	Assets: New TX lines, new substations, OPGW/Optic fibre and FACTS devices	N$200,000,000	12 months
	Assets: Vehicles/Trucks and drilling equipment	N$7,000,000	2 Months
	Asset: strategic spares	N$250,000,000	
	Assets: Line maintenance equipment, Gimbal system, Drones, Vehicles	N$17,000,000	
	Asset: Strategic spares	N$67,300,000	12 months
	Consultants	N$3,000,000	1.5 year
	SAPP Pool and Utilities and IPP negotiations	N$-	ongoing
	Acquisition, Development and Updating of IT Tools & Equipment and Systems	N$50,000,000	12 months
		N$4,021,700,000	
	OPERATIONAL PLAN 2022/23 FINANCIAL YEAR		
	Resource Requirements	Budget	Timeline/Duration
	Assets: Fibre Gaps Closures	N$17,000,000	1 year
	Assets ; Improve maintenance coordination, acquire remote monitoring devices, acquire low maintenance devices, replace old generation equipment	N$180,000,000	5 year
	Assets: Improve Emergency stock levels, lifting equipment, warehouse & storage spaces in the regions	N$250,000	
	NamPower Residential 15 and Alteration to Head Office - outsource maintenance. Acquisition of French Embassy building	N$27,000,000	12 months

ANNEXURE G NamPower Operational Plan 2020 - 2025 (continued)

Strategic Pillar	Strategic Objectives	Strategic Initiatives	Responsible BU	
Unlock the value of electricity sector collaboration (20%)	C1. Support the development of the electricity industry and the economy	Ensure availability and reliable of Fleet	Finance	
		Support the development of ESI through collaboration and provide valuable input in shaping the Industry. Review and develop trading rules and relevant operating guidelines	MSB	
	C2. Develop new products and services (Solutions)	Explore new product a & Services: 1) ancillary services; 2) Reliability Services; 3) Balancing Services; 4) Energy Banking Services	MSB	
	C3. Support the acceleration of electrification	Implement electrification projects	OCOO	
		Mobilise electrification funding	OCOO	
Ensuring security of supply (35%)	I1. Optimally expand Generation capacity	Implement GX Projects Master Plan & Prioritised roll out Targets as per project schedules	GX	
		Implement Gx Maintenance Plan as scheduled	GX	
	I2. Optimally expand Transmission Capacity	Implement TX Master Plan and fibre Gap closure for Optimal control	TX	
		Strengthen the line & substation construction team	TX	
		Acquire strategic stock	TX	
		Establish line and substation maintenance team	TX	
		Implement maintenance plans, Operational projects and MSB Metering & Billing processes	TX	
	I4. Ensure least-cost electricity supply mix	Optimise Trading options and ensuring least supply to the end user	MSB	
Driving organisational & operational excellence (20%)	L1. Develop additional capabilities to meet the competitive market requirements	Develop and improve IT Systems & Technology Capabilities	OCOO	
OPERATIONAL PLAN 2023/24 FINANCIAL YEAR				
Strategic Pillar	Strategic Objectives / Strategic Focus Area	Strategic Initiatives	Responsible BU	

	Resource Requirements	Budget	Timeline/Duration
	Replacement and Maintenance of Fleet vehicles	N$40,124,900	12 months
	Consultants, ECB, MME, ESI, ,End Users REDS, Technology developers/ designers IPPS, Contestable Customers, Financiers & Lenders	N$216,000,000	5 years
	Consultants, ECB, MME, ESI Partners, IPPs Financiers & Lenders, SAPP Trades	N$5,000,000	On going
	Reticulation Lines, Off-Grid, in collaboration with MME, REDs and Local Authorities	N$100,000,000	12 Months
	Stakeholders	N$-	On going
	NamPower Projects 1.40MW Wind Power Project 2. 50MW Firm Power Project 3. 58MW BESS Project 4. 40MW Biomass Project IPPs 1. 50 MW Wind	N$3,486,000,000	12 months
	Ruacana Power Station Van Eck Power Station Anixas Power Station	N$108,000,000	12 months
	Assets: New TX lines, new substations, OPGW/Optic fibre and FACTS devices	N$500,000,000	12 Months
	Assets: Vehicles/Trucks and drilling equipment	N$5,000,000	3 Months
	Asset: strategic spares	N$250,000,000	
	Assets: Line maintenance equipment, Gimbal system, Drones, Vehicles	N$3,000,000	
	Asset: Vehicles/Trucks, Engineering and testing equipment, IT systems and equipment, Remote monitoring devices,	N$11,000,000	12 Months
	SAPP Pool and Utilities and IPP negotiations	N$-	ongoing
	Acquisition, Development and Updating of IT Tools & Equipment and Systems	N$9,400,000	12 months
		N$4,957,774,900	
OPERATIONAL PLAN 2023/24 FINANCIAL YEAR			
	Resource Requirements	Budget	Timeline/Duration

ANNEXURE G NamPower Operational Plan 2020 - 2025 (continued)

Strategic Pillar	Strategic Objectives	Strategic Initiatives	Responsible BU	
Optimising financial sustainability (25%)	F1. Increase Revenue	Grow the GridOnLine	TX	
	F4. Optimise Operational Costs & Efficiencies	O&M Cost Optimisation Programme & Targets	TX	
		Optimise Maintenance Repairs and Operation (MRO) stock	TX	
		Acquisition and optimise NamPower Properties Maintenance and refurbishment	OCOO	
Unlock the value of electricity sector collaboration (20%)	C1. Support the development of the electricity industry and the economy	Ensure availability and reliable of Fleet	Finance	
		Support the development of ESI through collaboration and provide valuable input in shaping the Industry. Review and develop trading rules and relevant operating guidelines	MSB	
	C2. Develop new products and services (Solutions)	Explore new product a & Services: 1) ancillary services; 2) Reliability Services; 3) Balancing Services; 4) Energy Banking Services	MSB	
	C3. Support the acceleration of electrification	Implement electrification projects	OCOO	
		Mobilise electrification funding	OCOO	
Ensuring security of supply (35%)	I1. Optimally expand Generation capacity	Implement GX Projects Master Plan & Prioritised roll out Targets as per project schedules	GX	
		Implement Gx Maintenance Plan as scheduled	GX	
	I2. Optimally expand Transmission Capacity	Implement TX Master Plan and fibre Gap closure for Optimal control	TX	
		Strengthen the line & substation construction team	TX	
		Acquire strategic stock	TX	
		Establish line and substation maintenance team	TX	
		Implement maintenance plans, Operational projects and MSB Metering & Billing processes	TX	
	I4. Ensure least-cost electricity supply mix	Optimise Trading options and ensuring least supply to the end user	MSB	
Driving organisational & operational excellence (20%)	L1. Develop additional capabilities to meet the competitive market requirements	Develop and improve IT Systems & Technology Capabilities	OCOO	

	Resource Requirements	Budget	Timeline/Duration
	Assets: Fibre Gaps Closures	N$15,000,000	1 year
	Assets ; Improve maintenance coordination, acquire remote monitoring devices, acquire low maintenance devices, replace old generation equipment	N$50,000,000	5 year
	Assets: Improve Emergency stock levels, lifting equipment, warehouse & storage spaces in the regions	N$200,000	
	NamPower Residential 15 and Alteration to Head Office - outsource maintenance	N$3,000,000	12 months
	Replacement and Maintenance of Fleet vehicles	N$38,708,000	12 months
	Consultants, ECB, MME, ESI, ,End Users REDS, Technology developers/ designers IPPS, Contestable Customers, Financiers & Lenders	N$219,000,000	5 years
	Consultants, ECB, MME, ESI Partners, IPPs Financiers & Lenders, SAPP Trades	N$5,000,000	On going
	Reticulation Lines, Off-Grid, in collaboration with MME, REDs and Local Authorities	N$110,000,000	12 Months
	Stakeholders	N$-	On going
	NamPower Projects 1. 40MW Wind Power Project 2. 40MW Biomass Project 3. CSP 4. NIRP	N$1,481,000,000	12 months
	Ruacana Power Station Van Eck Power Station Anixas Power Station	N$111,800,000	12 months
	Assets: New TX lines, new substations, OPGW/Optic fibre and FACTS devices	N$500,000,000	
	Assets: Vehicles/Trucks and drilling equipment	N$5,000,000	
	Asset: strategic spares	N$250,000,000	
	Assets: Line maintenance equipment, Gimbal system, Drones, Vehicles	N$2,000,000	
	Asset: Vehicles/Trucks, Engineering and testing equipment, IT systems and equipment, Remote monitoring devices,	N$11,000,000	12 Months
	SAPP Pool and Utilities and IPP negotiations	N$-	ongoing
	Acquisition, Development and Updating of IT Tools & Equipment and Systems	N$19,600,000	12 months
		N$2,821,308,000	

ANNEXURE G NamPower Operational Plan 2020 - 2025 (continued)

Strategic Pillar	Strategic Objectives	Strategic Initiatives	Responsible BU	
OPERATIONAL PLAN 2024/25 FINANCIAL YEAR				
Strategic Pillar	Strategic Objectives / Strategic Focus Area	Strategic Initiatives	Responsible BU	
Optimising financial sustainability (25%)	F1. Increase Revenue	Grow the GridOnLine	TX	
	F4. Optimise Operational Costs & Efficiencies	O&M Cost Optimisation Programme & Targets	TX	
		Optimise Maintenance Repairs and Operation (MRO) stock	TX	
Unlock the value of electricity sector collaboration (20%)	C1. Support the development of the electricity industry and the economy	Ensure availability and reliable of Fleet	Finance	
		Support the development of ESI through collaboration and provide valuable input in shaping the Industry. Review and develop trading rules and relevant operating guidelines	MSB	
	C2. Develop new products and services (Solutions)	Explore new product a & Services: 1) ancillary services; 2) Reliability Services; 3) Balancing Services; 4) Energy Banking Services	MSB	
	C3. Support the acceleration of electrification	Implement electrification projects	OCOO	
		Mobilise electrification funding	OCOO	
Ensuring security of supply (35%)	I1. Optimally expand Generation capacity	Implement GX Projects Master Plan & Prioritised roll out Targets as per project schedules	GX	
		Implement Gx Maintenance Plan as scheduled	GX	
	I2. Optimally expand Transmission Capacity	Implement TX Master Plan and fibre Gap closure for Optimal control	TX	
		Acquire strategic stock	TX	
		Establish line and substation maintenance team	TX	
		Implement maintenance plans, Operational projects and MSB Metering & Billing processes	TX	
	I4. Ensure least-cost electricity supply mix	Optimise Trading options and ensuring least supply to the end user	MSB	
Driving organisational & operational excellence (20%)	L1. Develop additional capabilities to meet the competitive market requirements	Develop and improve IT Systems & Technology Capabilities	OCOO	

	Resource Requirements	Budget	Timeline/Duration
	OPERATIONAL PLAN 2024/25 FINANCIAL YEAR		
	Resource Requirements	Budget	Timeline/Duration
	Assets: Fibre Gaps Closures	N$-	1 year
	Assets ; Improve maintenance coordination, acquire remote monitoring devices, acquire low maintenance devices, replace old generation equipment	N$50,000,000	5 year
	Assets: Improve Emergency stock levels, lifting equipment, warehouse & storage spaces in the regions	N$150,000	
	Replacement and Maintenance of Fleet vehicles	N$30,203,300	12 months
	Consultants, ECB, MME, ESI, ,End Users REDS, Technology developers/ designers IPPS, Contestable Customers, Financiers & Lenders	N$16,000,000	5 years
	Consultants, ECB, MME, ESI Partners, IPPs Financiers & Lenders, SAPP Trades	N$5,000,000	On going
	Reticulation Lines, Off-Grid, in collaboration with MME, REDs and Local Authorities	N$120,000,000	12 Months
	Stakeholders	N$-	On going
	NamPower Projects 1. 40MW Biomass Project 2. CSP 3. NIRP	N$874,000,000	12 months
	Ruacana Power Station Van Eck Power Station Anixas Power Station	N$115,800,000	12 months
	Assets: New TX lines, new substations, OPGW/Optic fibre and FACTS devices	N$500,000,000	12 month
	Asset: strategic spares	N$250,000,000	
	Assets: Line maintenance equipment, Gimbal system, Drones, Vehicles	N$5,000,000	
	Asset: Vehicles/Trucks, Engineering and testing equipment, IT systems and equipment, Remote monitoring devices,	N$11,000,000	12 month
	SAPP Pool and Utilities and IPP negotiations	N$-	ongoing
	Acquisition, Development and Updating of IT Tools & Equipment and Systems	N$15,500,000	12 months
		N$1,992,653,300	
	OPERATIONAL PLAN TOTAL	**N$15,461,756,580**	
	Average per Year	**N$3,092,351,316**	

ANNEXURE H NamPower Work-Force Plan (Human Capital Plan) 2020 - 2025

a) Summary of Workforce Plan

		Year of resourcing and placement					
Position	**Grade**	**2020/21**	**2021/22**	**2022/23**	**2023/24**	**2024/25**	**2025/26**
Generation		1	3	0	0	0	0
Transmission		5	9	12	10	5	2
Office of COO		0	12	1	1	1	0
Human Capital		1	2	1	0	1	1
Finance		1	1	1	1	0	0
Office of Modified Single Buyer		1	4	2	1	1	1
	TOTAL	**9**	**31**	**17**	**13**	**8**	**4**

b) Training and Development Intervention/Plan

Number	Name of Mandatory Course	Relevant to:
1	Class A First Aid	All NamPower Employees
2	Basic Fire Fighting	All Technical Business Unit employees
3	Hazard Identification Risk Assessment (HIRA)	All NamPower Employees
4	SHE Rep Training	SHE REPs & Peer Educators
5	Accidents Investigations/ Root Cause Analysis	Supervisors & Fleet Management employees
6	Ladder Safety	Technical BU & Properties Employees
7	Defensive Driving (4x4 & sedan)	Employees driving NamPower Vehicles
8	TMC & 2.5 16 Ton Truck Crane	Relevant Crane Operators
9	100 Ton Mobile Crane	Relevant Crane Operators
10	13 Ton Galion Crane	Relevant Crane Operators
11	Heavy Vehicle Defensive Driving	Relevant Operators/ Drivers
12	High raised cherry picker	Relevant Operators/ Drivers
13	Basic Safety & Operating for PPS	All NamPower Employees
14	Access to Prohibited Areas	PMT&C, Maintenance Section & NetOps
15	Small Customer Points	NetOps
16	11 – 33kV Reticulations	NetOps
17	66 – 132kV - Operating	NetOps
18	220 – 400kV - Operating	NetOps
19	Power Transformers	NetOps
20	Drill Operator	Power System Construction

ANNEXURE H NamPower Work-Force Plan (continued)

Number	Leadership Development	Relevant to:
1	Assertiveness	All Managers & Supervisors
2	Emotional Intelligence	All Managers & Supervisors
3	Conflict Management	All Managers & Supervisors
4	Prioritization & Time Management Skills	All Managers & Supervisors
5	Stress Management*	All Managers & Supervisors
6	Change Management	All Managers & Supervisors
7	Interpersonal Skills*	All Managers & Supervisors
8	Communication Skills*	All Managers & Supervisors
9	Leadership Skills*	All Managers & Supervisors
10	Finance for Non-Financial Managers*	All Managers & Supervisors
11	Prioritization & Time Management Skills	All Managers & Supervisors
12	Time Management	All Managers & Supervisors
13	People Management	All Managers & Supervisors
14	Problem Solving Strategies	All Managers & Supervisors
15	Stress Management	All Managers & Supervisors
17	Decision-making strategies	All Managers & Supervisors
18	Middle Managers Development Programme	All Managers & Supervisors
19	Adapting to change skills	All Managers & Supervisors
20	Prioritising of Tasks	All Managers & Supervisors
21	Prioritization/delivery skills	All Managers & Supervisors
22	Senior Managers Development Programme	All Managers & Supervisors
23	Project Management (Results focus & Innovation)	All Managers & Supervisors
24	Attention to detail	All Managers & Supervisors

Number	Commercial related courses	Relevant to:
1	Commercial Skills	All skilled employees
2	Strategies for commercialism	All skilled employees
3	Finance for commercialism	All skilled employees
4	Marketing a commercial service	All skilled employees
5	Implementing a commercial approach	All skilled employees

ANNEXURE I NamPower Risk Management Plan

The reader can visualize how and by when the enterprise will achieve its targets over the planning period, translating the strategic objectives to a reasonable level of detail to guide implementation.

Summary: The aspiration of the NamPower Risk and Resilience Management Plan is to deliver a risk-intelligent and resilient organisation that is a recognised leader in its industry. The plan addresses the implementation and maturing of risk and resilience across NamPower over the next five years. The ultimate goal for risk management is to ensure NamPower achieve its strategic objectives through proactive identification, analysing and mitigation of identified risks. The plan focusses on the effective, efficient and sustainable implementation of risk management across NamPower.

Overall Risk Management Objectives:

Align risk management with its objectives, strategy and culture;
Provide a level of assurance that current significant risks are effectively identified and managed;
Improve business performance by assisting and improving decision making and planning;
Promote a more innovative, less risk averse culture in which the taking of calculated risks in pursuit of opportunities to benefit NamPower is encouraged; and
Provide a sound basis for integrated risk management and internal controls as components of good corporate governance.

Risk Outlook: Positive and Continuous improvement Corporate Risk Management.

Risk Management Statement of Intent: To ensure effective governance of risk and an organisational risk management culture.

Strategic Focus Areas/ Key Performance Areas and Indicators

Enterprise Risk Management

ERM element Risk policies, standards and guidelines	Deliverables	2020/21	2021/22	2022/23	2023/24	2024/25
1. Consistent, well-understood and enforced policies, standards and methodologies.	ERM governing documents benchmarked and approved at least every 5 years	x	x	x	x	x
	Revised governing documents communicated and included in the training and awareness material (change management)	x	x	x	x	x
	Assurance on risk compliance and effectiveness through 3 lines of defence (combined assurance)	x	x	x	x	x
	All assurance findings reported, corrected and monitored	x	x	x	x	x
2. Systematic procedures to anticipate and respond to emerging risks.	Risk enviro-scanning and reporting capability	x	x	x	x	x
	Predictive risk identification capability and tools leading to the identification of emerging and black-swan type risks (incident analysis, key risk indicators and scenario planning)			x	x	x
3. Risk information/register.	Compliance to risk disclosure requirements from King, Companies Act and the shareholder	x	x	x	x	x
	One Risk Policy, Framework, Standard, Methodology and Risk Management Information System	x	x	x	x	x
	Quality Model (compliance, validity, accuracy and completeness of risk and related information)	x	x	x	x	x
	Assurance (3rd line of defence)	x	x	x	x	x
4. Well defined risk appetite statements and tolerance parameters.	Risk appetite statement/framework set, reviewed and approved annually by the Board	x	x	x	x	x
	Implementing company-wide appetite and tolerance parameters		x	x	x	x

ERM element Risk policies, standards and guidelines	Deliverables	2020/21	2021/22	2022/23	2023/24	2024/25
5. Integrated appetite statements and tolerance parameters when reviewing/ developing strategic and business objectives.	Embed appetite and tolerance in strategy, business planning and capital allocation		x	x	x	x
	Embed risk appetite and tolerance in the decision-making process		x	x	x	x
	Include appetite and tolerance in risk monitoring and reporting		x	x	x	X
6. Robust and coherent Board and ExCo governance and structures to direct and oversee an effective risk management capability.	Appropriate terms of reference/charters for governing committees	x	x	x	x	x
	Regular meetings by Board and ExCo considering risk management	x	x	x	x	x
	Approval of risk policy, roles and responsibilities and risk management plan	x	x			
	Board and EXCO risk assessment workshops.	x	x	x	x	x
7. Centralised risk function led by a Chief Operations Officer (Chief Risk Officer) with credibility, stature and clear reporting relationship with Managing Director.	Centre-led function adequately resourced and skilled		x	x	x	x
	Corporate Risk reports to Board, Board Audit and Risk Committee, ExCo and all relevant committees	x	x	x	x	x
	Effective risk governance structures and performance assessments.	x	x	x	x	x
	Benchmarks and maturity assessments completed periodically.			x		x
	Periodic assurance reviews.	x	x	x	x	x
8. Clear definition and allocation of company-wide roles and responsibilities for risk management	ERM policy and risk management plan include a comprehensive RACI for risk management.	x	x	x	x	x
	Executive and management include measures for risk management performance.	x	x	x	x	x
	Standardised job profiles for roles in risk management	x	x	x	x	x
	Execute and report on second line of defence as part of the combined assurance model.		x	x	x	x
9. Risk culture within the organisation.	Clear value drivers defining the desired risk culture for the organisation.		x		x	
	Centre-led provided risk training and awareness across all levels of the organisation.	x	x	x	x	x
	Embedded roles and responsibilities at all levels regarding effective risk management	x	x	x	x	x
	Embedded risk management in all management processes and decision making.	x	x	x	x	x
	Effective integration of the combined assurance model between risk, strategy, compliance and assurance.	x	x	x	x	
	Benchmarks and maturity assessments completed periodically.	x		x		x
	Include recommendations from the benchmarks and maturity assessments in ER&R management plan to be implemented, monitored and reported on.			x		x

ANNEXURE I NamPower Risk Management Plan (continued)

ERM element Risk policies, standards and guidelines	Deliverables	2020/21	2021/22	2022/23	2023/24	2024/25
10. Timely reporting of credible, intelligible and comprehensive risk profile to Board/ executive management.	Compliance to risk disclosure requirements from King, Companies Act and the shareholder	x	x	x	x	x
	Report to NamPower risk governance structures as per secretariat meeting schedule	x	x	x	x	x
	Regular analysis of risks that materialised and monitoring of changes in risk profile	x	x	x	x	x
	Reporting of risk in the integrated annual report, performance report and Shareholder through the NamPower risk governance committees	x	x	x	x	x
11. Reporting in relation to stakeholder needs.	Updated stakeholder information needs analysis	x	x	x	x	x
	Customised reporting across all stakeholder	x	x	x	x	x
	Compliance to governance and statutory requirements	x	x	x	x	x
12. Effective risk controls.	Regular testing of controls and treatments (treatment plans)	x	x	x	x	x
	Embedding results from independent audit reports on effectiveness of controls into the risk profiles	x	x	x	x	x
	Integration with the risk-based audit plan	x	x	x	x	x
13. Key risk indicators (KRIs).	Development of Key Risk Indicator capability		x	x	x	x
	Development of Key Risk Indicators for strategic and business objectives		x	x	x	x
14. Analysis of risk events as part of a systematic process of risk learning.	Real-time risk monitoring, identification and analysis				x	x
	Investigation of materialised risks and changes in priority risk profiles	x	x	x	x	x
	Monitoring, analysing and learning from incidents	x	x	x	x	X
15. Risk-adjusted performance measurement and performance incentives.	Integrate risk management with the NamPower performance management system	x	x	x	x	x
	Develop well defined KPIs substantiating performance incentives	x	x	x	x	x
	Report on the performance of risk management and the management of risk	x	x	x	x	X
STAKEHOLDER MANAGEMENT						
Stakeholder Management	Regular collaboration with chairperson of the risk committee and executive management accountable for risk	x	x	x	x	x
	Training and talent management strategy to ensure sufficient skills and resources	x	x	x	x	x
	Relevant Corporate Risk Management training material	x	x	x	x	x
	Deliver In-house Corporate Risk Management training capability (as per strategy)	x	x	x	x	x
	Networking with internal and external risk fraternities and practitioners	x	x	x	x	x
	Internal centre-led risk governance committee (IRM Ops)	x	x	x	x	x

ANNEXURE I NamPower Risk Management Plan (continued)

Corporate Resilience Programme

Corporate Resilience element	Recommended actions (frequency as indicated or otherwise agreed)	2020/21	2021/22	2022/23	2023/24	2024/25
1. Policy framework, definition of roles and responsibilities	NamPower Risk and Resilience Policy (formal review)	x				
	NamPower Risk and Resilience Plan (annually updated)	x	x	x	x	x
	Site Risk and Resilience Plan (annually updated)	x	x	x	x	x
	NP Resilience Programme (annually updated)	x	x	x	x	x
2. Standards, processes, procedures, guidelines, templates	Business Continuity Management Standard (formal review)	x				x
	Disaster Management Standard (formal review)	x		x		
	Incident Command Standard (formal review)	x			x	
	Simulation Exercise Standard/Guidelines (formal review)		x			x
	Resilience processes (formal review)		x	x		
	Divisional self-assessment guideline (to support the quality model)		x			x
	Resilience procedures (development and review)	x		x		x
	Site ER&R Plan template review (annual)		x	x	x	x
	Group ER&R Plan template review (annual)		x	x	x	x
3. Governance	Board (annual - approval of plan and policy)	x				x
	Board Audit and Risk Management Committee (quarterly – ER&R Report)	x	x	x	x	x
	Exco and ER&R Committee (quarterly oversight and support of plan and policy)	x	x	x	x	x
	Corporate Resilience Committee (as per schedule - monitoring and coordinating)	x	x	x	x	x
	Establishment of Resilience Teams and sub-committees	x	x	x	x	X
4. Internal governance reporting	NP Resilience Team status dashboard (quarterly)	x	x	x	x	x
	NP Resilience Team presentations to ExCo ER&R	x	x	x		x
	Corporate Risk and Resilience Report to ExCo and Board ARC (quarterly)	x	x	x	x	x
	Legislative Compliance Report (annual)	x	x	x	x	x
	NamPower Integrated Report inputs (annual)	x	x	x	x	x

ANNEXURE H NamPower Risk Management Plan (continued)

Corporate Resilience Programme (continued)

Corporate Resilience element	Recommended actions (frequency as indicated or otherwise agreed)	2020/21	2021/22	2022/23	2023/24	2024/25
5. External governance reporting	NamPower ER&R Plan submitted with the Corporate Plan	x	x	x	x	x
6. Incident command and integrated emergency response structures	Embed the Incident Command System at strategic, tactical level and operational level		x	x	x	x
	Support the NamPower Emergency Response Command Centre (ERCC) during incidents (ad hoc)		x	x	x	x
	Undertake ERCC venue tests (Quarterly)		x	x	x	x
	Implement situational awareness capability		x	x	x	x
7. Business Continuity Management	BCM strategic BIA undertaken at Business Unit (BU) level	x		x		x
	Execution of BU BCM priorities (High priority plans)	x	x	x	x	x
	Execution of BU BCM priorities (Medium priority plans)		x	x	x	x
	ISO 22301 compliance maturity assessment			x		x
	ISO 22301 certification readiness review			x		x
8. Disaster Management	Establish group priority 1 disaster plans	x	x	x	x	x
	Establish site plans		x	x		x
	Establish local plans		x	x	x	
9. Simulation exercises	NP simulation exercises (1 annually)		x	x	x	x
10. Safeguarding	Annual resilience assessment (annual)	x	x	x	x	x
	Governance review for NP		x		x	x
	Development of a quality model for continuous improvement		x	x	x	x
	Undertake external review of resilience implementation (compliance and certification readiness)		x			x
11. Stakeholder management	Up-to-date stakeholder matrix and engagement plan	x	x	x	x	x
	Engagement with Project managers on-site implementation (one-on-one)	x	x	x	x	x
12. Training programme	Resilience training programme (review and continuous improvement)	x	x	x	x	x
	Develop and enhance in-house Corporate Resilience Management training capability	x	x	x	x	x

Our Operations

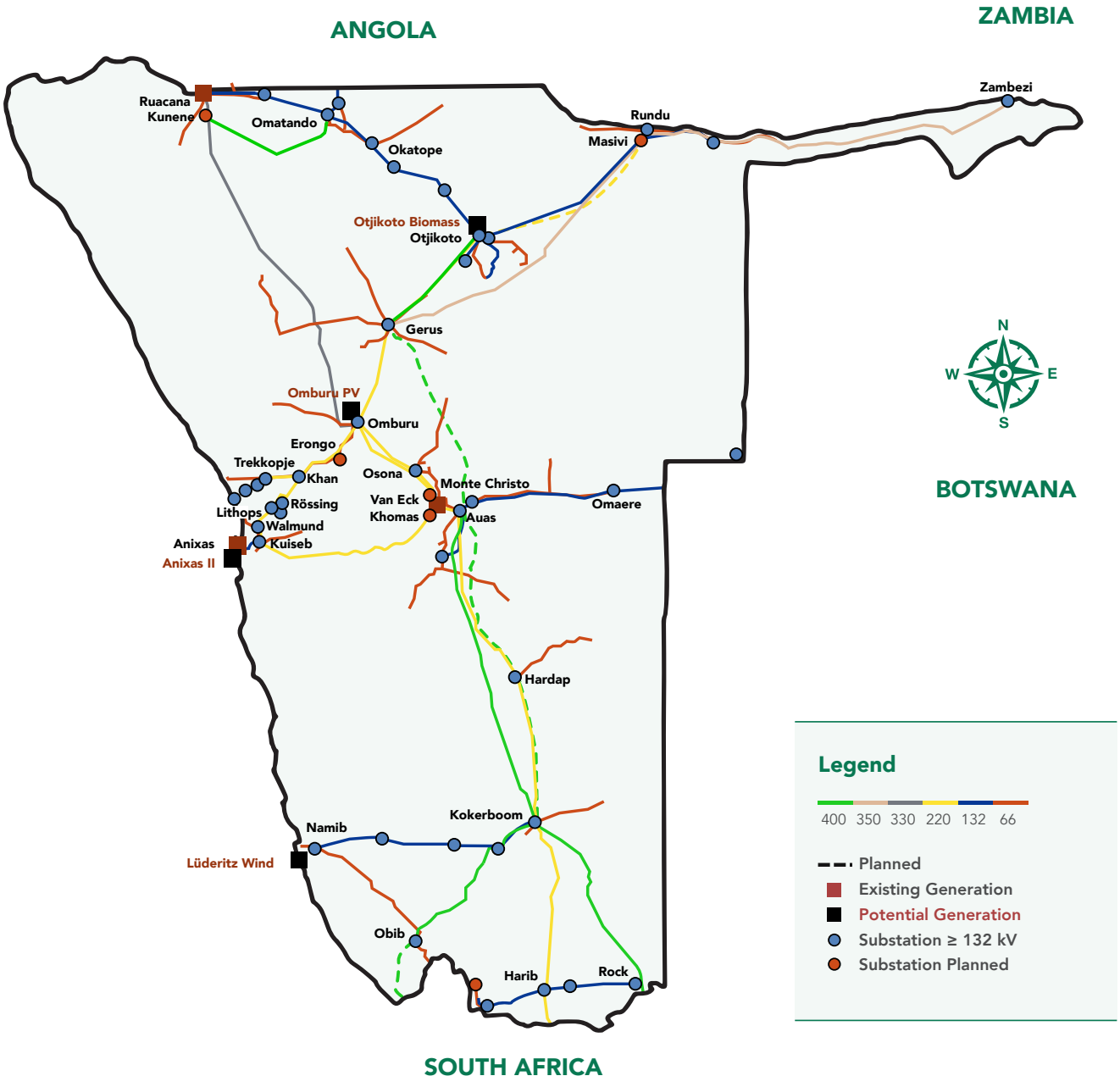


Figure 30: NamPower Operational Map

Approved By:

Hon Leon Jooste
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