

IMPACT REPORT



WILDERNESS

NAMIBIA



*A long history of
proud commitment
and positive impact*





ABOUT THIS REPORT

This report is produced in the wake of the Wilderness Group's celebration of its 40th anniversary. Operations in Namibia commenced more recently, with the opening in 1996 of Damaraland Camp, our first permanent operation in the country. The report is aimed at stakeholders in Namibia and intended to inform them about the role and impact of this business.

The data in this report relate primarily to subsidiaries in Namibia of Wilderness Holdings Limited (Botswana). It does not include data relating to the Wilderness Group and its operations in eight other countries.

For ease of understanding, the financial data in this report are stated in Namibian dollars, unadjusted for inflation. Considering the fact that inflation has run at relatively high levels over the 10-year review period, this means that the 10-year totals are considerably lower than they would be if restated in current NAD. Financials reported for the earlier years of the review period would be adjusted upwards by nearly 60% if adjusted to current NAD values.

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LETTER FROM THE GROUP CHIEF OPERATING OFFICER

2023 was a momentous year for Wilderness. Firstly, it was the 40th year of the Group's operations. Secondly, it was the first year since 2019 when we didn't expect to experience drag on results due to hangovers from the Covid-19 pandemic. Thirdly, the Group is well into the process of rolling out its new, more consumer-facing brand, following a re-visioning process carried out during 2022.

Closer to home, construction will commence soon on the long-overdue rebuild of Desert Rhino Camp in Damaraland. After 20 years, we have learned much about the area and the wildlife and our people are enthusiastic about the prospect of taking this camp to a new level. The relatively recent rebuilds of Serra Cafema and Little Kulala are also continuing to attract favourable reviews from guests and the travel trade.

After many years of effort, Wilderness Namibia was recently delighted to enter into a new concession which will result in us constructing a lodge in the western part of Etosha National Park. This new

facility will round out our Namibian circuit perfectly. The Wilderness Group is proud of what we have achieved in Namibia, over nearly 30 years of operations. Our network of camps stretches from the Kulalas in the Namib Desert, up through Damaraland, and to Serra Cafema on the Kunene River in the far north. These camps are serviced by our own airline, Wilderness Air, which moves guests, staff and supplies to our widely scattered camps. Nowhere else in the Wilderness Group does distance constitute such a factor in our operations, and the Air division plays an essential role in limiting this impact. Our well-established Travel Shop in Windhoek, supported by those in other countries, fills our beds and also makes a major contribution to the Namibian economy, and the industry, by also sending substantial volumes of business to our competitors.

This report details the impacts that the Wilderness business has had on the economy, the tourism industry, communities and conservation in the country over the last 10 years. There is a





tendency in our industry, in reports of this nature, to concentrate on hands-on interventions at community and protected area level. However, we believe this approach results in a focus on efforts to address the symptoms of development and conservation challenges, rather than on their causes. The causes are almost always human and mostly the result of reduced economic opportunity. Unless the national and local economies of these countries grow to satisfy the aspirations of their people, the challenges will persist. For these reasons, we believe that the wider suite of contributions to national and local economies, particularly payments made to protected area custodians for use of their land and resources, are as important as any that we make at community or protected area levels. This report reflects this belief in the need to develop these conservation economies, and therefore provides data that might otherwise not be considered relevant to an impact report in the conventional sense.

It is important, at this time, to pay tribute to the commitment to Wilderness Namibia, and the understanding that was so strongly displayed, by our guests, staff, suppliers, financiers and shareholders during the pandemic. We have weathered many storms during the long life of Wilderness, but the pandemic far exceeded all previous disturbances in the scale and severity of the impact. We were particularly humbled by how supportive our people were despite the uncertainty and long periods when we had to close our doors. Shoulder to shoulder we got through the worst of it and, for that, we say thank you.

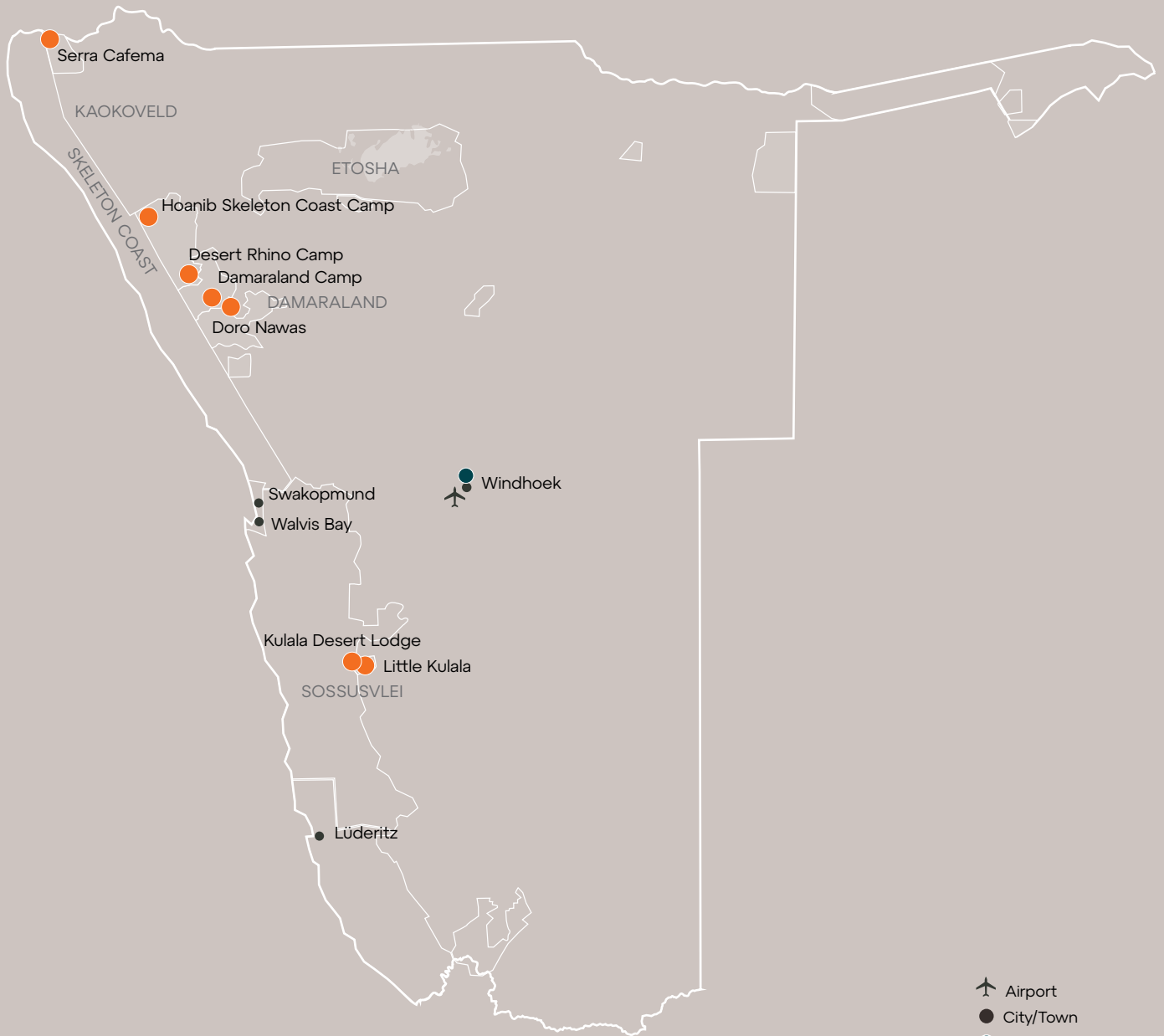
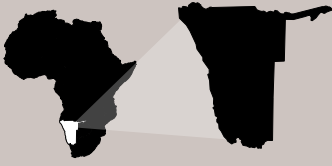
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Alexandra Margull
Group Chief Operating Officer

OUR FOOTPRINT



NAMIBIA



-  Airport
-  City/Town
-  Wilderness Office
-  Wilderness Camp
-  Partner Camp

OUR HISTORY

When the Company was formed in 1983, we commenced an exciting journey of discovery and learning. On this journey, we have reached numerous important business and impact milestones, the most important being illustrated here. We are particularly proud that many of these milestones have become precedents for the industry as a whole, and not just our own organisation.

Wilderness Safaris founded in Botswana

1983

Establishment of a tour operating business, the Namib Travel Shop

1987

Opening of Damaraland Camp in the Torra community area

1996

Commencement of operations in the Palmwag Concession

2002

Little Kulala is constructed and operations commence

2003

2003
Joint venture agreement signed with Marienfluss Conservancy

2002

Children in the Wilderness launched in Namibia

2000

Wilderness Trust formed

1995

Agreement with Torra community to create the first community joint venture lodge in Namibia

- Business milestones
- Sustainability milestones



Serra Cafema is constructed and operations commence

Desert Rhino Camp is constructed and operations commenced

2004

Signing of Concession Operator Contract for the Palmwag Concession

2012

Serra Cafema rebuilt, wholly solar powered

2018

World Travel Award for Africa's Leading Luxury Safari Company

2022

Doro Nawas joint venture camp opened

2005

Hoanib Skeleton Coast Camp is constructed and operations commenced

2014

Little Kulala rebuilt, powered fully by solar energy

2020

Group 40th anniversary
Voted among the Top 10 Best Safari Outfitters by Travel + Leisure

2023

2005

Memorandum of understanding entered into with Big 3 Conservancies (Anabeb, Sesfontein and Torra) regarding the Palmwag Concession

Torra Conservancy wins World Tourism Council's Tourism for Tomorrow award

2004

Torra Conservancy wins UNDP Equator Initiative for Biodiversity Conservation and Poverty Alleviation

Establishment of partnership with Save The Rhino Trust

2015

GEMS compliance target achieved, new 85% target set

2014

The first 100% solar power plant is commissioned

2011

Establishment of Group Environmental Management Standards (GEMS), target 80% compliance by 2016

NAMIBIA

AT A GLANCE

2014 TO 2023

For every NAD1 advanced to the business by its shareholders, Government has earned NAD2.47 and staff have been paid NAD6.56



35

years' operations in Namibia

7

camps in Namibia, nearly 200 guest beds

NAD0

dividends paid to shareholders

Area of influence

1.67

million hectares

nearly

110 000

guests hosted



NAD227

million paid to Government

more than

NAD58

million paid to communities

more than

NAD224

million invested in Namibia





1.5
persons employed
per guest bed

365
people employed

NAD1.4
billion spent in the local
economy on purchases of
goods and services

more than
NAD603
million paid to staff

NAD550
million paid to to third party
(competitor) products

NAD4
million philanthropic contributions



570
children have participated
in CITW programmes in
Wilderness camps

Up to
400
children participated in Eco-Clubs
annually

NAD 1.1
million in support to rural schools

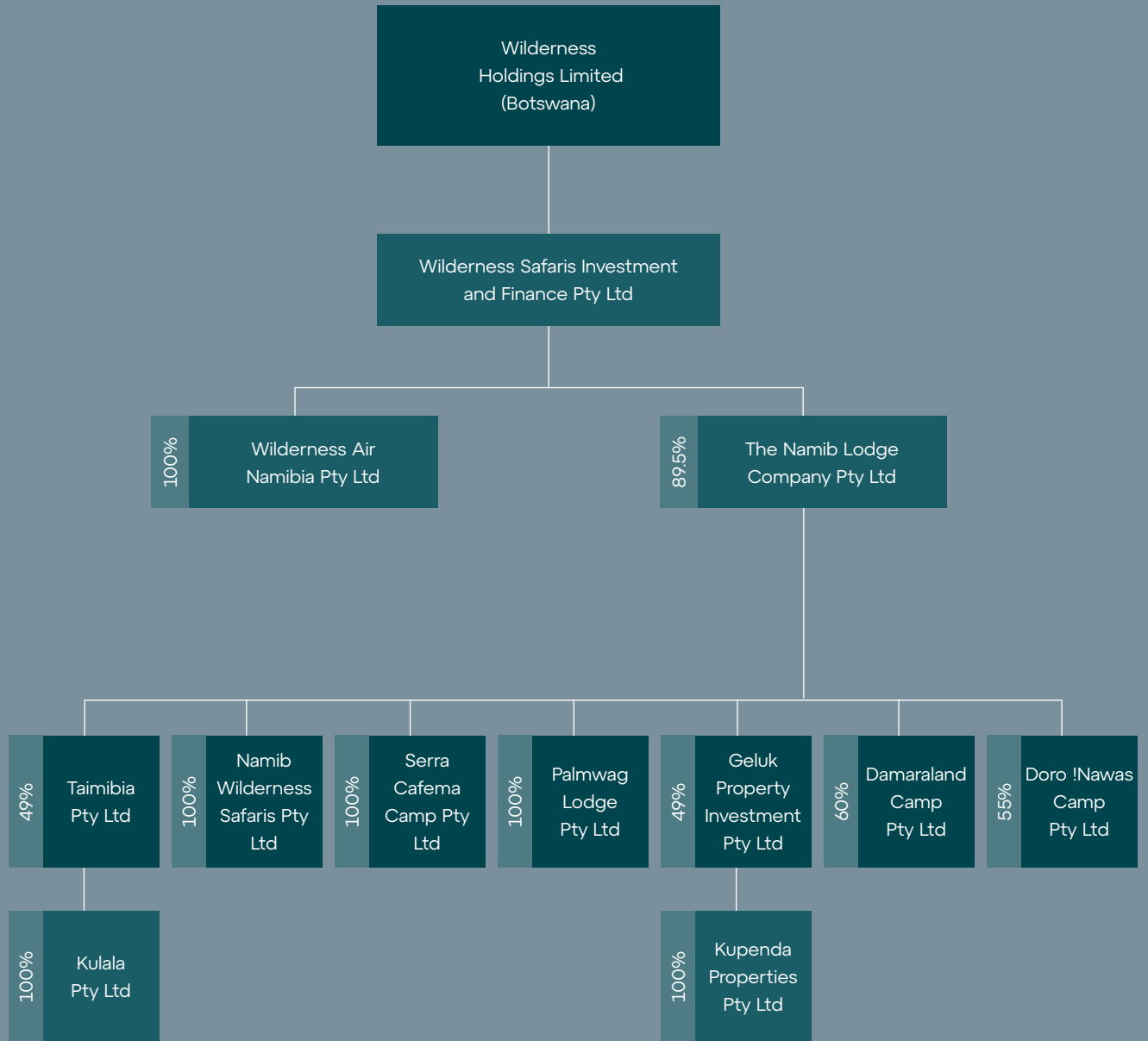
86%
compliance with Group
Environmental Minimum Standards

332 kW
installed solar generation capacity

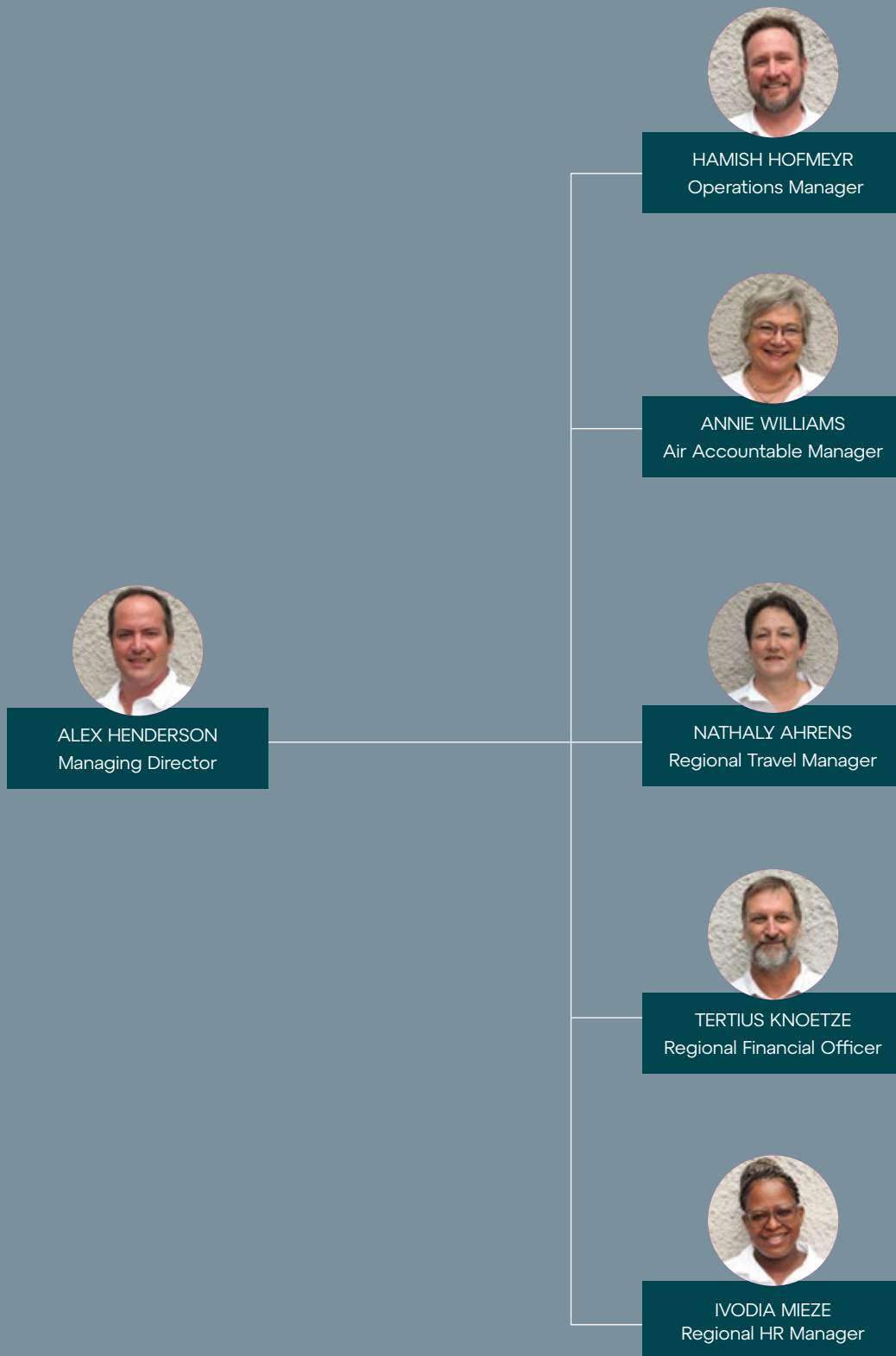
40
bursaries, worth NAD350,000,
awarded

NAMIBIA BUSINESS STRUCTURE

Wilderness Namibia is run through a network of Namibia-registered companies, of which The Namib Lodge Company Proprietary Limited is the main operating entity.



THE LEADERSHIP STRUCTURE







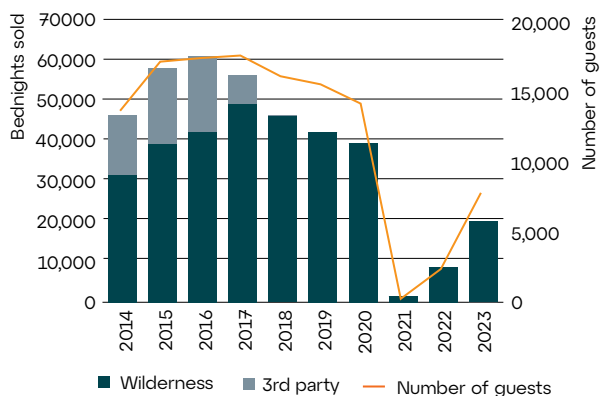
OVERVIEW OF THE WILDERNESS BUSINESS

Wilderness is now the largest business of its kind in Africa, with camp or tour operations in 11 countries in Africa, the USA and UK. It had its roots in Botswana in 1983, when Wilderness was one of the pioneers of the conservation tourism business, which has subsequently been replicated by many competitors the world over.

From humble beginnings in Botswana, Wilderness gradually expanded into the rest of southern Africa. Over time, it has evolved into a specialist luxury hospitality and conservation business. The Group now owns and operates 60 safari camps and lodges across Africa, as well as more than 25 aircraft, hosting nearly 40 000 guests per annum.

Of these, seven camps are in Namibia, hosting nearly 45 000 bed-nights per annum at the pre-Covid peak. The scale of the business in the country is illustrated by the following graph. Cumulatively, Wilderness has hosted nearly 110 000 guests, equating to more than 320 000 bed-nights, over the last 10 years. A further 60 000 bed-nights have been sold to third party products that we were managing at the time. The graph also illustrates the catastrophic impact that the Covid pandemic had on tourism and our business, with sales declining to less than 1 500 bed-nights in FY21 (calendar year 2020) and about 15% of normal in FY22. Had these been normal years, numbers of guests hosted would probably have exceeded 130 000, accounting for more than 400 000 bed-nights.

Figure 1: Bednights sold and guest numbers



*Wilderness has evolved
into a specialist
luxury hospitality and
conservation business*





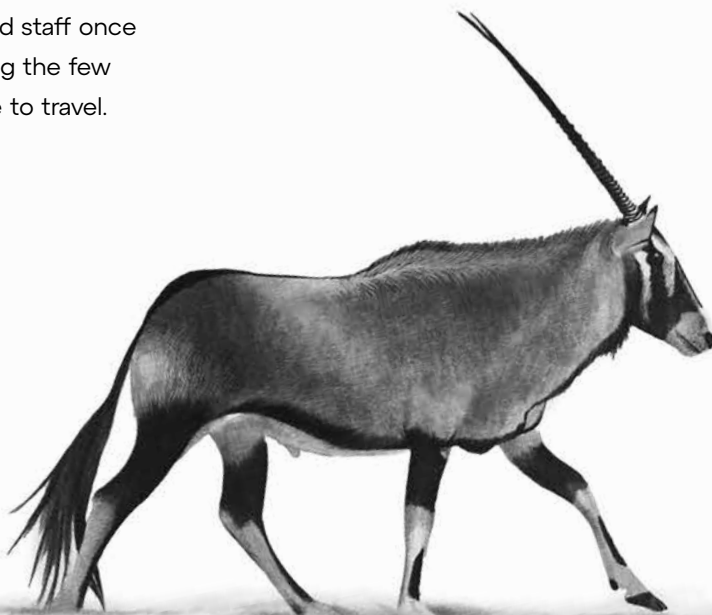
IMPACTS OF COVID ON WILDERNESS NAMIBIA

Although the 2020 Covid-19 pandemic is now largely behind us, it had such significant impacts on the business that it would be remiss not to briefly touch on the subject in this report. As has been shown above, the main impact was in the lack of visitors resulting from border closures and cancellation of international flights. These resulted in the sales of Wilderness Namibia slumping in FY21 and FY22 to 5% and 36% respectively of pre-Covid levels. No business can survive such dramatic reductions in incoming funds and so it was necessary for management to embark on a survival strategy aimed at preserving cash. The main elements of this strategy were:


- Deferring or cancelling all non-essential capital expenditure;
- Implementing significant cost-cutting measures across the business. In the first year of the pandemic we were able to cut costs by 66%. Sadly, these cost savings were in large part achieved by reducing staff salaries (our biggest single cost) and these pay cuts remained in force, at varying levels, for two years. Needless to say, this was very hard on our people;
- Negotiating with bankers to restructure debt facilities;
- Securing funding support from shareholders;
- Development of protocols and processes to minimise health risks to guests and staff once it became possible to start hosting the few tourists who were willing and able to travel.

Wilderness Namibia was fortunate to receive the support of staff, suppliers, shareholders and bankers during this difficult time. But reactions to the pandemic were not all defensive. The Group embarked upon aggressive efforts to re-engineer itself, particularly in regard to channels to the market, and these will stand the business in good stead into the future. The result is a more robust, diversified organisation, albeit one with reduced cash reserves and increased debt. FY23 has been a much better year, although occupancy rates are still below those enjoyed pre-Covid. Global supply chain constraints, the growing cost of fuel and other inflationary pressures also weighed on the recovery. As with some other countries in southern Africa, tourism to Namibia has still not recovered to pre-Covid levels and may not even achieve that in FY25.

The very serious impacts that the pandemic had on Wilderness Namibia and the industry are dramatically illustrated by many of the charts and graphs presented in this report, which show serious disruptions in FY21 and FY22.





A close-up photograph of an elephant's back and tail. The elephant's skin is a rich brown color and has a deeply wrinkled, textured appearance. The tail is visible on the left side, ending in a tuft of dark hair. The background is a soft, out-of-focus landscape with warm, golden light, suggesting a savanna or similar natural habitat. The overall mood is serene and majestic.

*“Without the
wilderness, there
is no Wilderness”*

IMPACTS ON CONSERVATION AND COMMUNITIES

Our business operates in remote, rural areas, on land set aside for conservation by Government and/or communities. These areas have few sustainable economic alternatives, and the communities also suffer from limited access to education, health care and basic utilities. These factors lead to heavy reliance on the environment and can be threats to biodiversity conservation. But these areas, and the people living in and around them, are the foundations of our business, and so our Impact Strategy is designed and implemented in an effort to provide promising opportunities and address key threats to biodiversity.





THREE PILLARS TO OUR IMPACT STRATEGY



EMPOWERMENT

Our business creates value for wilderness and wildlife. Employment and small business support and integration reduce reliance on natural resources;



EDUCATION

Improved education increases economic opportunity, family resilience and support for conservation;



PROTECTION

Human-wildlife co-existence and wildlife security programmes protect people from wildlife and wildlife from people.



EMPOWERMENT

The Empower pillar of our impact strategy encompasses our efforts to create a wildlife economy for the benefit of both conservation and people. These efforts and impacts occur at the level of the national and regional economies, as well as more locally.

IMPACTS ON THE ECONOMY OF NAMIBIA

Some of the more important indicators of the positive impacts resulting from Wilderness' operations on Namibia's economy, and on Government revenue, are discussed in this section.

Firstly, Wilderness and our guests pay Government for taxes, licenses and permits of various kinds. These have totalled NAD 227 million over the last 10 years, peaking at just over NAD 37 million, pre-Covid (see Figure 2). The impact of Covid can clearly be seen from the dip in the graph during FY21 and FY22.

It is critical to note that, over the same period, no dividends at all have been paid to shareholders (see

Figure 3). Instead, funding support (loans) has been received from shareholders in most of the years in question. All profits have been reinvested in the business.

Secondly, almost all of the turnover of the business is earned in hard, foreign currencies. The business, and indeed the industry, is thus an important generator of foreign exchange for the country.

Wilderness also makes significant purchases of goods and services from suppliers in Namibia. These have amounted to NAD 1.4 billion over the last 10 years, having exceeded NAD 170 million per annum in half of these years (Figure 4). Needless to say, all of these local suppliers employ staff, pay taxes, etc., adding to the multiplier effects down the value chain.

The levels of investment in Namibia by the group are illustrated by Figure 5 which shows capital expenditure in Namibia over the 10-year period. These have totalled more than NAD 224 million, having peaked at NAD 43 million in FY20 due to the rebuild of Little Kulala. The previous peak in FY18 was for the rebuild of Serra Cafema.



A notable further economic and industry impact arises from the fact that Wilderness Travel Shops in Namibia and elsewhere also make sales to third party (competitor) products in the country. The scale of these sales, and the dramatic growth achieved, are illustrated by Figure 6. Over the last 10 years, Wilderness Travel Shops around the world have made sales worth NAD 550 million to third party products in Namibia. In FY23 alone, these were worth NAD 68 million, but previous peaks in excess of NAD 90 million per annum were achieved in two years pre-Covid. It is worth restating that these sales are made to our competitors and that, as a result, we are major suppliers of business to them.

Figure 4: Purchases of goods and services from local suppliers

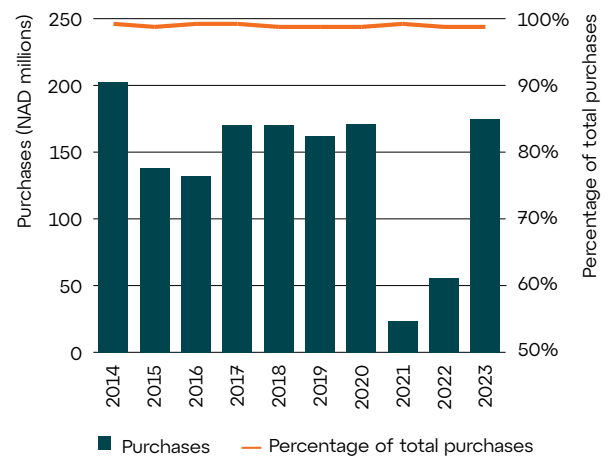


Figure 2: Payments to Government

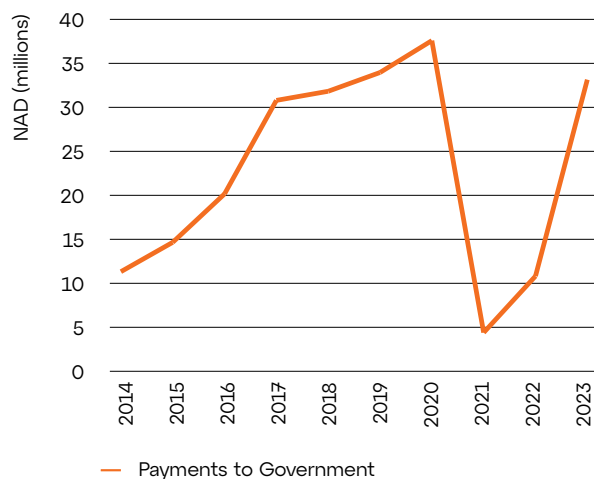


Figure 5: Capital expenditure

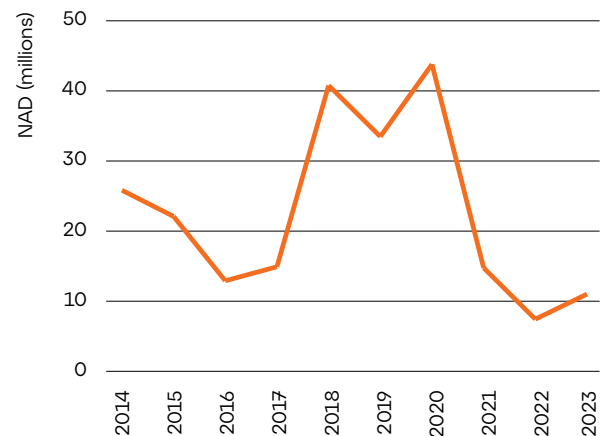


Figure 3: Payments to/from stakeholders

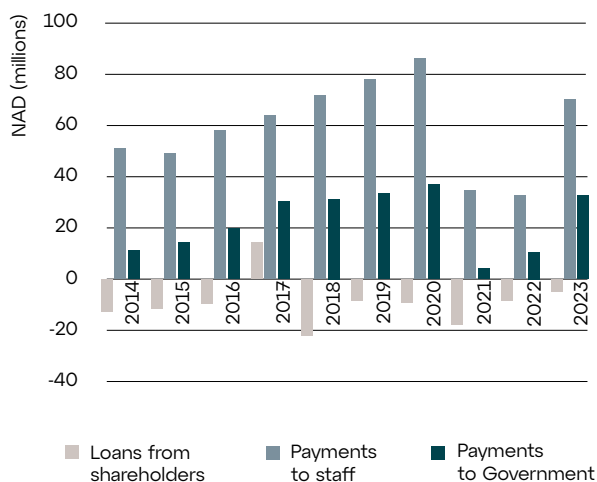
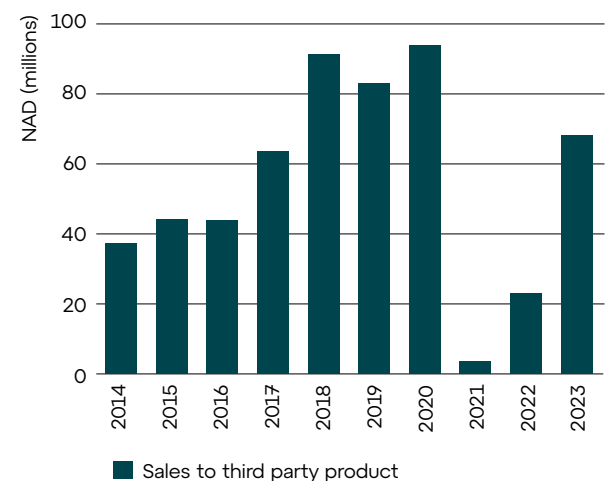


Figure 6: Wilderness group sales to third party product in Namibia



PAYMENTS TO COMMUNITIES

The various payments that we and our guests make to local communities, in accordance with business arrangements entered into with these communities, are amongst the most important contributions that we make to empowerment. The payments circulate in local economies and give the people access to levels of funding that would otherwise not exist. These funds can then be used by the communities for projects of their choosing. Most importantly, these payments create durable economic linkages with our neighbours and landlords.

These payments have amounted to more than NAD 58 million over the last 10 years. Pre-Covid, these amounted to approximately NAD 9 million per annum and this level was almost reached again in FY23.

EMPLOYMENT

The Wilderness Group employs 365 people in Namibia. Fewer than 10 of these are expatriates. One of the major economic advantages of our business is how employment-intensive it is. Over the last 10 years, Wilderness Namibia has employed an average of 1.5 staff members per guest bed. This high employment ratio is needed to provide the standards of service expected by guests visiting high-end lodges such as ours, and shows the importance of our high-value, low-volume tourism model, from an economic perspective (as well as the more obvious environmental perspective).

This point is further illustrated by Figure 9 which shows the relationship between the selling price of a camp and the number of staff per guest employed. There is a direct correlation between the two: the higher value the bed, the more staff that are required.

Employment of numbers of staff means payment of significant salary bills. Over the last 10 years, Wilderness Namibia has paid its staff NAD 603 million. Much of this cash has circulated in local economies, resulting in economic multiplier effects. Of course, such salary bills have also resulted in significant payroll tax revenue to Government: approximately NAD 10 million per annum in normal years and more than NAD 72 million over the last 10 years.

Figure 7: Payments to communities for concessions

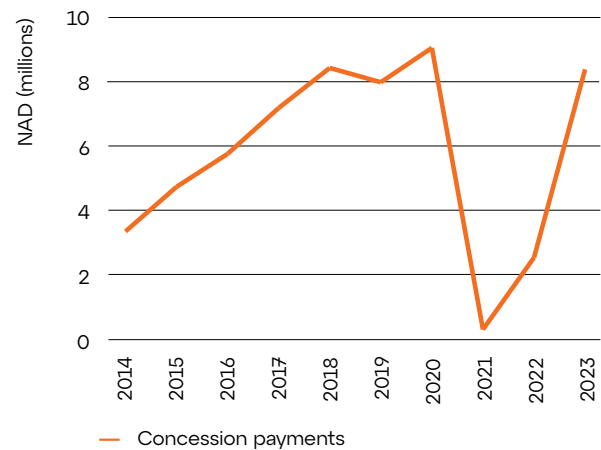


Figure 8: Headcount

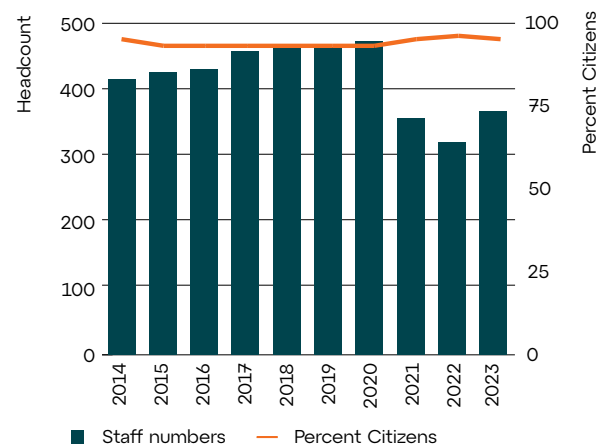
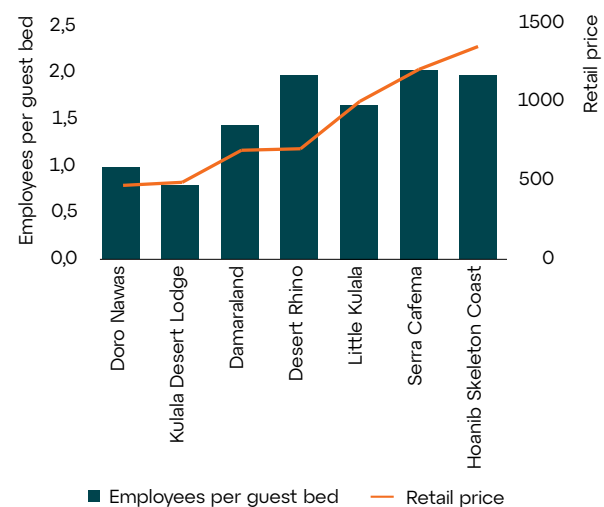


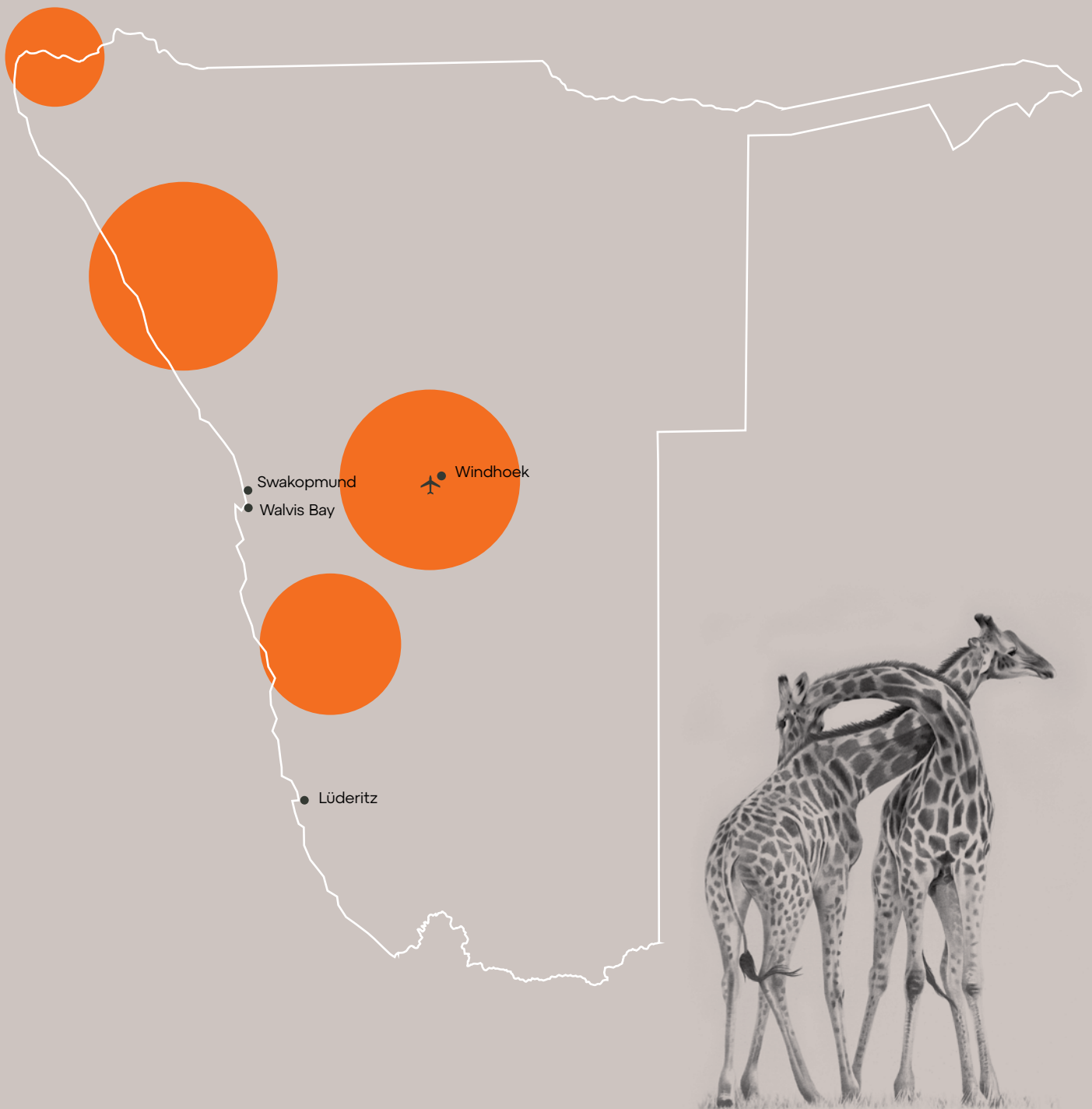
Figure 9: Relationship between camp selling price and number of staff employed



Another important point to note is that a large proportion of these jobs are created in remote rural areas with few economic or employment alternatives, as illustrated in the map below.

The training provided to these staff empowers them and is a focus of our Educate impact pillar.

Figure 10: Distribution of Wilderness jobs in Namibia



PHILANTHROPIC CONTRIBUTIONS

In addition to the business and employment relationships with our staff and communities, we and our guests and other partners also make various philanthropic contributions to the communities with which we work. The most important of these are in the field of education, which is the subject of its own Impact pillar, discussed in the next section. But many others are also made, depending on the needs of the communities and the funding available.

The most notable of these recent contributions was in the form of food relief distributed to needy members of local communities most badly affected by the impacts of the pandemic on the economy. As tourism was one of the industries most impacted, our neighbouring communities really struggled. Using funds donated by the Wilderness Group Chairman's personal foundation, as well as other valued supporters, we used our logistical base and staff resources to purchase and distribute more than 2 540 parcels, totalling 65 tonnes of food. The cost of this food was NAD 2.16 million, but this cost does not include the in-kind contributions of staff time and transport, storage etc. These distributions were made in accordance with the wishes of community leadership. It is estimated that this support reached more than 10 000 people.

Examples of other community development initiatives and projects (aside from those in education, see next section) supported by

Wilderness over the last few years include:

- With the support of a number of donors and other stakeholders, Wilderness donated a fully fitted mobile clinic worth NAD 1.5 million to the Namibian Ministry of Health and Social Services. This was installed at Otjinungua for the benefit of communities living in and around the Marienfluss Conservancy. Prior to this, the nearest health facility was at Opuwo, roughly 325 km distant. Given the lack of transport in the area, this meant that these communities effectively did not have access to even the most basic health care facilities;
- Installation of a solar water pump for the Otjinungua community whose members have been fetching water from the crocodile-prone Kunene River since the inception of the village. There have been a number of incidents over time and Wilderness intervened to prevent further recurrences;
- With the devastating drought in Kunene Region that killed most of the cattle belonging to the Himba people here, we are slowly restocking using guests' donations with a more climate-resilient option. The community members derive the same benefits as they did from cattle rearing, namely meat, hides and milk.

The value of the above projects is nearly NAD 4 million.





Distributed more than 2 540 parcels, totalling 65 tonnes, of food

Ensuring conservation through support to education, particularly on environmental matters, as well as leadership development, for rural children

EDUCATION

There are two main arms to the Educate pillar: Children in the Wilderness, and; Training given to our own staff.

CHILDREN IN THE WILDERNESS

The Wilderness group is justly proud of the Children in the Wilderness (CITW) programme, as implemented in Namibia. This has been running for 20 years, in five countries. CITW is Wilderness' environmental and life skills education programme. It aims to ensure conservation through support to education, particularly on environmental matters, as well as leadership development, for rural children. The programme focuses on children in school or recent school-leavers. It thus addresses the next generation of decision-makers, inspiring them to care for their natural heritage and to become the custodians of these areas in the future. For more information on the CITW programme elements presented below, please see www.childreninthewilderness.com.

Children in the Wilderness (CITW) is implemented by the business, which has to date provided a variety of in-kind as well as monetary support:

- CITW staff salaries are funded by Wilderness, which also provides office space for CITW staff, logistical and administrative support, etc.;
- Additional funds for CITW have been raised through a variety of mechanisms including guest donations and support through various other grants, including from the Wilderness Trust and other partners;
- All subscriptions to the Wilderness Members' Club are donated to CITW.

It has recently been agreed that, with effect from FY24, all operating costs of the core CITW programmes will be funded by the Wilderness business.

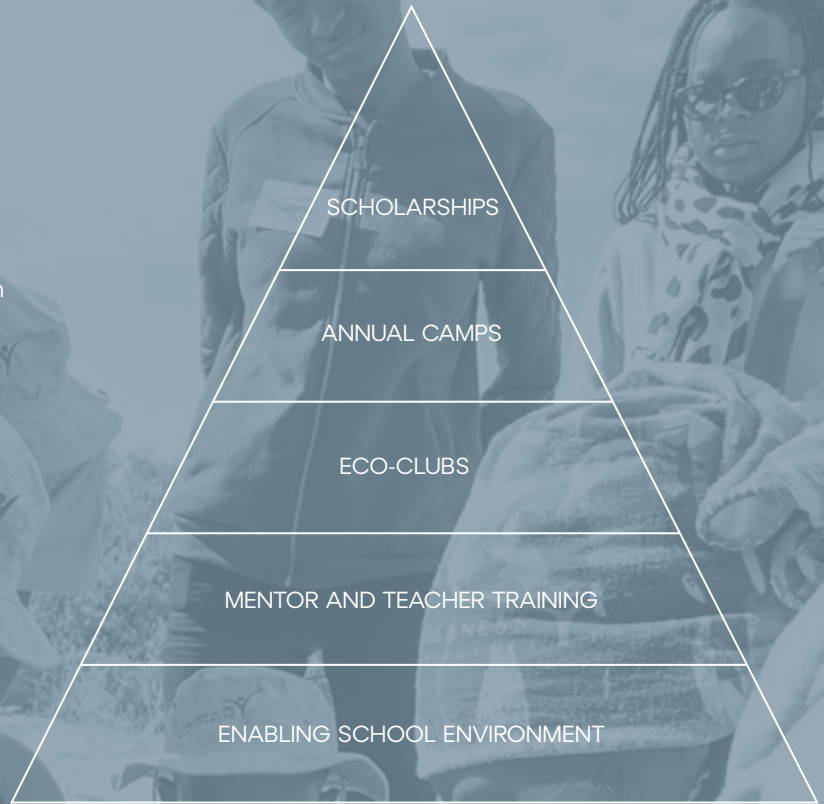
Historically, the programme was based on the annual camps conducted in our camps, closed to paying guests for the occasion. But this focus was subsequently changed to the Eco-Clubs, which enable us to reach a much larger number of children. Since the change in focus, up to 400 children have participated each year in these clubs in 10 to 15 rural schools. A further 569 children have also attended 18 annual camps over the last 10 years. The camps were brought to a halt by Covid but were resurrected during FY23.





CITW PROGRAMME STRUCTURE

The structure of the programme is multi-faceted, with five levels proceeding from foundations up through a pyramid:



Scholarships and bursaries are another major feature of the Educate pillar in Namibia. Figure 13 shows the remarkable statistics relating to this short-lived programme element. 40 bursaries, to the value NAD350 000, have been awarded to deserving and needy students from local communities.

Figure 11: CITW school engagements

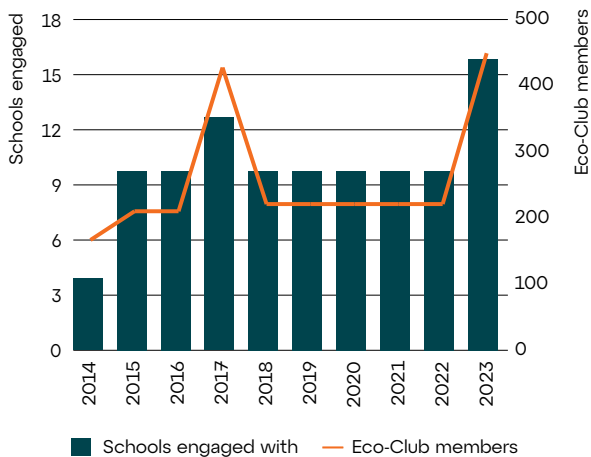


Figure 12: CITW camps

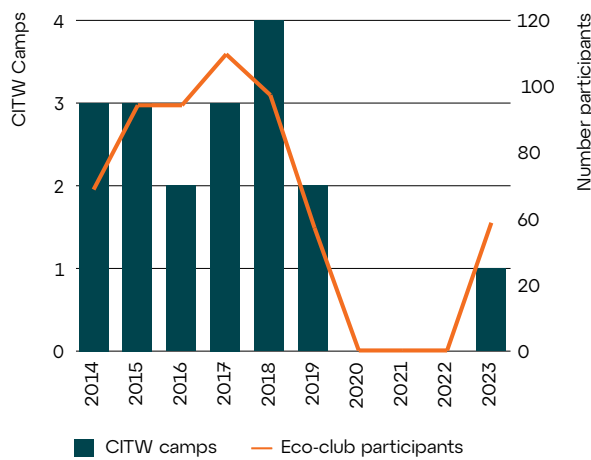
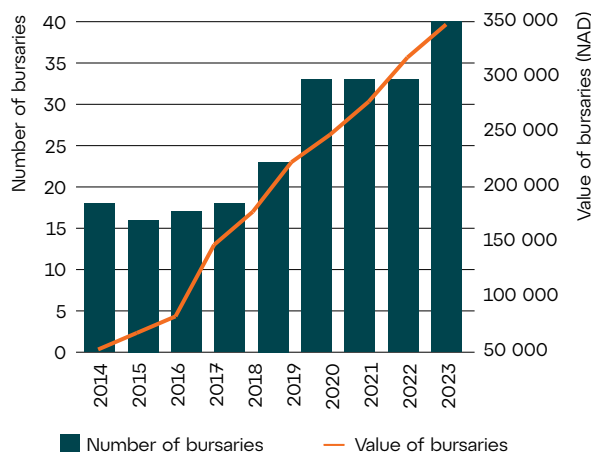


Figure 13: Bursaries



Our close relationship with these communities that results from the CITW core programme leads to opportunities to provide other assistance. Examples of recent such interventions include:

- Okaepe Project School is 54 kilometres east of Okakarara and was established in 2002 to educate marginalised San and Herero children in the area. The school teaches students from pre-primary to Grade 7. Through Children in the Wilderness, the school received a large dining hall/library with funds (NAD 600 000) donated by the US-based Kickin Back Organisation. This generous donor has been supporting CITW since 2016;
- Otjinungua Mobile School in Marienfluss Conservancy is not yet fully on Government's budget and is therefore provided with food that can only offer one meal per day for the children. At times there are delays with food supplied, which forces the school to close until food is delivered. With generous support from PE Minerals (Pty) Ltd., a local company eager to help as part of its corporate social responsibility programme, CITW has been supplementing the meals for the school since the start of last year;
- Also, with support from the Kickin Back Organization, CITW supplied Warmquelle Primary School with a containerised library where the children at the school now enjoy a three-hour study session for their school reading club, exams and homework completion;
- In line with Sustainable Development Goals (SDGs) 2 and 3, the AU's Agenda 2036 and the Namibian Government's Vision 2030, CITW has decided to implement eco-gardens from which vulnerable learners at each school can have one warm meal per day. They can also practically apply the relevant science subjects to the garden to embed their learnings.

The value of these interventions exceeds NAD 1.1 million.

STAFF TRAINING

The Namibia Training Department, established some years back, has empowered and trained countless employees in the country through various in-house and outsourced training facilities and departments. The Wilderness training programmes align with Namibia Training Authority (NTA) standards, and ensure employees are equipped with the knowledge and soft skills to perform their duties to the highest of standards. It also provides personal development for career growth. This is essential to remain competitive and also to boost employee morale and motivation.

For the core of the business, which is in our lodges, staff involved in junior, middle and senior roles undergo annual training in the following fields:

- Hospitality;
- Lodge management;
- Guiding;
- Food experience.

HOSPITALITY

After induction training, junior staff such as housekeeping, front of house and back of house receive regular year-round training. Training needs are determined through guest feedback, trend analysis reports, service and standards audits, and individual skills assessments. This is an ongoing cycle. Training platforms like Lobster Ink and the online Beverage Intelligence University are used, in addition to in-person training by internal and external facilitators.

LODGE MANAGEMENT

In 2016 Wilderness introduced an Emerging Managers training programme. The goal of the 12-month programme is to provide practical and intense hands-on training to citizens who show great potential but do not have the relevant skills or experience to assume an assistant managerial role. In total, nine Namibian employees have successfully completed this programme and are in management positions, either within Wilderness or with other companies. A new management development programme is in the pipeline for the near future, with the recruitment of a dedicated management trainer.

Further to this, lodge managers are assisted by the Operations Manager, Hospitality Support Manager and Area Managers on any training needs. They are also included in all department-specific trainings with the junior staff to build their knowledge and skill-sets in all facets

GUIDING

Namibian guides receive continuous in-person practical and theory training, conducted by a dedicated guide trainer and experts in the field. Sharing of experiences and constant support enable guides to reach their full potential and ensure they are the best in their field.

All guides have obtained some level of NATH (Namibia Academy for Tourism & Hospitality) National Guide qualifications, and the opportunity to obtain a Field Guides Association of Southern Africa (FGASA) Apprentice Field Guide qualification is included in a newly established guides' development programme. Internationally recognised qualifications like FGASA serve to raise the standard of guiding as a whole across the country.

FOOD EXPERIENCE

Focused chef and food and beverage training by our dedicated trainers has developed employees with little to no culinary skills into positions of Head Chefs or F&B Managers. Training by external food consultants on our extended food offering, and the latest addition of plant-based offerings, has ensured that our kitchens serve meals according to the highest standards. Our Chef Development Programme assists chefs to obtain Recognition of Prior Learning (RPL) qualifications and formal culinary qualifications in order to maintain our service offering at the highest standards in the industry, and leading the high-end tourism experience in Namibia.

Through consistent training and implementation of our programmes in all areas of the business, we aim to encourage self-development and growth by offering a camp rotation incentive. This ensures that employees experience various aspects of the business, enabling them to grow to their full potential. In addition, our guests reap the rewards of this comprehensive training.





The quality of our tourism products, and the sustainability and prosperity of our business, are dependent upon the quality of the habitats and wildlife resources upon which they depend



PROTECTION

In Namibia, Wilderness is privileged to have exclusive access to 1.64 million hectares of community-owned concessions. The enormous size of these concessions is a function of the extremely arid conditions existing in the desert or semi-desert biomes concerned, which dramatically reduce the wildlife densities and visitor capacities that can sustainably be carried. In addition, the business has access to property in the Namib. Altogether, this gives the group an operating footprint of 1.67 million hectares, which equates to an extraordinarily low density of 8 422 hectares per guest bed. Finally, our operations also make use of and access the Namib-Naukluft and Skeleton Coast national parks. These parks are part of a unique system in that Namibia is the only country on Earth in which virtually the entire coastline, from the Orange River in the south, to the Kunene in the north, is designated as national parks.



Namibia has a long history of conservation both within and outside its network of formal protected areas. Roughly 38% of Namibia’s land surface comprises communal lands, which all fall outside of formal protected wildlife areas. On these communal lands, an innovative community-based natural resource management (CBNRM) programme was established in the 1990s by the Government, with support from non-government organisations. The programme has been used as a mechanism to improve conservation and local livelihoods by devolving benefits from, and management rights of wildlife back to, local residents through what is known as the Conservancy model.

The communal wildlife areas that Wilderness currently operate in represent areas with extremely high conservation value for both Namibia and the southern African region. These areas represent core habitats and movement corridors for highly adapted desert-dwelling wildlife species such as lions, hyena, elephant and rhino. The Critically Endangered black rhinoceros (*Diceros bicornis*), an iconic large African mammal, has experienced a 97% population decline since 1970. Namibia currently supports one-third of the global black rhinoceros population and the free-ranging sub-population persisting in the north-west communal rangelands of the Kunene region is recognised by the IUCN African Rhino Specialist Group as a Key 1 population. It represents the last substantial population of any species of rhinoceros outside of a protected area.

The Protect pillar of our Impact strategy is predicated on the reality that the quality of our tourism products, and the sustainability and prosperity of our business, are dependent upon the quality of the habitats and wildlife resources upon which they depend. Anything that we do that undermines the quality of these resources, undermines our business. Conversely, anything that we do that enhances these resources, improves our business: so we have a clear incentive to protect these resources. We do this through three main mechanisms:

- Paying a fair price for use of our concessions and the national parks, as well as the wildlife resources therein;

- Group Environmental Management Systems (GEMS);
- Conservation and research interventions intended to improve the quality of the ecosystems.

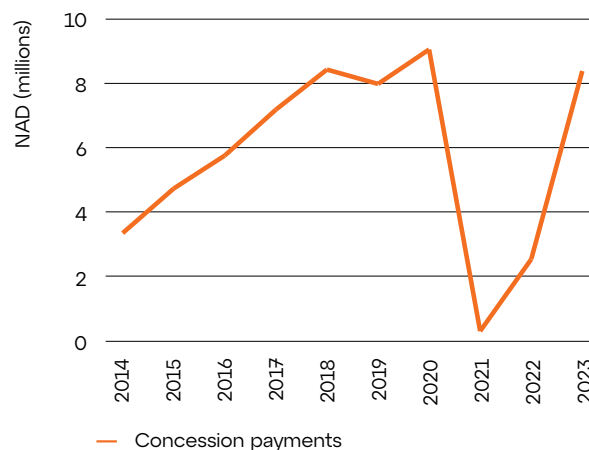
CONCESSION AND OTHER PAYMENTS

The single most important contribution that Wilderness makes to conservation (and development) arises from the payments that we make to communities and Government for the use of our leaseholds and concessions and national parks, as well as the wildlife living in these protected areas. These payments take the form of lease and park fees paid for or by the visitors. The payments are important because they provide communities with the incentive to maintain the land under wildlife. They also help to offset the costs incurred in running these concessions and parks. Finally, these payments create incentives to expand areas kept under conservation.

The scale and the quantum of these payments is illustrated by the Figure 14..

These payments have totalled more than NAD 64 million over the last 10 years. The payments declined significantly during the pandemic but in FY23 returned to the pre-Covid level of more than NAD 9 million per annum. (Note that these payments include those made to communities as noted on page 24.)

Figure 14: Concession payments



GROUP ENVIRONMENTAL MANAGEMENT SYSTEMS (GEMS)

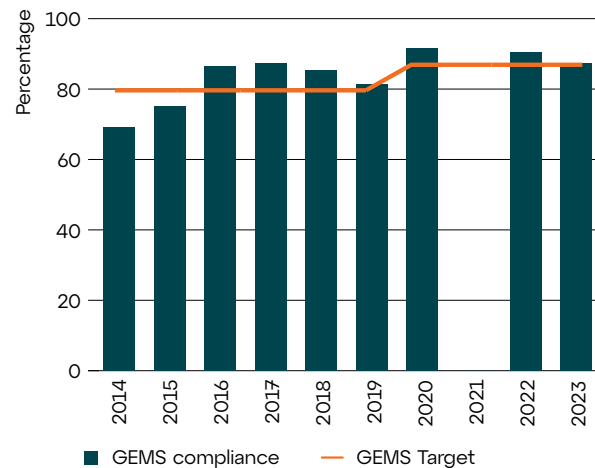
The purpose of our GEMS is to minimise any negative impacts on the environment that might arise from our operations, since these would undermine the quality of our products and ultimately harm the business. We established Group Environmental Minimum Standards (GEMS) for our camps in order to attain and maintain the high standards that differentiate us from our competitors. These are modelled on local, regional and international regulations and, thus, compliance with our own standards ensures that we are also meeting national requirements. The GEMS provide a structured framework by which our camps are developed, operated and, if required, ultimately decommissioned.

Camp management and operations staff, as well as contractors employed during new builds and refurbishments, are required to use the GEMS as an operating guide and the minimum standard. The GEMS are updated regularly to ensure that we are utilising the latest suitable and sustainable technologies and adhering to best practice.

In order to maintain the environmental integrity of our camps, we evaluate their performance against the GEMS bi-annually. These assessments allow us to measure our camps according to the same standards and help direct our efforts in instances where camps are not performing as they should. The current group goal is to achieve 85% GEMS compliance in all camps. Our performance against these targets is shown by the following graph. The Namibian business has exceeded target in all years, bar one, since FY16. The gap shown for FY21 is the result of the pandemic which resulted in most camps being closed. It also meant that Impact staff were not able to visit the camps to perform the assessments.

We are pleased with the results of these assessments and will continue to ensure that these are done comprehensively and to the highest standards.

Figure 15: GEMS scores for camps



Two aspects of our GEMS warrant specific focus:

- Energy use and carbon emissions;
- Use of bottled water.

ENERGY USE AND CARBON EMISSIONS

Wilderness has been focusing on improving energy efficiency, and reducing carbon emissions, for more than a decade. In Namibia, one of our camps is connected with the national grid, which is in large part hydro-powered, so this has been a lower priority. Three camps are wholly solar-powered and a further three operate on hybrid systems, which use solar power during the day and backup diesel generators at night (Figure 16).

The growth in installed solar generation capacity is shown by Figure 17. The current total installed capacity is 332 kW. The new Desert Rhino Camp, to be built during 2024, will be wholly solar-powered.

These increasing investments in renewable energy have resulted in a significant reduction in the proportion of total carbon emissions from the business resulting from generators (Figure 18).

The single biggest causes of carbon emissions from the business are now aircraft and vehicles, as illustrated by Figure 19. The noteworthy proportion attributable to aircraft arises from the very significant distances in Namibia.

Unfortunately, although advances have been made in the development of renewable energy for aircraft,



Figure 16: Camp power systems

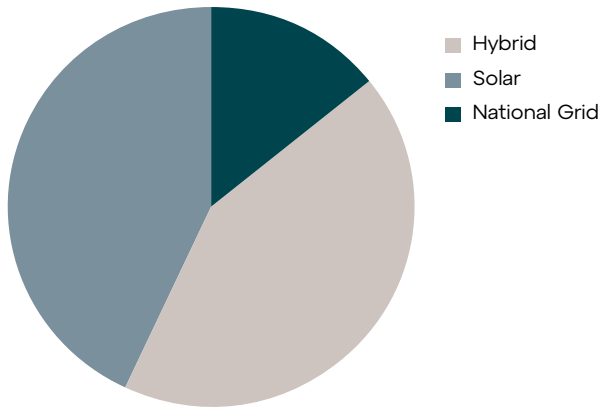


Figure 18: Proportion of total carbon emissions derived from generators

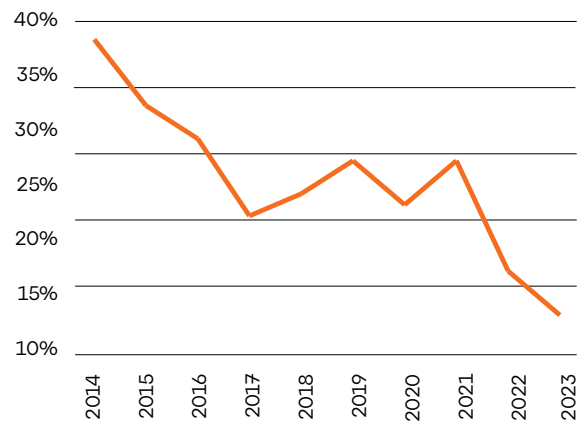


Figure 17: Installed solar power generation

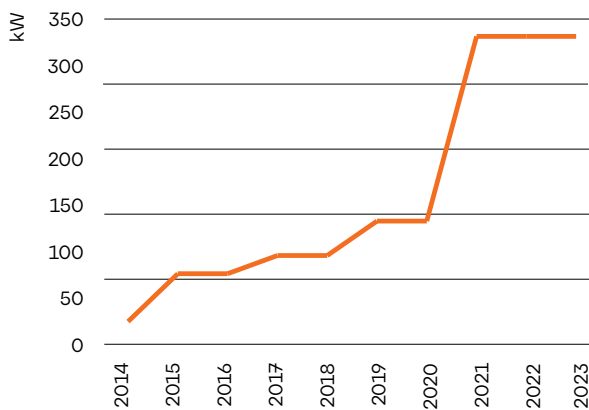
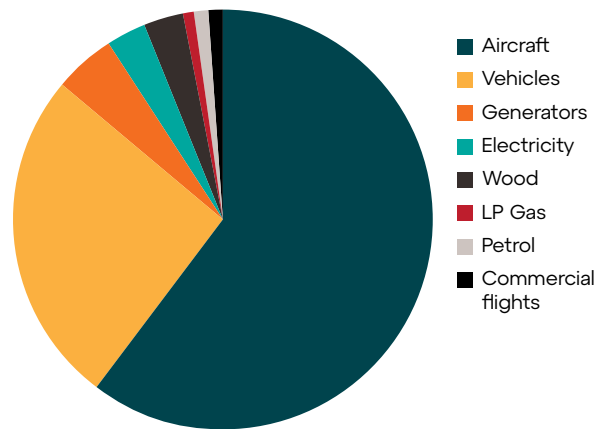


Figure 19: Operational CO₂ emissions



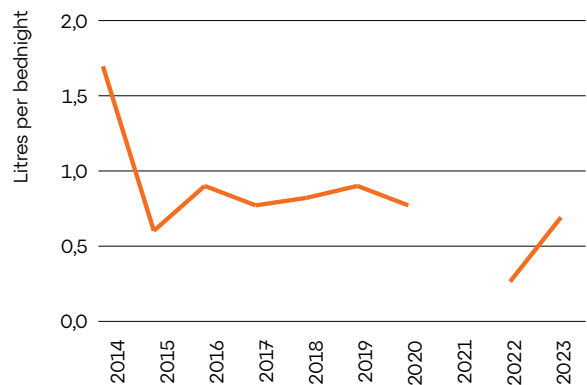
these are not yet ready for application in Namibia. The significant distances mean that battery power will not be practical for the foreseeable.

The weight of these and the distances and difficult driving conditions mean that the batteries are also not yet practical. Although this technology is moving fast, it seems probable that for our business they will be overtaken by hydrogen fuel cells. Even this is still a couple of years off, even more so in the case of aircraft.

USE OF BOTTLED WATER

This is another area in which we have made great progress in recent years. Historically, guests expected to be given bottled water and this resulted in large amounts being trucked into camps with resultant major costs, carbon emissions in the production and transport of the bottles and plastic waste. In response, reverse osmosis filters

Figure 20: Bottled water consumption



were installed in all camps and guests actively discouraged from using bottled water. This is reflected in the important reductions in the use of bottled water shown in figure 20.



BIODIVERSITY INTERVENTIONS

In addition to the payments made for use of concessions and wildlife, we and our guests also make contributions to various conservation initiatives. These sadly were forced to contract significantly as a result of the pandemic, and the flow of funds from the business and guests will only recommence once the operations and profits return to normal.

Nonetheless, Wilderness in Namibia has already made significant investments in biodiversity conservation, some of this funded by guest donations:

- Over the past 10 years, Wilderness has co-ordinated and executed aerial anti-poaching patrols in the black rhino areas in Damaraland, and have also been part of the de-horning programme in this area. These patrols are a

joint effort involving Save the Rhino Trust, the Namibian Police Force and Ministry of Environment, Forestry and Tourism, and have been particularly active during periods when there is a low security staff presence on the ground. Veterinary care of the rhino was administered as needed and equipment costs, aircraft, pilot and drugs were provided by Wilderness and MEFT (Ministry of Environment, Forestry and Tourism). Running concurrently with this programme was a vaccination programme whereby dogs and pets of the SRT staff were attended to and fell under the name of “we look after the pets of the people who look after the rhino”. These operations are a one of a kind in this area and have made a significant difference to rhino security in Damaraland;





- For approximately 20 years, we have supported the anti-poaching operations of Save the Rhino Trust (SRT) in north-western Namibia. Situated within the 583 000 hectare Palmwag Concession, Desert Rhino Camp is the result of an impactful partnership between Wilderness, SRT and the “Big 3” Namibian conservancies: Anabeb, Sesfontein and Torra. The camp’s core purpose is to ensure the survival of this iconic species, with guests directly impacting rhino conservation through their journeys. The camp serves as a base for one of SRT’s tracking and monitoring teams, with the operational costs covered by Wilderness. SRT is responsible for leading all rhino tracking and monitoring activities, while ensuring monitoring and threat data are collected, processed and secured. In addition to generating the largest, longest-running black rhino database in the world, the partnership has also enabled SRT to successfully increase its monitoring range by 20% – at zero extra cost to the organisation. This support is ongoing;
- In order to help conserve lion and brown hyena, both keystone desert-adapted species of the Kunene Region, vital support has been given to the Desert Lion Conservation Trust and the Skeleton Coast Brown Hyena Project to help alleviate human-wildlife conflict, conduct essential research and monitoring, and implement management plans for these predator populations. The Skeleton Coast Brown Hyaena Project is the first official density survey for brown hyenas in Namibia’s Skeleton Coast National Park, in collaboration with the Ministry of Environment, Forestry and Tourism. The Desert Lion Conservation Project aims to learn more about this unique lion population and assist local communities with conflicts whenever and wherever they occur;



- The Desert Elephant Conservation Study is another long-term research project supported by Wilderness. The objectives of this group are to research, monitor and count the elephant populations of the Uniab, Hoarusib and Hoanib regions. This research and population monitoring work has revealed the profound influence that human-caused mortality has had on this elephant population. This work has also emphasised the critical importance of the Wilderness Hoanib Skeleton Coast Camp borehole in the provision of valuable drinking opportunities for the resident breeding herd of elephants in this region. The work also showed the clear benefits that our camp provides for these herds through the additional “eyes on the ground” that the tour operators provide in monitoring elephant wellbeing;
- Little Kulala is itself a conservation success story for Wilderness. In opening the first camp in 1996, the company took to initially rehabilitating 9 000 hectares of degraded small-stock farmland to an area where endemic desert fauna and flora could thrive once again. The landscape here is very sensitive to disturbance and why responsible low-impact ecotourism has gone a long way in aiding its preservation. Today, the Kulala Wilderness Reserve encompasses 30 015 hectares and is, after years of dedicated biodiversity conservation, once again home to a range of fascinating arid-adapted and specialised wildlife.



GOVERNANCE AND COMPLIANCE

The financial statements of all companies across the Wilderness Group are audited annually by independent auditors, currently mainly PwC, but formerly mainly Deloitte & Touche. All companies have received clean audit opinions.

All tax affairs are conducted scrupulously in accordance with the legislation and all taxes are paid up to date. All relevant returns have been submitted.



HOW CAN YOU CONTRIBUTE?

If you would like to donate to assist with Wilderness Namibia's impact activities, please follow the link below:

empowersafrica.org/partners/wilderness-wildlife-trust/

For donations specific to our Children in the Wilderness programme, please follow this link:

empowersafrica.org/partners/children-in-the-wilderness/



WILDERNESS NAMIBIA AND THE SUSTAINABLE DEVELOPMENT GOALS



End poverty in all its forms everywhere

Wilderness employs more than 350 people. Many of these are employed in remote rural areas where there are few other economic activities and employment alternatives. Our research also shows that each employee supports an average of nearly eight family members, which means that our activities are directly impacting the lives of nearly 3 000 people. Salaries paid to these staff improve their lives and also circulate in local economies, creating multiplier effects. We are also committed to incorporating rural and community businesses into our supply chain and thus ensure that a larger proportion of our value chain is created locally. Much more can be achieved in this regard.



End hunger, achieve food security and improved nutrition and promote sustainable agriculture

The poverty reduction measures outlined under SDG 1 make a material contribution to improving community livelihoods and eliminating any malnutrition in the regions in which we operate. All staff working in camps are supplied with nutritionally balanced meals for the duration of their stay/s in camps. A number of nutrition programmes and vegetable garden projects have been implemented and supported, either through Children in the Wilderness or the community outreach programmes. 2 540 food aid parcels were distributed to needy communities during the pandemic, benefitting more than 10 000 people



Ensure healthy lives and promote wellbeing for all at all ages

All staff and their dependents have access to medical insurance. In addition, preventative health care and wellbeing programmes for all staff are operated. In particular, we continue with efforts to educate staff about the dangers of HIV/AIDS and avoiding infection. For those staff that are infected, we support their efforts to obtain anti-retrovirals and to manage their health. We also work to identify any injury and or health risks existing in the workplace, eliminate or mitigate these as far as possible, and educate staff as to any residual risks. A number of initiatives of community development programmes, as well as Children in the Wilderness, work to improve awareness and health in the community areas in which we operate.



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Comprehensive training programmes are in place for staff at all levels, and all facets, of the organisation. Children in the Wilderness, working through Eco-Clubs and CITW camps, addresses education and learning opportunities for our neighbour communities.



Achieve gender equality and empower all women and girls

Discrimination of any kind, including gender discrimination, is forbidden in the Group.



Ensure availability and sustainable management of water and sanitation for all

All guests and staff are provided safe drinking water.
All staff housing incorporates suitable ablutions for staff.
Water-saving technologies are employed.



Ensure access to affordable, reliable, sustainable and modern energy for all

Energy-saving technologies are employed in camps and offices.
Most of our camps employ renewable energy of various kinds to provide power for operations.



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

The Wilderness business model is all about sustainable tourism and employment creation, in remote rural areas where few alternative economic activities are possible. By operating a successful business, we are able to empower local communities and help to conserve Namibia's wilderness areas for future generations to enjoy.
We actively work to improve the quality of the ecosystems and the wildlife populations based upon them, since this improves our business. Conversely, any activities that undermine ecosystems also undermine our business and so we actively work to prevent this.
Our employment is labour-intensive and provides opportunities to unskilled workers coming from poor rural communities.



Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation

The building technologies employed in our camps are low-impact, using sustainable materials to the maximum extent possible, and can be completely removed without a trace after camp closure, should that occur. Our camp site rehabilitation processes have in the past been recognised by industry awards.
Our camps are built and operated in accordance with Group Environmental Minimum Standards developed to ensure that any negative impacts on the environment are prevented and minimised. Camp performance against these standards is evaluated on a bi-annual basis and remedial action taken in the event of camps that do not meet the necessary standards.



Reduce inequality within and among countries

A large proportion of our staff come from poor rural communities and the income they derive from employment, as well as the payments made to communities as landlords and/or partners, constitute material contributions to the rural economies.
Our employment and outreach activities are non-discriminatory.





Ensure sustainable consumption and production patterns

The whole rationale for our business is to be sustainable, and this is ensured through our Impact Strategy. As noted under SDG 9, our Group Environmental Management Systems were developed and are implemented to ensure the ongoing sustainability of our operations. Bi-annual reviews assess ongoing compliance with these standards and remedial action is taken where required.

No hazardous chemicals are used in our operations and all solid and liquid wastes are appropriately managed and disposed of.

Waste is minimised and separated for recycling where opportunities exist. Use of bottled water is actively discouraged through the provision of alternatives and the setting of targets for reduction. We have also embarked upon a “War on Plastic”.

We have shared our Group Environmental Minimum Standards with our competitors and collaborate with them in our impact endeavours. Children in the Wilderness Eco-Clubs and camps, as well as Eco-Mentor training, include lessons on climate change, waste management, recycling and sustainable consumption and production.



Take urgent action to combat climate change and its impacts

Wilderness Namibia has focused on reducing power consumption and invested in renewable energy.



Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

We operate in formal and informal protected or wilderness areas and actively work to ensure our operations do not impact negatively on them. At the same time, our presence and operations highlight these areas and their potential and importance, providing resources for their conservation and management and thus contributing to their maintenance and conservation.

Our operations result in equitable sharing of benefits from use of these areas with local communities.

Our community outreach and Children in the Wilderness programmes aim to educate local communities, especially children, on the importance of their wilderness areas and to reduce unsustainable uses of them.



Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development

The Group has numerous partnerships of various kinds with governments, NGOs, community organisations, donors, academic institutions and other businesses: all with the aim of collaborating and leveraging respective strengths to ensure sustainable development.

AWARDS



Wilderness Namibia receives many awards and accolades recognising the quality and sustainability of our camps and our business. The awards won by the Namibia business are too numerous to all be listed here. Instead, we note what we consider the most important awards won in recent years:

- Wilderness Hoanib Skeleton Coast Camp wins Namibia's Leading Tented Safari Camp in the 2023 World Travel Awards
- Wilderness Damaraland Camp, Desert Rhino Camp, Serra Cafema and Doro Nawas awarded Five Green Flowers by Eco Awards Namibia (November 2022)
- Wilderness Hoanib Skeleton Coast Camp wins 2022 *Condé Nast Traveler* Readers' Choice Award in the world's top Resorts in West and Central Africa category
- Wilderness Hoanib Skeleton Coast Camp wins 2022 World Travel Award in Namibia's Leading Tented Safari Camp category
- Wilderness Hoanib Skeleton Coast Camp included in *Andrew Harper's* Top 10 Safari Lodges and Camps for 2021
- Wilderness wins two Namibia Sustainable Development Awards (2021)
- Agnes Tjirare wins the Women and Environment Award
- Wilderness Hoanib Skeleton Coast Camp wins the Private Sector Champions Award
- Wilderness Hoanib Skeleton Coast Camp listed in *Condé Nast Traveler's* 2020 Gold List Awards of the editors' all-time favourite places to stay in the world
- Wilderness Little Kulala receives *Travel + Leisure* World's Best Award in the Top 100 Hotels in the World category (2017)
- Wilderness wins Gold Hospitality Association of Namibia Tourism Award (2016)
- Wilderness Little Kulala and Damaraland camps receive *Andrew Harper's* Readers' Choice Award in the Top 20 Safari Lodges and Camps category (2016)
- Wilderness Namibia Solar Conversion Programme wins 2016 Energy Globe Award
- Wilderness Hoanib Skeleton Coast Camp receives the 2015 Excellence of Service Award from the Hospitality Association of Namibia
- Wilderness Hoanib Skeleton Coast Camp awarded Five Flowers by Eco Awards Namibia (2015)
- Wilderness Hoanib Skeleton Coast Camp listed as one of the best new hotels in the world in the *Town and Country* Travel 100 (2015)
- Wilderness Hoanib Skeleton Coast Camp selected as one of the Top 20 African Safari Lodges in the world by *The Times* UK and Ireland (2015)
- Wilderness Hoanib Skeleton Coast Camp included in *Condé Nast Traveler's* 2015 Hot List
- Wilderness Hoanib Skeleton Coast Camp included in US *Travel + Leisure* It List of the world's best new hotels (2015)
- Wilderness Hoanib Skeleton Coast Camp won the Out of this World category in the *Tatler* Travel Awards (2014)
- Wilderness Kulala Desert Lodge listed in *Condé Nast Traveler* Readers' Choice Awards (2014)
- Wilderness Desert Rhino Camp wins Experiential Travel Award from *AFAR* (2014)
- Wilderness Damaraland Camp selected as one of *National Geographic Traveler's* Best Ecolodges (2013)
- Wilderness Desert Rhino Camp Wins Authentic Travel Award at the inaugural Amadeus and WTM Travel Experience Awards (2013)







WILDERNESS

NAMIBIA

Discover Earth's Ultimate, Untamed Places