

QUARTER 4

NEWSLETTER



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INVESTING IN EDUCATION: TECHNOLOGY BOOST FOR DLANGEZWA HIGH SCHOOL

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The MEC for Economic Development, Tourism and Environmental Affairs, Rev. Musa Zondi, paid a visit to his alma mater, the Dlangezwa High School in the King Cetshwayo District, where he handed over computers and laptops to support teaching and learning at the institution.

The initiative was delivered in partnership with the IDFC Development Finance Corporation, in empowering learners. A total 20 Desktop computers were handed over to the school as digital tools that will help prepare the learners for a technology-driven future. Group Chief Executive, Ms. Pearl Bengu, and her executive formed part of the handover ceremony.



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BOARD OF DIRECTORS APPOINTMENT AND INDUCTION

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IDFC hosted a comprehensive Board Induction, led by KZN EDTEA MEC Rev. Musa Zondi, orienting newly appointed members and the executive leadership to IDFC's legislative mandate, strategic objectives, and governance framework.

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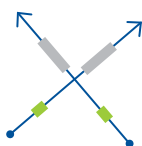
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Sitandiwe Dimba
Group Reputation Manager

**Making it Happen
together!**



**Sisonke senza
kwenzeke!**

DRIVING INCLUSIVE GROWTH, INNOVATION AND SUSTAINABLE DEVELOPMENT IN KWAZULU-NATAL

The Ithala Development Finance Corporation (IDFC) continues to advance its developmental finance mandate through innovation, partnerships, and targeted interventions that support inclusive economic growth across KwaZulu-Natal. This edition of our Stakeholder Newsletter presents a comprehensive overview of key activities, milestones, and impact achieved during the period.

The issue captures IDFC's tangible progress: strengthening governance through the induction of a new Board; improving operational delivery at our industrial estates; accelerating enterprise support through incubation and sector partnerships; and deepening our social impact through wellness, capacity-building, and environmental stewardship.

EXECUTIVE SUMMARY

Governance Strengthening: New Board inducted; focus on governance, compliance, financial oversight, ethical leadership, and strategic alignment.

Operational Enablement: Fleet addition at Isithebe and Ezakheni Industrial Estates to improve response times, logistics, and service continuity; Ezakheni highlighted for similar support

Enterprise Development: First intake of Pietermaritzburg SMME Incubation launched; FASA 2026 engagement positions IDFC in franchise finance, Masakhe Entrepreneur development Programme

Stakeholder & Community Impact: Active participation in World Wetlands Day and EDTEA's Waste-is-Money campaign; strengthened relationships with Mathonsi Traditional Council. People & Capability: Welcome Back activations, Parenting/ECD session, Skin Care awareness, and IoDSA leadership development drive culture and competence.

We also encourage you to give us feedback and suggestions on how best to do this, by emailing us at talktous@ithala.co.za or on the social media platforms.

- Facebook: @MyIDFC
- LinkedIn: @IthalaDevelopmentFinance Corporation
- Website: www.ithala.co.za

We hope you find the content informative and engaging, and we look forward to hearing your thoughts and feedback.

MESSAGE FROM GROUP CHIEF EXECUTIVE

DRIVING INCLUSIVE GROWTH, INNOVATION AND SUSTAINABLE DEVELOPMENT IN KWAZULU-NATAL

Ithala Development Finance Corporation (IDFC) continues to advance its developmental finance mandate through innovation, partnerships, and targeted interventions that support inclusive economic growth across KwaZulu-Natal.

During this quarter the Corporation strengthened institutional oversight, empowered entrepreneurs, advanced thought leadership, commitment to good governance, invested in communities, **catalytic infrastructure, inclusive finance** and deepened collaboration across the public and private sectors.

We welcomed a newly appointed Board with a robust induction programme, reinforcing oversight and strategic focus. We enhanced on-the-ground execution capacity at Isithebe and Ezakheni Industrial Estate with additional fleet resources, and we expanded our reach to entrepreneurs via the Pietermaritzburg SMME Incubation.

Our teams also partnered with government and communities to advance environmental resilience and wellness.

LOOKING AHEAD

As IDFC concludes the 2025/26 financial year the Corporation remains focused on innovation, partnerships, and targeted investments that unlock opportunity, strengthen enterprises, and build resilient communities.

Through programmes such as Masakhe, strategic sector engagements, property oversight, and social investment initiatives, IDFC continues to fulfil its mandate as a catalyst for inclusive economic growth in KwaZulu-Natal.

Together, we are shaping a more inclusive, sustainable, and prosperous future.



Ms Pearl Bengu
Group Chief Executive

ARTIFICIAL INTELLIGENCE AS A DEVELOPMENT FINANCE CATALYST: UNLOCKING SMARTER CAPITAL ALLOCATION

1. SELECTED AI-DRIVEN PATHWAYS FOR MODERNISING CAPITAL ALLOCATION IN DEVELOPMENT FINANCE

In an era defined by rapid technological transformation, artificial intelligence (AI) is an emerging mechanism not only for efficiency reasons, but as a strategic catalyst capable of reshaping the market economy including the capital allocation through development financing schemes among others. Institutions tasked with addressing inequality, unlocking investment, and driving inclusive growth particularly in emerging economies such as South Africa, the integration of AI presents a decisive opportunity to reimagine how capital is allocated, monitored, and scaled. The five selected strategic pathways below demonstrate how development finance schemes can be modernised and optimised through the strategic integration of artificial intelligence (AI):

a) Reactive Finance to Predictive Finance

Conventional development finance models have often relied on retrospective analysis - assessing past performance, historical financial ratios, and static risk indicators to inform funding decisions. While useful, this approach is inherently limited in dynamic and uncertain environments. AI fundamentally alters this paradigm. Through machine learning algorithms, development finance institutions can transition from reactive decision-making to predictive intelligence. Forward-looking analysis is underpinned by big data ranging from municipal financial indicators, business performance metrics, satellite imagery, mobile transaction data, market traffic, etc. AI tools can forecast financial distress, identify emerging investment hotspots, and anticipate sectoral growth trends. For instance, in the context of municipal finance, predictive models can assess the likelihood of fiscal distress or infrastructure investment viability. This enables DFIs to allocate capital proactively, supporting municipalities before financial deterioration constrains development outcomes.

b) Enhancing Targeting and Reducing Mission Drift

A persistent challenge in development finance is mission drift. It is generally described as the tendency for DFIs to favour lower-risk, urban, or commercially attractive investments at the expense of underserved rural or marginalised communities. AI offers a powerful corrective mechanism. Through the integration of geospatial data, demographic indicators, and socio-economic variables, AI-driven systems can optimize targeting strategies.

These systems can identify underserved districts with high developmental potential, ensuring that capital allocation aligns more closely with institutional mandates. Moreover, algorithmic monitoring can continuously assess whether funding patterns deviate from intended developmental objectives. This creates a feedback loop that strengthens accountability and ensures that DFIs remain aligned with inclusive growth goals.



Mr Maxwell S. Ncane
Manager Research & Innovation

c) Smarter Risk Assessment and Credit Allocation

One of the most transformative applications of AI lies in credit risk assessment, particularly for micro, small, and medium enterprises (MSMEs), which often lack formal financial histories. AI enables the use of alternative data sources, such as mobile payment records, supply chain transactions, and behavioural indicators, to construct more nuanced credit profiles. This reduces information asymmetry and expands access to finance for previously excluded entrepreneurs. In practical terms, this means that a small business in a township or rural area - previously deemed "unbankable" - can now be assessed using real-time operational data, enabling DFIs to extend financing with greater confidence.

d) Real-Time Monitoring and Adaptive Capital Allocation

Beyond initial investment decisions, AI enhances the ongoing management of development finance portfolios. Traditional monitoring frameworks often rely on periodic reporting, which can obscure emerging risks or underperformance. AI-powered systems, by contrast, enable real-time monitoring of funded projects. Through continuous data feeds, DFIs can track key performance indicators, detect early warning signs, and adjust funding strategies dynamically. This adaptive approach to capital allocation ensures that resources are not only deployed effectively but are also reallocated swiftly when business or market conditions change, thereby maximising developmental impact.

e) Data-Driven Policy and Ecosystem Integration

The implications of AI extend beyond individual institutions to the broader development ecosystem. Governments, municipalities, and private sector actors can leverage AI-generated insights to inform policy design, infrastructure planning, and investment promotion strategies. For example, integrating AI analytics with municipal financial data can reveal the relationship between infrastructure spending and private investment inflows. This enables policymakers to design targeted interventions that crowd in private capital, accelerating urban and regional development. Furthermore, AI facilitates greater coordination among stakeholders by providing a shared evidence base outcomes while reducing fragmentation and enhancing the coherence of development initiatives.

2. CHALLENGES AND ETHICAL CONSIDERATIONS

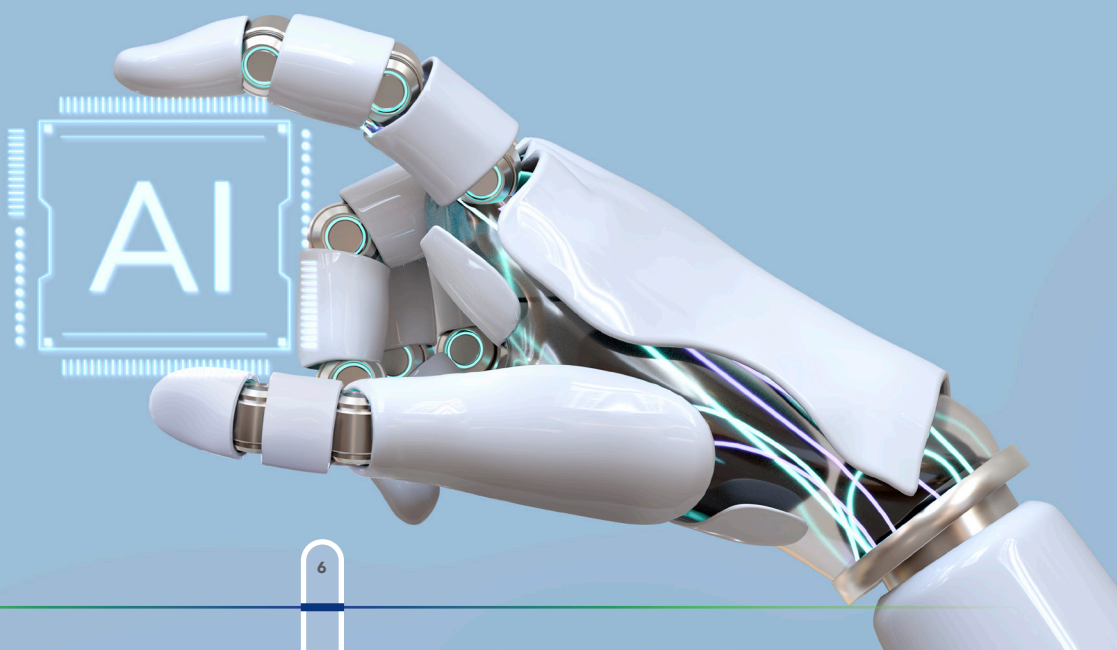
Despite its promise, the deployment of AI in development finance is not without challenges. Data quality and availability remain critical constraints, particularly in developing contexts where datasets may be incomplete or inconsistent. There are also ethical considerations. Algorithmic bias, if unaddressed, can reinforce existing inequalities rather than mitigate them. Transparency, accountability, and robust governance frameworks are therefore essential to ensure that AI systems operate in a fair and inclusive manner. Additionally, institutional capacity must be strengthened. DFIs require not only technological infrastructure but also skilled personnel capable of interpreting AI outputs and integrating them into strategic decision-making.

3. A STRATEGIC IMPERATIVE

The integration of AI into development finance is fast becoming no longer an option. It is a strategic imperative. As global capital becomes increasingly data-driven, institutions that fail to adopt advanced analytical tools risk falling behind in both efficiency and impact. In the context of South Africa and similar economies, the stakes are particularly high. Considering pressing challenges such as unemployment, spatial inequality, and infrastructure deficits, the need for smarter, more targeted capital allocation has never been urgent need like now. AI offers the means to meet this challenge. In enabling predictive insights, enhancing targeting, and improving risk assessment, AI transforms development finance from a reactive instrument into a proactive engine of inclusive growth.

4. CONCLUSION

AI is not a replacement for human judgment in development finance. It is rather an augmentation of it. When combined with institutional expertise, contextual understanding, and a clear developmental mandate, AI has the potential to unlock unprecedented levels of efficiency, equity, and impact. The question is no longer whether AI should be integrated into development finance, but how quickly and effectively institutions can harness its capabilities to build a more inclusive and resilient economic future.



FLAMINGO PACK

ARGENTUM BESPOKE MOTOR WORKS

Trading as Argentum Bespoke Motorworks the business took occupation of a unit at Flamingo Park in 2024 after operating as a mobile business for two years since 2022.

The business offers car detailing, paint protection and vehicle aesthetic services which include.

- Full car detailing, including full decontamination and paint correction.
- Ceramic coatings
- Anti-smash and grab
- Paint Protection Film (PPF) Applications
- Vinyl wraps and commercial vehicle branding.

Matthew Nzimande and his ten enthusiastic employees' culture is driven a shared commitment to excellence, a focus on innovation, and a genuine respect for both our clients and employees. Their goal is to create a workplace that balances high performance with well-being, ensuring that everyone who walks through their doors feels valued, inspired, and part of something special. Matthew attributes his business success to him and his entire team's strong passion and dedication.



Mr Matthew Nzimande



Argentum Bespoke Motor Works team



TENANT SPOTLIGHT: BLUFF MEAT SUPPLY SUNDUMBILI PLAZA

IDFC conducted a courtesy visit to Bluff Meat Supply, a newly opened tenant at Sundumbili Plaza. The store presents a clean, well-organised layout, strong signage, and an inviting customer environment. According to Assistant Manager Mr Harvey Dlamini, footfall peaks on Fridays and SASSA grant pay-out days. Visual merchandising aligns with the plaza's refreshed standards, and the store strengthens the tenant mix, positioning it for rapid growth.

The store's visual merchandising aligns with Sundumbili Plaza's refreshed standards, and product displays that are appealing.

Bluff Meat Supply store has added value to Sundumbili Plaza's tenant mix and is well-positioned for rapid growth. IDFC is a pioneer in establishing shopping centres for rural communities in remote regions of KwaZulu-Natal, driving economic growth and job creation. We continue to work with public and private sectors to leverage our infrastructure as a catalyst for development, supporting the province's socio-economic vision.



Bluff Meat team with IDFC Management

ISITHEBE INDUSTRIAL ESTATE

Strategic site visit

The Property Management team undertook a site visit to examine vacant land and areas bordering IDFC properties within Isithebe Industrial Estate.

During the visit, the team inspected the current condition of the identified vacant sites, taking into account accessibility, surrounding developments and overall sustainability for potential development.

The inspection also focused on verifying boundary lines adjacent to IDFC properties to ensure proper demarcation and to identify any possible encroachments or irregular land use activities.

In addition to the site visit, IDFC intensified engagements related to land and operations at Isithebe Industrial Estate, aligning with its portfolio oversight and asset management responsibilities



IDFC FLEET EXPANSION ENHANCES OPERATIONAL CAPACITY AT ISITHEBE INDUSTRIAL ESTATE



Ithala Development Finance Corporation (IDFC) officially handed over two Toyota Hilux bakkies to Isithebe Industrial Estate in Mandeni, marking an important milestone in enhancing operational efficiency at the estate.

The bakkie handover was led by IDFC Group Chief Support Services Executive Tozi Mthethwa and Acting Properties Executive Farhana Kader, accompanied by Divisional Manager: Properties, Stuart Adams.

The vehicles were officially received by Portfolio Manager at Isithebe Industrial Estate Lungisile Nonoya and Electrical Assistant Wiseman Gumede.

The additional vehicles come at a crucial time, as the estate previously had only three operational cars to service multiple sites.

The two bakkies will significantly ease mobility challenges for employees, making site visits more efficient and enabling the safe transportation of tools and equipment required for daily work.

The bakkies address a key operational gap by providing the necessary capacity to carry equipment, a vital tool that had been missing and was impacting service delivery across the estate.

With these additional vehicles now in place, employees will be able to perform their daily tasks with greater ease, as more operational tools have been added to support their work.

This improvement is expected to enhance productivity, reduce delays in site visits, and ensure smoother coordination of activities across the estate.

By improving logistical capacity on site, IDFC continues to empower employees to work more effectively and ensures that maintenance and operational activities are carried out seamlessly.



PROPERTIES OVERSIGHT VISITS

Group Chief Executive Officer Ms Pearl Bengu led a series of Properties Oversight Visits, accompanied by IDFC officials, to key properties including Wilsons Wharf, Umlazi V, Pinetown (Pine Mead), Terrace, and Flamingo Park.

The visits included site inspections and tenant engagements aimed at strengthening asset management and stakeholder relationships. The GCE also personally acknowledged tenants who were up to date with rental payments, issuing formal letters of appreciation.



Group Chief Executive, **Ms Pearl Bengu** led a series of Properties Oversight Visits, accompanied by IDFC officials,



A CLEANER TOMORROW TOGETHER

Isithebe Industrial Estate IDFC joined forces with Mandeni Waste Recyclers, Extended Producer Responsibility (EPR) Waste Association of South Africa, and other local stakeholders to host a successful Global Recycling Day clean-up initiative.

This collaborative effort brought together a diverse group of participants, including IDFC Interns & Expanded Public Works Programme (EPWP), Inyoni South African Police Service (SAPS), Department of Economic Development, Tourism and Environmental Affairs (EDTEA), Mandeni Local Municipality, and local schools, all united in their commitment to creating a cleaner, greener community.

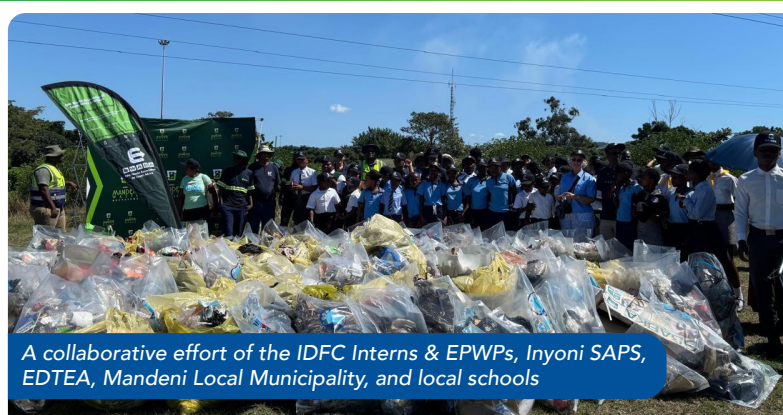
As the teams fanned out across the area, the impact was clear: significant amounts of waste were collected, and environmental awareness was raised among local residents and students. It was amazing to see everyone coming together for a common cause.

The event was a testament to the strength of partnerships in achieving shared goals.

The clean-up was made possible by the generous sponsorship of ITB Plastics and Extended Producer Responsibility (EPR) Waste Association of South Africa (eWASA), and the support of local schools, including Isithebe Primary, Lindayiphi Primary, Hlanganani Primary, and KwaVusumuzi High Schools.

Isithebe Industrial Estate is committed to building on this momentum and continuing to work with its stakeholders to create a cleaner, greener community.

"This initiative showcased the power of stakeholder collaboration in driving positive change" – Lungisile Nonoya, Isithebe Industrial Estate Portfolio Manager.



A collaborative effort of the IDFC Interns & EPWPs, Inyoni SAPS, EDTEA, Mandeni Local Municipality, and local schools



IDFC BOARD OF DIRECTORS INDUCTION

IDFC hosted a comprehensive Board Induction, led by KZN EDTEA MEC Rev. Musa Zondi, orienting newly appointed members and the executive leadership to IDFC's legislative mandate, strategic objectives, and governance framework.

The induction programme focused on equipping members with a clear understanding of IDFC's legislative mandate, strategic objectives, and governance framework.

Day's programme covered corporate governance, regulatory compliance, financial oversight, ethical leadership, and IDFC's strategic position in the provincial development agenda. MEC Zondi underscored the importance of strong governance and accountability to advance IDFC's mission

In his address, MEC Rev. Musa Zondi emphasised the importance of strong governance and accountability in driving IDFC's mission to deliver impactful business and properties solutions to KwaZulu Natal.

IDFC is committed to maintaining the highest standards of governance and looks forward to working with its newly appointed board members to drive economic growth and development in the province of KwaZulu-Natal.

IDFC BOARD OF DIRECTORS

1. Mr Khayelihle Emmanuel Mpungose - Chairman
2. Ms Bongi Pretty Nzama – Deputy Chairperson
3. Mr James Sikhosiphi Nxumalo
4. Prof Denisha Jairam-Owthar
5. Dr Lorraine Thulisile Mwelase
6. Adv Bongani Phumlani Mpungose
7. Mr Sthembiso Ishmael Mbhele
8. Mr Lindokuhle Mzolo
9. Mr Innocent Bheki Dladla



EDTEA MEC Rev. Musa Zondi



IDFC Group Chief Executive, Ms Pearl Bengu



IDFC Board of Directors with EDTEA HoD Dr Nkosenye Zulu and EDTEA MEC Rev. Musa Zondi at the Board Induction



STRATEGIC OVERSIGHT ENGAGEMENT WITH EDTEA LEADERSHIP

The Head of the KwaZulu-Natal Department of Economic Development, Tourism and Environmental Affairs (EDTEA), Dr Nkosenye Zulu, led a high-level oversight engagement with the Executive Management and Board of the IDFC Development Finance Corporation (IDFC).

The engagement focused on reviewing IDFC's operational performance and strategic alignment with its developmental finance mandate. Key discussions highlighted IDFC's role in advancing the provincial economy through catalytic investments, targeted support for small and medium enterprises, infrastructure financing, and the expansion of financial inclusion initiatives.

The engagement reaffirmed EDTEA's commitment to strengthening its entities through proactive oversight, ensuring that IDFC continues to deliver sustainable economic impact and support inclusive growth.



INVESTING IN EDUCATION: TECHNOLOGY BOOST FOR DLANGEZWA HIGH SCHOOL

The MEC for Economic Development, Tourism and Environmental Affairs, Rev. Musa Zondi, paid a visit to his alma mater, the Dlangenzwa High School in the King Cetshwayo District, where he handed over computers and laptops to support teaching and learning at the institution.

The initiative was delivered in partnership with the IDFC Development Finance Corporation, in empowering learners. A total 20 Desktop computers were handed over to the school as digital tools that will help prepare the learners for a technology-driven future. Group Chief Executive, Ms. Pearl Bengu, and her executive formed part of the handover ceremony.

Addressing the learners, MEC Zondi reminded students that their dreams are valid and that with dedication, discipline and education, and that they too can rise to positions of leadership and make meaningful contributions to society.

The atmosphere at the school was electric as learners gathered with excitement to welcome the delegation. Cheers and applause filled the school grounds as students witnessed the handover of the much-needed digital equipment. The new computers and laptops are expected to significantly enhance the school's learning environment, enabling learners to develop essential digital skills.

The visit was not only about technology, but also about inspiration. For many learners, it served as a powerful reminder that their aspirations are within reach.

The day's activities included Financial Literacy classes for Grade 11 learners and Career Guidance sessions for Grade 12 learners delivered by IDFC staff.

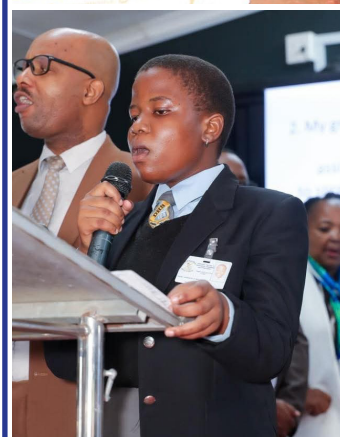
"Having the correct tools in the digital era is crucial, we are proud to support Dlangenzwa High School and contribute to equipping learners with the skills they need to succeed." –
Pearl Bengu, Group Chief Executive



The MEC for Economic Development, Tourism and Environmental Affairs, Rev. Musa Zondi, addressing learners Dlangenzwa High School



Handing over of 20 computers



Pearl Bengu, Group Chief Executive at Dlangenzwa High School



SMME INCUBATION PROGRAMME

Pietermaritzburg SMME Incubation Programme — First Intake

IDFC launched the first intake of the Pietermaritzburg SMME Incubation Programme, welcoming entrepreneurs and laying the foundation for their incubation journey.

The programme officially welcomed entrepreneurs who had expressed interest in participating in the incubation programme, setting the foundation for their incubation journey. The initiative is aimed at enhancing sustainability, growth, and financial resilience of small, medium and micro enterprises (SMMEs).

As part of the programme's initial engagement, entrepreneurs were taken through basic financial management, focusing on essential principles such as budgeting, record-keeping, cash flow management, and understanding business finances. The session highlighted the importance of sound financial practices as a cornerstone for effective decision-making and long-term business success.

The incubation programme forms part of IDFC's broader mandate to promote economic development, entrepreneurship, and job creation by equipping SMMEs with practical skills, knowledge, and ongoing support.

This first intake set a strong tone for the programme and reflects IDFC's continued commitment to empowering entrepreneurs and contributing to inclusive economic growth in Pietermaritzburg and surrounding areas.



Yashna Ramdhani: Financial Analyst, Business Finance



Incubation Programme Delegates



IDFC Management.



IDFC AT FASA 2026 CONFERENCE & EXPO

As the KwaZulu-Natal development finance institution, IDFC participated in the Franchise Association of South Africa (FASA) 2026 Conference & Expo at the Birchwood Hotel & OR Tambo Conference Centre on 19 February 2026.

The platform enabled engagement with franchisors, franchisees, funders, SETAs, entrepreneurs, and policy stakeholders, positioning IDFC as a responsive funding partner to the franchise sector and expanding access to development finance for scalable, sustainable businesses.

IDFC's participation forms part of its broader strategy to expand access to finance and position itself as a key funding partner within the franchise sector.

The conference provided a valuable platform to engage directly with franchise brands seeking expansion capital, emerging entrepreneurs interested in franchise ownership and sector partners focused on enterprise development.

IDFC continues to position itself as a responsive and strategic development finance partner dedicated to growing sustainable businesses.



Ekasi Business Fair: EMPOWERING TOWNSHIP ECONOMIES

IDFC Development Finance Corporation (IDFC) joined the Department of Economic Development Tourism and environmental Affairs in partnership with Icebolethu Foundation to bring you the EKASI BUSINESS FARE. The inaugural Ekasi Business Fair took place on 06–07 March 2026 at the Junction Mall in Hammarsdale.

This strategic collaboration specifically designed to empower township-based businesses and aspiring entrepreneurs by providing access to critical information, viable markets, mentorship opportunities, and funding support. It marked a significant milestone in accelerating service delivery and advancing inclusive economic growth across KwaZulu-Natal.

IDFC's involvement reinforces its mandate to drive sustainable industrial development, expand access to funding for emerging enterprises, and support catalytic initiatives that stimulate inclusive economic growth. As a development institution, IDFC plays a pivotal role in mobilising capital, de-risking enterprise development, and enabling township and rural businesses to scale and compete meaningfully within the provincial economy.

The Fair formed part of broader efforts to revitalise township and rural economies by fostering meaningful public-private partnerships that deliver tangible outcomes. It attracted entrepreneurs, industry leaders, government stakeholders, and members of the public, creating a vibrant platform for networking, knowledge-sharing, and enterprise development.

This collaboration underscores a shared commitment to building resilient local economies, unlocking entrepreneurial potential, and ensuring that economic development initiatives reach communities where they are needed most. Through this initiative, government, development finance institutions, and the private sector worked together to create sustainable economic opportunities, stimulate local enterprise development, and strengthen service delivery mechanisms.

The Ekasi Business Fair represented a catalyst for transformation, empowerment, and long-term economic inclusion in KwaZulu-Natal.



MASAKHE BUSINESS WORKSHOPS: SUPPORTING LOCAL ENTREPRENEURS

Through the Masakhe Entrepreneur Development programme, IDFC continues to create platforms that bring information closer to communities, ensuring that entrepreneurs are better equipped with the knowledge and tools needed to grow sustainable businesses. IDFC continues to bring information and opportunities closer to communities, enabling entrepreneurs to build sustainable and compliant enterprises.

The workshops formed part of IDFC's ongoing commitment to supporting enterprise development and strengthening the participation of small, medium and micro enterprises (SMMEs) in the provincial economy.

During this quarter, workshops were hosted at Uitvaal Hall under Alfred Duma Municipality, Nongoma Municipality and in Ulundi Municipality at PZ Phakathi Hall, with over **200 SMMEs** benefiting from the intervention, over 90 SMMEs benefiting from the Ulundi session alone. Entrepreneurs received practical guidance on accessing business opportunities, compliance requirements, and funding solutions.

Key partners, including SARS, contributed valuable information on tax compliance and e-filing, supporting businesses on their journey towards formalisation and growth.

IDFC will continue to roll out Masakhe workshops across the province. Be on the lookout for when the Masakhe Business Workshop reaches your municipality, don't miss out on this valuable opportunity to grow and strengthen your business.



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Plant the Seed for Growth with Tailored Funding Solutions

WHAT WE FINANCE

- ✓ Farm Equipment & Machinery
- ✓ Inputs (seeds, fertiliser, livestock)
- ✓ Infrastructure (irrigation, fencing, storage)
- ✓ Land Acquisition or Expansion
- ✓ Agro-processing & Value Chain Projects

WHO CAN APPLY?

- ✓ Smallholders & Emerging Farmers
- ✓ Commercial Farmers
- ✓ Agri-Cooperatives & Agri-Businesses
- ✓ Youth & Women in Agriculture
- ✓ Rural Development Projects

FUNDING FEATURES

- ✓ Loans from **R50,000** to **R50 million**
- ✓ Flexible repayment periods up to 15 years
- ✓ Seasonal repayment options available
- ✓ Competitive interest rates

DOCUMENTS REQUIRED

- ✓ Farm Profile or Business Plan
- ✓ Personal & Company Registration Documents
- ✓ Financial or Cash Flow Projections
- ✓ Quotations or Invoices
- ✓ Proof of Land Ownership or Lease

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 [@Ithala Development Finance Corporation](#)

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*"Let's Grow Together ,Finance that Feeds
the Nation!"*

MATHONSI TRADITIONAL COUNCIL: LAND DEMARCATION & COOPERATIVE GOVERNANCE

IDFC held a constructive engagement with the Mathonsi Traditional Council to present and clarify the map of IDFC-owned land within Isithebe Industrial Estate. The session ensured alignment on boundaries, supported transparent stakeholder relations, and reinforced responsible land management and coordinated economic development with traditional leadership and municipalities.

The meeting formed part of IDFC's ongoing commitment to transparent stakeholder relations, cooperative governance and sustainable land management within the communities it serves. The engagement provided a detailed overview of the boundaries of IDFC land within the industrial estate to ensure alignment, clarity and mutual understanding between IDFC and the traditional council.

Through engagements such as this, IDFC continues to foster strong partnerships with traditional authorities, municipalities and other key stakeholders to ensure responsible land management and coordinated economic development.

IDFC remains committed to working closely with Mathonsi Traditional Council to unlock economic opportunities within Isithebe while maintaining harmonious community relations.



IDFC Security Management at the Demarcation engagement



Mathonsi Traditional Council Delegation of Induna's



IDFC Participation at the KZN Energy Indaba

IDFC participated alongside provincial entities and businesses at the KZN Energy Indaba, hosted by KwaZulu-Natal Premier Hon. Thamsanqa Ntuli and EDTEA MEC Rev. Musa Zondi, in collaboration with the Richards Bay Industrial Development Zone (RBIDZ).

Entrepreneurs who attended the session received valuable information on a range of opportunities available through the IDFC, including funding solutions aimed at supporting business growth, supply chain management (SCM) opportunities within the organisation, and access to commercial and industrial properties owned by the IDFC.

The engagement also featured an interactive panel discussion, which provided participants with a platform to engage directly with experts from the IDFC. During this session, entrepreneurs were able to ask questions and gain clarity on application processes, eligibility requirements, and practical steps on how to access the various opportunities offered by the organisation.



WORLD WETLANDS DAY

IDFC participated in World Wetlands Day in Greytown, themed **“Wetlands and Traditional Knowledge: Celebrating Cultural Heritage.”** The commemoration brought together government, traditional leadership, and communities to highlight wetland conservation, ecosystem services, and the integration of indigenous knowledge in environmental management. **MEC Rev. Musa Zondi** delivered the keynote, emphasising the role of wetlands in sustaining life, protecting water sources, and supporting livelihoods.



CLEAN-UP CAMPAIGN “Waste is Money”

IDFC exhibited at EDTEA’s Clean-up Campaign under the theme **“Waste Is Money”** at Ezakheni Section D Community Hall (Alfred Duma LM), engaging SMMEs, waste recyclers, and aspiring entrepreneurs on funding opportunities and development support. The campaign promoted turning waste into economic opportunity, environmental responsibility, and local participation

IDFC's exhibition stand served as an important platform to engage directly with SMMEs, waste recyclers, and aspiring entrepreneurs who were interested in learning more about funding opportunities and business support.

Information was shared about IDFC's financial products, development support, and how local businesses can access assistance.





ACCELERATING GROWTH

Empowering
KwaZulu-Natal

IDFC PROVIDES TAILORED FINANCIAL AND PROPERTY SOLUTIONS TO DRIVE GROWTH FOR BUSINESSES IN KWAZULU-NATAL

Business Funding: Flexible funding options to support business expansion, working capital needs, and entrepreneurial dreams. **Property Leasing Solutions:** Attractive leasing options for retail, commercial and industrial properties, helping you secure prime locations for your business operations.

Let IDFC help you secure the right property and funding for your business success.

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UNDERSTANDING SOUTH AFRICA'S NEW CODE OF GOOD PRACTICE ON DISMISSAL (2025)

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1. INTRODUCTION

In September 2025, South Africa introduced a significant update to its employment laws with the new Code of Good Practice: Dismissal. Effective from September 4, 2025, this code replaces and consolidates older guidelines, making it easier for employers, employees, and unions to navigate dismissals. It's designed to promote fairness in the workplace while reflecting real-world business needs, drawing from nearly three decades of court decisions and practical experiences.

This article breaks down the key aspects of the code, its implications, and how it aligns with the South African Constitution. We'll keep things straightforward with simple language, bullet points, and subheadings to make it easy to follow.

2. WHAT IS THE NEW CODE AND WHY DOES IT MATTER?

The Code of Good Practice: Dismissal is a set of guidelines issued under the Labour Relations Act (LRA) of 1995. It doesn't create new laws but provides practical advice on how to handle dismissals fairly. Previously, rules were split across multiple documents, like Schedule 8 of the LRA and a separate code for operational dismissals (like retrenchments). Now, everything is in one place, covering dismissals for misconduct, incapacity, and operational requirements.

3. PURPOSE

To ensure dismissals are both substantively fair (valid reason) and procedurally fair (proper process). It balances employee protections with employers' rights to maintain standards of conduct and performance.

4. WHO IT AFFECTS?

All employers and employees in South Africa, including small businesses, which get more flexibility.

5. KEY PRINCIPLE

The code places premium on treating each other with mutual respect—dismissal should always be a last resort.

6. KEY CHANGES AND FEATURES

The new code builds on old ones but adds clarity, flexibility, and new concepts based on evolving case law. Here's what's new or emphasized:

6.1 Consolidation:

All dismissal types (misconduct, incapacity, operational) are now under one roof, reducing confusion.

6.2 Small Business Flexibility:

Smaller employers aren't held to the same rigid standards as big companies. Simpler processes are okay if they're fair, recognizing limited resources.

6.3 Expanded Probation:

Probation isn't just about performance anymore—it includes "suitability" like attitude, cultural fit, or minor misconduct. The bar for dismissal during probation is lower, but employees still get a chance to respond.

6.4 Incompatibility as a Ground:

For the first time, "incompatibility" (e.g., not getting along with colleagues or company culture) is recognized as a form of incapacity, allowing fair dismissal after attempts to fix it.

6.5 Other Updates:

Mental health is explicitly covered under incapacity, and imprisonment can now be a factor. Progressive discipline (warnings before firing) is stressed, but consistency isn't always identical treatment.

7. BREAKING DOWN THE MAIN SECTIONS

The code is structured into parts for easy reference. Let's look at the core areas.

7.1 Dismissals for Misconduct (Breaking Rules or Bad Behavior)

Misconduct includes things like theft, insubordination, or unauthorized absences. The code emphasizes progressive steps like counseling or warnings before dismissal.

7.2 Substantive Fairness:

Is there a valid rule? Was the employee aware? How serious was the breach? Dismissal is only for cases where trust is broken beyond repair.

7.3 Procedural Fairness:

Employer to notify the employee in writing (if possible), give time to prepare, allow a representative, and conduct the process in a language they understand. Formal hearings aren't always needed for minor issues.

7.4 Consistency:

Rules should be applied similarly, but differences in personal circumstances (e.g., long service) can justify varied sanctions.

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8. DISMISSALS FOR INCAPACITY (CAN'T DO THE JOB)

This covers poor performance, ill health, injury, or other factors like imprisonment that prevent work.

9. POOR PERFORMANCE

Give guidance, training, and time to improve. For seniors or skilled pros, warnings aren't always required if standards are obvious.

10. ILL HEALTH OR INJURY:

Manager to investigate alternatives like role changes or accommodations (especially for disabilities). Mental health is now explicitly included.

11. INCOMPATIBILITY:

If an employee can't harmonize with the team or culture, manager to try mediation first. If it fails, dismissal may be fair after a proper process.

10.1 General Process:

Managers are encouraged to always explore alternatives, let the employee respond, and consider their input before final decision.

11. Dismissals for Operational Requirements (Retrenchments)

These are due to business needs like cost-cutting, tech changes, or restructuring—not the employee's fault.

11.1 Process:

- Start with a detailed notice (using the code's Annexure A template) covering reasons, alternatives considered, selection criteria (e.g., last in, first out, or skills retention), timing, severance pay, and re-employment options.

11.2 Consultation:

Meaningful talks with employees or unions to avoid or minimize job losses. Larger employers (over 50 staff) must disclose recent retrenchment history.

11.3 Fairness

Selection must be objective; prefer retrenched workers for future similar roles.

12. CONCLUSION

12.1 For Employers:

The Code offers more flexibility, especially for small businesses and probation. It reduces uncertainty by codifying court rulings, but requires better documentation to avoid disputes at the CCMA (Commission for Conciliation, Mediation and Arbitration). Risks include potential misuse of incompatibility as a cover for discrimination, leading to lawsuits.

12.2 For Employees:

The Code offers stronger protections through clearer processes and emphasis on alternatives to dismissal. It promotes dialogue, but probation dismissals might be easier.

13. Alignment with the South African Constitution

The code strongly aligns with the Constitution, particularly Section 23, which guarantees everyone the right to fair labour practices. By requiring fair reasons and procedures, it upholds this right, preventing arbitrary dismissals that could violate dignity (Section 10) or equality (Section 9). In essence, the code operationalizes constitutional principles, making fair labour practices more accessible and enforceable.

14. Final Thoughts

South Africa's new Code of Good Practice on Dismissal is a welcome refresh that streamlines rules, adds flexibility, and reinforces fairness. Whether you're an employer updating policies or an employee understanding your rights, following it can prevent conflicts and foster better workplaces. If in doubt, consult a labour expert or the Department of Employment and Labour for guidance. This code isn't just legal jargon—it's about building respectful, productive relationships at work.

IDFC RECONNECTS THROUGH WELCOME BACK ACTIVITIES

2026: The year of unity and collaborations

Welcome Back Activations (23–30 Jan 2026)

Across the IDFC, business units came together for Welcome Back activities, kicking off an epic year! Each business unit approached the sessions differently, reflecting their unique team cultures.

Sessions ranged from interactive games and team-building to informal lunches, creating space to realign goals and reinforce well-being and team culture — energising the organisation to **"crush 2026."**

Some hosted interactive games and team-building activities aimed at strengthening collaboration and boosting morale, while others opted for more relaxed engagements, coming together over shared lunches.

These sessions provided valuable opportunities for colleagues to reconnect, reflect on the year ahead, and realign on shared goals. Whether through structured activities or informal conversations, the Welcome Back engagements reinforced our commitment to teamwork, employee wellbeing, and a positive workplace culture.

The activities highlighted IDFC's dedication to fostering unity and collaboration, showcasing a collective spirit as we move forward. We're ready to crush 2026!



IDFC Teams participating in the Business Unit activities



SENIOR LEADERSHIP AND EXECUTIVES ARE LEVELING UP WITH THE DIRECTORSHIP TRAINING DEVELOPMENT PROGRAM- IODSA CORE DIRECTOR PROGRAMME

Executives and Divisional Managers are advancing through a comprehensive Core Director Development Programme delivered by IoDSA, aligned to the 2025/2026 training and development plan. The programme includes an optional certification assessment with IoDSA and is facilitated by an industry expert, enabling rich discussion and practical application.

The intensive programme commenced several months ago and is facilitated by an industry expert whose extensive experience brings valuable insight and practical examples to the learning environment. This approach has enhanced the relevance of the training and fostered robust, engaging discussions among participants.



EARLY CHILDHOOD DEVELOPMENT & PARENTING

Employee Wellness hosted an educational session on parenting at Ithala Trade Centre (Head Office) in collaboration with the Department of Education, focusing on early childhood development, addressing parenting challenges and behaviours, and supporting children living with disabilities. This initiative highlights IDFC's commitment to supporting staff well-being and fostering a positive work environment.



IDFC Staff in attendance

SKIN CARE WELLNESS TIPS

As we dive into the scorching summer months it is of critical importance to prioritise our skin health. IDFC's recent Skin Care Wellness Awareness Day was a huge hit. Thanks to the expertise of the day's guest Dermatologist who shared awesome tips on skin care and skin cancer awareness. The session highlighted the importance of skin protection, offering practical skin-care guidance and raised skin cancer awareness, with strong participation and engagement from employees.

HERE ARE SOME KEY TAKE AWAYS:

- Protect skin from UV rays with SPF30+ sunscreen
- Wear protective clothing and seek shade when possible
- Do not skip regular skin checks

TIP OF THE QUARTER:
**STAY SUN-SMART
AND HYDRATED!**





BUSINESS FINANCE COMPLIANCE

KEEP YOUR BUSINESS FINANCES SEPARATE

Separating personal and business finances is key to running a smooth business. Banking your business money separately helps you track cash flow, simplify audits, and maintain accurate records keeping your business compliant and organized.

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