



PUBLIC INVESTMENT
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INTEGRATED ANNUAL REPORT 2026

Innovating for Inclusive Growth





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Inspired by its presence in the National Coat of Arms, the PIC has adopted a highly stylised icon of the Secretary Bird as our logo.



On the Coat of Arms, the Secretary Bird represents vigilance, as well as the rise and pride of modern South Africa. As committed investors in the future of South Africa, we admire and aim to uphold this symbol in all of our dealings.



Unique to Africa, the Secretary Bird is widely recognised as a symbol of freedom, strength and courage, values that exemplify the PIC, our mission and our investment philosophy.

PART 01 | LEADERSHIP AND ACCOUNTABILITY

GOVERNANCE, OVERSIGHT AND STEWARDSHIP OUTCOMES



01

Wholly owned by the South African government, the Public Investment Corporation (PIC) manages R3.657 trillion (R3.049 trillion: 2024/25) in assets, making it one of Africa's largest asset managers. Anchored by governance and stability, it supports economic participation and infrastructure investment, cultivating a trusted environment for growth and development to support sustainable job creation.

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** This Integrated Annual Report consists of two books:
The 2026 Integrated Annual Report and the 2026 Annual Financial Statements.*

ABOUT THIS REPORT

The PIC presents its Integrated Annual Report for the period 1 April 2025 to 31 March 2026. This section outlines the scope, boundary and reporting frameworks that govern the financial and non-financial information included in the report.



INNOVATING FOR INCLUSIVE GROWTH

As one of Africa's largest asset managers, the PIC recognises that securing the future requires continuous adaptation. This 2025/26 Integrated Annual Report is framed by the theme Innovating for inclusive growth. Delivering sustainable returns remains central to the PIC's mandate, while the tools and approaches used to achieve this continue to evolve.

The PIC is a registered financial services provider (FSP), holding a Category I and II FSP licence under the Financial Advisory and Intermediary Services (FAIS) Act (No. 37 of 2002). The Corporation invests on behalf of its clients, mainly pension, provident, social security and guardian funds. Investments are based on investment mandates agreed with each client and are managed within the applicable regulatory framework, including oversight by the Financial Sector Conduct Authority (FSCA). The PIC's management of public funds and corporate governance is guided by the PIC Act (No. 23 of 2004), the Public Finance Management Act (No. 1 of 1999) and the Public Audit Act (No. 25 of 2004).

SCOPE AND BOUNDARY

Reporting boundary and entities covered

To provide a transparent view of performance and impact, this report applies:

TWO REPORTING BOUNDARIES:



CORPORATE:

Operational performance, financial results, environmental, social and governance (ESG) and risk management across the PIC's headquarter.



INVESTMENT MANDATE:

Extending to stewardship of assets under management (AuM). This includes investment activities, developmental impact and the application of ESG criteria across listed, unlisted and property portfolios on behalf of clients.

This report demonstrates how the PIC deploys modern investment approaches, data-driven insights and technology to support long-term value creation for clients, while contributing to inclusive economic growth through targeted infrastructure development, transformation programmes and broader economic participation. Anchored by strong governance, financial discipline and institutional stability, the PIC continues to build a credible institution that supports both client mandate delivery and South Africa's long-term economic and social development.



MATERIALITY

Material matters are identified through an assessment of the issues most likely to influence the PIC's ability to create, preserve or erode value over the short-, medium- and long-term. The assessment is informed by the Corporation's strategy, client mandates, risk environment, regulatory developments, investment performance, governance responsibilities and the long-term resilience of investee companies. It also considers factors that may affect sustainable, risk-adjusted returns, together with broader economic, social, governance and environmental matters that influence long-term value creation.

The boundary for determining material matters extends beyond the financial performance to include:

- The macroeconomic and regulatory environment of South Africa and Africa.
- Evolving expectations and socio-economic priorities of key stakeholders, including clients, beneficiaries, government and society.
- The performance, long-term resilience and governance of investee companies.

REPORTING FRAMEWORKS APPLIED

The financial- and non-financial information in this report has been prepared and disclosed in accordance with the following local and international reporting standards:

Dimension	Framework/standard applied
Governance	Companies Act (No. 71 of 2008).
	King V™ Report on Corporate Governance for South Africa. (Alignment in progress.)
	Protocol on Corporate Governance in the Public Sector.
Integrated thinking and narrative	International Integrated Reporting Framework, now part of the International Financial Reporting Standards (IFRS) Foundation.
Financial reporting	IFRS.
	Public Finance Management Act (PFMA) (No. 1 of 1999).
	Public Audit Act (No. 25 of 2004).
	Financial Intelligence Centre Act (No. 38 of 2001).
Sustainability and environmental, social and governance	United Nations Principles for Responsible Investment (UNPRI).
	Code for Responsible Investing in South Africa (CRISA).
	United Nations Global Compact (UNGC).

REPORTING SUITE

The PIC's reporting suite for the year ended 31 March 2026 comprises:

- **Integrated annual report**, a concise overview of how the PIC creates, preserves or erodes value, in line with the <IR> Framework.
- **Annual financial statements**, presenting the PIC's audited financial performance and risk position to enable stakeholders to assess its financial health and outlook.



COMBINED ASSURANCE MODEL

To support the integrity, accuracy and reliability of the information disclosed, the PIC applies a combined assurance model. This model optimises the assurance coverage obtained from management, internal assurance providers and external assurance providers.

The model aligns oversight and management of assurance, emphasising shared accountability among risk management, compliance, internal audit, external audit and other assurance providers. This strengthens reporting credibility and supports more reliable information for decision-making. As a public entity, the PIC is subject to the Public Audit Act (No. 25 of 2004), which requires external assurance on financial statements, performance against objectives and legal compliance.

The principal sources of non-financial information include the Corporation's risk management systems, human capital records and approved organisational performance information. Risk management disclosures are derived from the PIC's risk registers, risk appetite reporting and Board and committee reporting packs, and are subject to management review and internal assurance. Human capital disclosures are derived from human resources records, payroll data and people management systems and are subject to management review and internal verification. Performance against predetermined objectives is based on approved organisational performance information supported by appropriate evidence and is subject to internal review and the audit procedures performed by the Auditor-General of South Africa (AGSA).



FINANCIAL STATEMENTS:

The annual financial statements were independently audited by the AGSA in accordance with the Public Audit Act.



NON-FINANCIAL AND SUSTAINABILITY PERFORMANCE:

Key performance indicators (Audited by AGSA), ESG metrics and developmental impact data were subjected to internal audit verification and, where applicable, independent external assurance.

During the reporting year, the AGSA issued an unqualified audit opinion with material findings for the PIC.

APPROVAL BY THE BOARD

The PIC Board of Directors acknowledges its responsibility for the integrity of this report and confirms that it aligns with the <IR> Framework. The Board has assessed the operating context, strategy and value-creation model and is confident that the report addresses all key issues that could significantly affect the PIC's ability to create value. The Board of Directors approved this report on 26 August 2026.



MINISTER'S NOTE TO PARLIAMENT

SPEAKER OF PARLIAMENT

It is my honour to present the Integrated Annual Report of the Public Investment Corporation SOC Limited (PIC) for the period 1 April 2025 to 31 March 2026 in line with Section 65 of the Public Finance Management Act (Act No. 1 of 1999).

Mr Enoch Godongwana, MP
Minister of Finance of South Africa

It is a privilege and a profound responsibility to assume the role of Chairperson of the Public Investment Corporation (PIC) at an important moment in the Corporation's development.



MR SEISO MOHAI
Chairperson

NEW CHAIRPERSON'S MESSAGE

The PIC occupies a unique position in South Africa's economy and financial system. It is one of Africa's largest asset managers and an institution whose decisions have consequences for financial markets, investment, economic development and, most importantly, the millions of people whose financial security depends on the funds entrusted to us.

Every investment decision must therefore begin with the mandates of our clients and the obligation to protect and grow their assets sustainably over the long term. Where those mandates include developmental outcomes, the PIC also has an important opportunity to demonstrate that prudent investment can generate sustainable financial returns while supporting infrastructure, industrial development, employment, transformation and broader economic participation.

BUILDING ON THE WORK OF THE PREVIOUS BOARD

On behalf of the incoming Board, I acknowledge the contribution of the previous Board, under the leadership of Dr David Masondo, during the period covered by this Integrated Annual Report and the audited Annual Financial Statements.

The previous Board served during a demanding period characterised by leadership changes, sustained public scrutiny and difficult domestic and global investment conditions. Important work was undertaken to strengthen governance, institutional capability, investment oversight and accountability. The achievement of assets under management exceeding R3 trillion during this period also reflects the resilience of the institution and the contribution of its leadership and employees.

The responsibility of the incoming Board is to build on what has been achieved, strengthen what requires improvement and address decisively those matters that remain unresolved.



AuM exceeding **R3 trillion** reflects the resilience of the institution and the contribution of its leadership and employees.

The new Board accepts responsibility for providing stability, strategic direction and effective oversight.

GOVERNANCE, INTERNAL CONTROL AND PERFORMANCE

The new Board accepts responsibility for providing stability, strategic direction and effective oversight.

The distinction between governance and management must remain clear. Management must be empowered and held accountable to manage the Corporation, while the Board sets strategic direction, exercises independent oversight and satisfies itself that risks are appropriately managed and approved objectives are being achieved.

Effective governance must be supported by strong internal controls. Delegations of authority, segregation of duties, risk management, compliance, internal audit, investment controls and consequence management must operate as an integrated system capable of preventing weaknesses, detecting them early and ensuring timely corrective action.

The Board will therefore pay particular attention to the implementation of audit findings and governance recommendations. Recurring control weaknesses cannot become normalised. Where deficiencies are identified, there must be accountable executives, defined corrective measures, measurable deadlines and independent assurance that remediation has occurred.

The same discipline must apply to organisational performance. Strategic plans and annual performance targets are commitments against which management and the Board must measure delivery. Performance information must enable the Board to identify material variances early, understand their causes and ensure corrective action during implementation.

In this way, governance, internal control and performance become mutually reinforcing elements of a capable, ethical and high-performing institution.

CLIENTS AND STAKEHOLDERS AT THE CENTRE

The PIC exists because its clients entrust it with their assets. That relationship must therefore be founded on more than contractual compliance. It must be a principled relationship based on trust, transparency, performance and accountability.

Clients must have confidence that their mandates are understood, that risks taken on their behalf are appropriate, that portfolio performance is transparently communicated and that the PIC acts decisively where investments underperform.

Our stakeholder responsibilities extend to the shareholder represented by the Minister of Finance, National Treasury, Parliament, regulators, organised labour, employees, investee companies, strategic partners and the broader South African public.

These stakeholders have different responsibilities and legitimate interests. The Board's responsibility is to engage openly, understand those interests and exercise independent fiduciary judgement in accordance with the law and client mandates.

Constructive relations with Parliament and regulators are particularly important. Oversight and accountability should be regarded as mechanisms for strengthening the institution. Where legitimate concerns are raised, the PIC must respond with accurate information, openness and demonstrable corrective action.

OUR PEOPLE, CULTURE AND INSTITUTIONAL CAPABILITY

The PIC's ability to fulfil its mandate ultimately depends on the quality and integrity of its people.

Managing assets of this scale requires exceptional investment, financial, risk, legal, governance, technology and operational capability. The Corporation must therefore attract, develop and retain highly skilled professionals while building a workplace characterised by integrity, fairness, accountability and performance.

Organisational culture assessments must lead to measurable improvements, while critical vacancies should be filled through rigorous processes based on competence, integrity, transformation and operational requirements.

Employees must also be confident that legitimate concerns can be raised without fear. Effective whistleblower protection, fair investigative processes and a credible speak-up culture are indispensable to an ethical organisation.

The objective is to build an institution in which professional excellence and public purpose reinforce one another.

DIGITAL TRANSFORMATION AND INNOVATION

The PIC's digital blueprint is an important component of strengthening institutional capability.

Technology must provide timely and reliable portfolio information, improve investment analysis, strengthen internal controls and post-investment monitoring, enhance cybersecurity and operational resilience, and provide clients and the Board with better-quality information.

This aligns directly to the Integrated Annual Report theme, Innovating for Inclusive Growth.

Innovation, however, must extend beyond technology. It must influence how the PIC identifies opportunities, structures investments, manages risk and deploys capital to achieve sustainable financial returns and, where mandated, meaningful developmental outcomes.

LOOKING AHEAD – PERFORMANCE WITH PURPOSE

The new Board is committed to building on the PIC's achievements while addressing its challenges with determination and transparency.

Our ambition is clear: a PIC that is stable, trusted, high-performing, well governed and equipped for the future.

Achieving this requires a governance culture that prevents problems rather than merely responding to them; investment stewardship that identifies deterioration before value is lost; performance management that converts plans into measurable outcomes; and stakeholder relationships grounded in trust and institutional integrity.

South Africa's development requires strong public institutions capable of combining professionalism with public purpose, transformation with performance, and ambition with accountability. The PIC must continue to be such an institution.

By placing our clients and beneficiaries at the centre of our decisions, exercising disciplined stewardship over the assets entrusted to us and working constructively with our stakeholders, we can strengthen confidence in the PIC and translate Innovating for Inclusive Growth into measurable and sustainable outcomes.

On behalf of the new Board, I thank our clients for the confidence they continue to place in the PIC; our shareholder, Parliament, regulators, organised labour, investment partners and other stakeholders for their engagement; and our employees for their professionalism and continued service through a period of significant changes.

The responsibility entrusted to us is substantial. Our task is to protect that trust, grow the assets and ensure that the PIC remains an institution worthy of the millions of South Africans whose futures depend upon its stewardship.



Mr Seiso Mohai, MP
CHAIRPERSON

**Appointed on 30 July 2026.*

As one of the largest asset managers on the African continent, the Public Investment Corporation's (PIC) investment mandate is vital to the retirement savings and social security of millions of citizens and their beneficiaries.



DR DAVID MASONDO
Chairperson

CHAIRPERSON'S REVIEW

The Board of the PIC, which I had the privilege of leading during the period under review, remained committed to rebuilding public trust in the organisation and strengthening oversight, corporate governance and accountability for the PIC's investment decisions.

During the financial year, the global economy demonstrated resilience, but risks, particularly for emerging markets, remained elevated. As the 2026 Budget Review notes, in an environment of volatile geopolitical tensions, South Africa needs to look to domestic drivers to stimulate the economy, specifically by improving the performance of major state-owned companies like the PIC. Targeted investment in the domestic economy remains an important driver of growth and development, particularly in areas of the economy where traditional instruments from private markets have proven to be inadequate in pricing and risk management.

In this context, the PIC's investment performance for the year ended 31 March 2026 delivered resilient returns across all client portfolios. In 2025/26, the PIC's total assets under management (AuM) grew by 19.94% or R608 billion, to close the financial year at R3.657 trillion (R3.049 trillion: 2024/25), notwithstanding outflows to client portfolios of R172 billion.

It is worth highlighting that, by February 2026, total AuM had reached R3.958 trillion and was approaching the historic R4 trillion mark. AuM then declined sharply by over R300 billion following heightened geopolitical tensions in the Middle East.

Viewed against a 13.3% growth rate in AuM for 2024/25 (R365 billion), the past year's growth in AuM of nearly 20%, reflects the strength of the PIC's diversified investment platform, the benefits of long-term asset allocation and the ability to navigate uncertainty while remaining committed to grow client assets.

The investment portfolios of all major PIC clients delivered robust, above-benchmark returns against their CPI+ targets over the past 12 months.

BOARD OVERSIGHT AND GOVERNANCE

Guided by our mandate, the Board worked to ensure that the PIC remained firmly aligned with South Africa's developmental priorities while embracing innovation as a catalyst for sustainable growth. Our oversight focused on embedding integrated thinking across the organisation, strengthening resilience and reinforcing the trust placed in us by our stakeholders.

The year also marked a significant transition for the PIC. On 1 July 2025, we welcomed Mr Patrick Dlamini as Chief Executive Officer (CEO), alongside a newly constituted Board, approved by Cabinet, in September 2025.

Our focus during the year was consolidating the new Board and refining governance structures to promote stability and accountability across the PIC. The former Management Investment Committee was dissolved and replaced by a streamlined Group Management Investment Committee, strengthening technical expertise and the quality of decision-making. At the same time, the Combined Assurance Forum intensified its focus on control enhancements, improving compliance and the PIC's overall risk index.

The transition to a new Board and executive leadership inevitably drew public scrutiny. Public scrutiny of the PIC is both legitimate and necessary. An institution entrusted with public funds must be held to the highest standards of transparency and accountability. But scrutiny must be grounded in evidence, and accountability must apply to all parties, including those that receive investments from the PIC.

Operationally, the transition was seamless and afforded us the opportunity to rectify inefficiencies and enhance competitiveness. The CIO role has since been restructured into three positions, enabling sharper focus within major asset classes and reducing strain on leadership capacity.

Through engagements with parliament, regulators and other stakeholders, the Board sought to reaffirm its commitment to ethical leadership, accountability and transparency. We recognised that scrutiny is an essential part of responsible stewardship and strengthens our resolve to embed integrity across the organisation, while delivering sustainable value for our clients and beneficiaries. This commitment was matched by strong investment outcomes.

Since its inception, the PIC has delivered an internal rate of return (IRR) in excess of 15% on its 2022 Unlisted Investments mandate, while the number of jobs facilitated by the entire Unlisted Investments portfolio grew to 226 327 in 2026.



Number of jobs facilitated by the portfolio grew to **226 327** in 2026.

The last quarter of the financial year also saw an escalation in public attacks against the PIC, its leadership and me, as Board Chairperson, by investee companies that had defaulted on their loan obligations to the PIC. This necessitated various court applications to protect the reputation of the PIC and its officials.

Accountability cannot be selective. Two High Court judgments in favour of the PIC affirmed that those who have benefited from public investments must honour their commitments. When borrowers fail to service their obligations and instead respond with allegations of corruption against the institution that financed them, the issue becomes a question of protecting the integrity of the fund that safeguards more than R3.6 trillion in public pensions and social security funds.

The PIC is the custodian of the assets of the Government Employees Pension Fund (GEPF) and several other public funds. Its responsibility is therefore not merely financial; it is fiduciary. Every investment decision, governance structure and accountability mechanism must ultimately serve the long-term interests of pensioners and their beneficiaries.

Rebuilding trust in a large and complex asset manager takes time. It requires the cultivation of professional investment teams, stronger internal controls, independent oversight and a culture of fiduciary responsibility. Balancing these objectives requires professionalism, rigour and the highest standards of governance. None of this can succeed if the institution itself is continually subjected to unfounded attacks designed to deflect attention from legitimate financial obligations.

Public scrutiny of the PIC is justified and necessary, as institutions entrusted with public funds must always operate under the watchful eye of the public. However, scrutiny must be grounded in evidence, and accountability must apply to all parties, including those that receive investments from the PIC.

FINANCIAL PERFORMANCE

For the year ended 31 March 2026, the PIC's financial position improved significantly, driven primarily by revenue growth and strong fund returns. Net profit increased by 70%, rising from R512 million to R869 million. Revenue



The PIC Operating Fund (PICO), the Company's investment fund, performed well during the year. An unrealised gain of R501 million was achieved, mainly because the PICO returned 20.66%, which exceeded its mandate composite benchmark return of 19.50% by 1.16%.



Net profit increased by **70%**, rising from R512 million to **R869 million**.



Revenue increased substantially by **R419 million**, from R1.307 billion to **R1.726 billion**.

increased substantially by R419 million, from R1.307 billion to R1.726 billion, largely due to additional revenue generated by an increase in basis points charged on the Listed Equities and Fixed Income portfolios. Operating costs increased by 15% to R1.427 billion (from R1.239 billion) primarily due to an increase in employee and information technology costs.

The PIC Operating Fund (PICO), the Company's investment fund, performed well during the year. An unrealised gain of R501 million was achieved, mainly because the PICO returned 20.66%, which exceeded its mandate composite benchmark return of 19.50% by 1.16%. The strong results were largely due to the fund's asset allocation decisions. Maintaining a lower-than-usual cash allocation enhanced returns, while an overweight position in South African equities also contributed positively to relative performance. Together, these decisions explain most of the fund's strong performance.

Total assets stood at R6.006 billion (rising by 22% or R1.087 billion from R4.919 billion during the previous financial year), with equity at R5.268 billion, cash and cash equivalents at R725 million and 16% return on equity (ROE).

LEADERSHIP TRANSITION

The Board extends its gratitude to Mr Abel Sithole, the outgoing CEO, for his exceptional leadership. He brought stability and restored ethical governance following the Mpati Commission

of Inquiry, expanded the PIC's market presence and rebuilt trust with clients, regulators and stakeholders. His contribution to implementing the Commission's recommendations and strengthening internal structures has been invaluable.

SIGNIFICANT EVENTS IN THE POST-REPORTING PERIOD

By 24 July 2026, the 10 Non-Executive Directors and I had resigned from the PIC Board. I believe that leadership requires placing the institution above oneself. The financial performance of the fund, amid strenuous domestic and geopolitical trends, is the collective work of the Board, management and every employee of the PIC. I am deeply grateful to my fellow Board members, the PIC management and every employee of the PIC for their professionalism, diligence and commitment to rebuild and strengthen this important institution.

As the growth in AuM and the PIC's 2025/26 financial results demonstrate, the organisation is on a firm and sustainable growth path. I wish the PIC and the new Board every success in the important work that lies ahead to protect and grow the assets of clients.

Dr. David Masondo, MP
CHAIRPERSON

The 2025/26 integrated annual report reflects on the financial year that was, for the most part, relatively smooth.



MR PATRICK DLAMINI
Chief Executive Officer

CHIEF EXECUTIVE OFFICER'S REPORT

It was the last quarter of the financial year that saw heightened geopolitical tensions, leading to the closure of the Strait of Hormuz – a key route for global oil supply. The closure of Hormuz caused significant disruption to the global economy and had profound implications for the investment environment, with fund managers reporting substantial losses, particularly in their listed portfolios. Notwithstanding the changes in the global environment, the PIC managed to realise its investment objectives.

Our scale and resilience continue to position the PIC as a trusted steward of public sector savings, delivering sustainable returns while innovating for inclusive growth across South Africa and the continent. This year's results highlight both the resilience of our portfolio and the dedication of our people, whose commitment to transformation and excellence continues to drive progress for our clients and the nation.

During the year under review, AuM grew from R3.049 trillion to R3.657 trillion, representing a 19.94% growth, notwithstanding net outflows of R172 billion. This performance underscores the strength of our diversified investment platform, the discipline of long-term asset allocation and our ability to navigate uncertainty while remaining firmly committed to client objectives.

PERFORMANCE OVERVIEW

The overall performance was strong, driven by asset allocation decisions, with high exposure to domestic equities during a period of strong JSE performance, complemented by a significant fixed income book that provided defensive yield.

The listed equities portfolio delivered strong results, supported by favourable economic conditions, a robust run in resources and the strengthening of the rand. These factors bolstered returns, even as escalating oil prices weighed on certain local stocks.

Performance in the unlisted portfolio was mixed. Since its inception, the PIC has delivered an internal rate of return (IRR) in excess of 15% on its 2022 Unlisted Investments mandate. During the financial year, approximately R8.71 billion (the Isibaya Fund, Multi-Management Private Markets and the Early-Stage Fund, including Unlisted Properties) in transactions were approved, but disbursement lagged behind targets.

In unlisted property, directly held assets underperformed due to various factors, including vacancies, budget overruns and delays associated with property developments. Conversely, indirect property investments performed well, underscoring the need to rebalance and strengthen direct holdings.

DRIVING EFFICIENCY AND INNOVATION

Innovation is central to the PIC's strategy. By modernising our investment processes, strengthening operational efficiency and developing new investment solutions, we are innovating for inclusive growth while enhancing the value we deliver to clients and supporting South Africa's economic development.

Streamlining investment processes

During the period under review, the PIC devoted time and resources to streamlining investment processes. The central focus has been on shortening turnaround times for investment approvals, which historically extended to as long as two years. Reforms to simplify committee structures, reduce duplication and accelerate decision-making have already improved responsiveness while maintaining rigorous risk oversight. These changes ensure that opportunities can be evaluated and executed more efficiently, delivering value to clients without compromising governance standards.

Diversifying clients and products

Broadening the client base and diversifying product offerings has become PIC's strategic priority. During the financial year, dedicated teams began designing innovative investment vehicles, including infrastructure platforms, to attract private sector participation and expand the PIC's impact. This diversification is expected to strengthen the PIC's resilience, open new avenues for inclusive growth and support delivery of its developmental investment mandate.

Infrastructure strategy and new allocation

Infrastructure remains a multi-pronged strategic focus, with the PIC focused on infrastructure projects that are catalytic in nature. In October 2025, the GEPP provided an additional R16 billion allocation, reinforcing PIC's ability to scale its

alternatives' book and expand impact investments. Case studies across unlisted investments showcase successes and demonstrate PIC's role in advancing innovative infrastructure solutions. The PIC participated in significant initiatives, including taking up between 70% and 80% of the National Treasury's infrastructure bond issuance. Investments span direct holdings, indirect fund commitments and specialist opportunities such as hydrogen energy.

Automation and operational efficiency

Automation is central to shaping a PIC that is agile, resilient and future-focused. Manual processes are being replaced with digital systems to enable real-time portfolio visibility for clients and strengthen operational resilience. Our objective is to provide clients with accurate portfolio information at the touch of a button. Automation has also reduced inefficiencies in reporting and disbursement processes, while positioning the organisation for a fully digital infrastructure over time. While implementation has presented challenges, automation is expected to deliver long-term efficiencies.

Addressing legacy challenges

We are making progress in addressing underperforming legacy investments, primarily those made before April 2022, through various initiatives aimed at unlocking and preserving value for our clients. Managing distressed assets is inherently complex and requires rigorous financial, operational and strategic interventions. In this regard, the PIC's Turnaround and Value Add (TOVA) team plays a critical role in preserving or maximising retrievable value for PIC clients by actively supporting underperforming investee companies. Turnaround initiatives are typically long-term and demand specialised expertise, disciplined execution and agile strategies to achieve sustainable outcomes. A panel of experts has been established to support the TOVA team, where necessary.

The PIC continues to follow through on the recommendations of the Mpati Commission. We continue to engage with law enforcement agencies regarding matters referred for investigation and possible prosecution as recommended by the Commission. This decisive approach demonstrates the PIC's commitment to integrity and financial discipline.



Reforms to simplify committee structures, reduce duplication and accelerate decision-making have already improved responsiveness while maintaining rigorous risk oversight.

EMPOWERING PEOPLE, EMBEDDING SUSTAINABILITY

Investing in our people

Recognising that a motivated workforce underpins performance, we prioritised HR reforms, including salary parity reviews and regrading of positions. These measures aim to rebuild morale, attract talent and foster a culture of accountability and innovation. A happy, empowered workforce is essential to delivering quality outcomes for clients and sustaining long-term growth. We remain committed to attracting, developing and retaining high-performing employees aligned with the PIC's strategic objectives.

Strengthening organisational culture and employee engagement

A baseline culture survey was launched in March 2026, providing insights to inform future HR programmes, address cultural shortfalls and strengthen employee well-being. Complementing this, the annual Wellness Day reinforced the employee value proposition and provided access to health and well-being services.

Advancing ESG and climate strategy

The PIC's climate change strategy was approved by the Board during the year, closing a critical gap and setting the stage for implementation. Engagements with unlisted companies on transition plans have already begun, reflecting proactive stewardship. Corporate social investment remained an important mechanism through which the PIC supported education, socio-economic development and environmental sustainability. During 2025/26, more than R3.7 million was invested in CSI initiatives. Participation in the G20, including the publication of four papers – notably on green jobs – further elevated the organisation's profile and demonstrated thought leadership in Research, ESG and sustainable development. Together, these initiatives reinforce the PIC's commitment to responsible investment and innovation that delivers sustainable, inclusive growth for current and future generations.

Sharpening governance and accountability

We strengthened client relationships and reputational management by bringing these responsibilities directly under my office, ensuring greater responsiveness and accountability. We are confident that this will improve our relationships with clients and the broader stakeholder base.

LOOKING AHEAD

We remain committed to ensuring that every future transaction first delivers sustainable financial returns while also supporting appropriate social outcomes in line with our mandate.

As we advance digital transformation, diversify our client base and strengthen governance, the PIC is firmly positioned to deliver on its mandate. Our focus remains on building a resilient, trusted institution that secures generational wealth while catalysing inclusive economic participation across South Africa and the continent.

This year's performance demonstrates resilience amid transition. Strong listed-market results, leadership renewal, streamlined committees, automation initiatives, culture and wellness programmes, enhanced CSI contributions, ESG strategy approval, client stewardship, and infrastructure investments have laid a solid foundation for sustainable growth. While challenges remain in unlisted investments and directly held properties, the reforms undertaken, including new infrastructure allocations, give me confidence that the PIC is well placed to navigate risks, strengthen client trust and continue innovating for inclusive growth.



We are building a PIC that is future-fit, trusted and a catalyst for shared prosperity.

Innovating for Inclusive Growth is more than this year's theme; it reflects how we invest, how we serve our clients and how we create long-term value for South Africa's economy and the people whose savings we manage. Most importantly, we remain committed to building a PIC that is responsive to clients' needs. With the continued support of the Minister of Finance as shareholder representative, the Board, our clients and our committed employees, I am confident that we will continue delivering sustainable returns, strengthen inclusive economic growth and create lasting value for current and future generations.

Mr Patrick Dlamini
CHIEF EXECUTIVE OFFICER

LEADERSHIP

GOVERNANCE STRUCTURE AND DECISION-MAKING FRAMEWORK



BOARD OF DIRECTORS

DURING THE REPORTING PERIOD

Mr David Masondo

ACADEMIC QUALIFICATIONS

- ◉ Doctor of Philosophy in Political Economy
- ◉ Master of Arts
- ◉ Bachelor of Arts (Honours)

EXPERTISE

- ◉ Finance
- ◉ Economics
- ◉ Education
- ◉ Community Development

BOARD COMMITTEES

- ◉ Chairperson
- ◉ Chairperson of the Directors' Affairs Committee

APPOINTED TO PIC BOARD

1 November 2021



Dr Mugwena Maluleke

ACADEMIC QUALIFICATIONS

- ◉ Doctorate in Law
- ◉ Master of Business Administration
- ◉ Master in Labour Law
- ◉ Bachelor of Arts
- ◉ Primary Teachers Diploma
- ◉ Financial and Accounting
- ◉ Principles for Public Entities
- ◉ Project Management Programme
- ◉ Personal Finance Management
- ◉ Diploma in Negotiations

EXPERTISE

- ◉ Business Administration
- ◉ Law
- ◉ Labour Relations
- ◉ Education

BOARD COMMITTEES

- ◉ Deputy Chairperson
- ◉ Non-Executive Director
- ◉ Chairperson of the Human Resources and Remuneration Committee
- ◉ Member of the Investment Committee: Unlisted Investments and Unlisted Properties Investments
- ◉ Member of the Directors' Affairs Committee

APPOINTED TO PIC BOARD

1 November 2021



Ms Nosiphiwo Balfour

ACADEMIC QUALIFICATIONS

- ◉ Bachelor of Science in Property Studies (Honours)
- ◉ Postgraduate Diploma Investment Analysis and Portfolio Management
- ◉ Oxford Women's Leadership Programme

EXPERTISE

- ◉ Asset Management
- ◉ Commercial Property Investment
- ◉ Investment Portfolio Optimisation
- ◉ Finance Transaction Structuring
- ◉ Corporate Governance

BOARD COMMITTEES

- ◉ Non-Executive Director
- ◉ Chairperson of the Risk Committee
- ◉ Member of the Investment Committee: Unlisted Investments and Unlisted Properties Investments

APPOINTED TO PIC BOARD

15 September 2025



Ms Lindy Bodewig

ACADEMIC QUALIFICATIONS

- Chartered Accountant (South Africa)
- Bachelor of Accounting Sciences (Honours)
- Bachelor of Accounting Sciences
- Certificate in the Theory of Accounting

EXPERTISE

- Accounting and Finance

BOARD COMMITTEES

- Non-Executive Director
- Chairperson of the Audit and Information Technology Committee
- Member of the Investment Committee: Listed Investments

APPOINTED TO PIC BOARD

15 September 2025



Mr Stephen Boikanyo

ACADEMIC QUALIFICATIONS

- Bachelor of Laws
- Bachelor of Jurisprudence
- Certificate in Insolvency Law and Practice
- Certificate course in Financial Markets and Banking Law

EXPERTISE

- Corporate Law

BOARD COMMITTEES

- Non-Executive Director
- Chairperson of the Social, Ethics and Transformation Committee
- Member of the Investment Committee: Listed Investments
- Member of the Risk Committee

APPOINTED TO PIC BOARD

15 September 2025



Ms Dorothy Kobe

ACADEMIC QUALIFICATIONS

- Chartered Financial Analyst (CFA®) Charterholder
- Master of Science in Mathematics
- Bachelor of Science in Mathematics (Honours)
- Higher Diploma in Computer Science
- Diploma in Criminal Justice and Forensic Investigation

EXPERTISE

- Finance/Treasury

BOARD COMMITTEES

- Non-Executive Director
- Chairperson of the Investment Committee: Listed Investments
- Member of the Audit and Information Technology Committee

APPOINTED TO PIC BOARD

15 September 2025



BOARD OF DIRECTORS

DURING THE REPORTING PERIOD

Ms Lerato Makwetla

ACADEMIC QUALIFICATIONS

- ◉ Master of Laws in Tax Law
- ◉ Bachelor of Laws
- ◉ Bachelor of Arts
- ◉ Diploma in Management Development

EXPERTISE

- ◉ Tax Law
- ◉ Corporate Governance
- ◉ Legal Advisory

BOARD COMMITTEES

- ◉ Non-Executive Director
- ◉ Member of the Audit and Information Technology Committee
- ◉ Member of the Risk Committee

APPOINTED TO PIC BOARD

15 September 2025



Ms Lindiwe Motshwane

ACADEMIC QUALIFICATIONS

- ◉ Master of Public Management
- ◉ Postgraduate Diploma in Public Management
- ◉ Advanced Certificate in Education
- ◉ Secondary Teachers Diploma
- ◉ Certificate in Principles of Economics
- ◉ Certificate in Labour Law Management
- ◉ Basic Financial Skills
- ◉ Introduction to Investment and Finance
- ◉ Principles of Finance and Investment Management

EXPERTISE

- ◉ Finance
- ◉ Education
- ◉ Labour Relations

BOARD COMMITTEES

- ◉ Non-Executive Director
- ◉ Member of the Social, Ethics and Transformation Committee
- ◉ Member of the Human Resources and Remuneration Committee

APPOINTED TO PIC BOARD

15 September 2025



Ms Rethabile Nkosi

ACADEMIC QUALIFICATIONS

- ◉ Master of Business Administration
- ◉ Postgraduate Diploma in Business Administration and Management
- ◉ Bachelor of Science in Agricultural Economics

EXPERTISE

- ◉ Development and Corporate Finance
- ◉ Banking
- ◉ Economics
- ◉ Business Strategy
- ◉ Corporate Governance
- ◉ Corporate Restructuring

BOARD COMMITTEES

- ◉ Non-Executive Director
- ◉ Chairperson of the Investment Committee: Unlisted Investments and Unlisted Properties Investments
- ◉ Member of the Risk Committee

APPOINTED TO PIC BOARD

15 September 2025



Mr Matimba Justice Shiburi

ACADEMIC QUALIFICATIONS

- ◉ Bachelor of Arts
- ◉ Certificate in Marketing and Customer Centricity
- ◉ Leadership Development and Emotional Intelligence Training
- ◉ Relationship Selling Training

EXPERTISE

- ◉ Labour Relations

BOARD COMMITTEES

- ◉ Non-Executive Director
- ◉ Member of the Human Resources and Remuneration Committee
- ◉ Member of the Social, Ethics and Transformation Committee

APPOINTED TO PIC BOARD

15 September 2025



Mr Mpumelo Maseko

ACADEMIC QUALIFICATIONS

- ◉ Bachelor of Commerce in Accounting (Honours)
- ◉ Certificate in the Theory of Accounting
- ◉ Bachelor of Commerce in Accounting
- ◉ Advanced Company Law
- ◉ Emerging Markets and Country Risk Analysis Summer Programme
- ◉ Corporate Finance

EXPERTISE

- ◉ Corporate Finance
- ◉ Accountancy
- ◉ Audit
- ◉ Tax
- ◉ Corporate Governance
- ◉ Investment Management
- ◉ Transacting Specialist

BOARD COMMITTEES

- ◉ Non-Executive Director
- ◉ Member of the Risk Committee
- ◉ Member of the Audit and Information Technology Committee
- ◉ Member of the Investment Committee: Listed Investments

APPOINTED TO PIC BOARD

28 October 2025



The Board composition presented in this report reflects the directors who served during the 2025/26 financial year. Subsequent to the reporting period, a new PIC Board of Directors was appointed with effect from 30 July 2026. The composition and activities of the new Board will be reported in the 2026/27 Integrated Annual Report.

EXECUTIVE MANAGEMENT

Mr Patrick Dlamini

Chief Executive Officer

QUALIFICATIONS:

- MSc in Global Finance (MSGF), HKUST-NYU Stern
- BCom
- Advanced Executive Programme
- EDP
- Advanced Specialist Financial Management Programme

Executive Director (ex-officio executive)



Ms Batandwa Damoyi

Chief Financial Officer

QUALIFICATIONS:

- Chartered Accountant (SA)
- Strategic Leadership Programme (GIBS)
- Certificate of Theory in Accounting
- Postgraduate Diploma in Management Accounting
- Bachelor of Science

Executive Director



Mr Kabelo Rikhotso

*Chief Investment Officer
Resigned: 28 February 2026*

QUALIFICATIONS:

- Chartered Financial Analyst (CFA® Institute)
- MCom (Financial Economics)
- BCom Honours (Financial Analysis and Portfolio Management)
- BSc (Mathematical, Physical and Statistical Sciences)

Executive Director



Ms Makano Mosidi

Chief Technology Officer

QUALIFICATIONS:

- Bachelor of Commerce (Financial Accounting and Computer Science)
- University Education Diploma (Accounting and Economics)



Mr August van Heerden

*Chief Risk Officer and
Acting Chief Investment
Officer
From: 3 October 2025*

QUALIFICATIONS:

- Chartered Accountant (SA)
- Global Leadership Programme
- International Executive Programme INSEAD
- Advanced Diploma in Banking Law
- Bachelor of Accounting Science (Honours)
- Bachelor of Commerce
- Diploma in Financial Markets and Instruments



Mr Tonderai Manyumwa

*Acting Chief Risk
Officer
From: 3 October 2025*

QUALIFICATIONS:

- Master of Business Administration (MBA)
- Chartered Financial Analyst (CFA®) Charterholder
- Bachelor of Business Science (Honours), Finance



Ms Rubeena Solomon

*Head: ESG and Acting
Chief Operating Officer*

QUALIFICATIONS:

- Master of Business Administration
- Bachelor of Commerce (Honours)
- Bachelor of Commerce
- Certificate in Corporate Governance
- Higher Certificate in Islamic Banking and Finance Law



Ms Bongani Maserumule

*Company
Secretary*

QUALIFICATIONS:

- Admitted as Attorney and Conveyancer of the High Court of South Africa
- LLM: Commercial Law
- B Proc
- Certificate in Advanced Corporate Law
- Certificate in Board Leadership



PART 02 | VALUE CREATION AT THE PIC

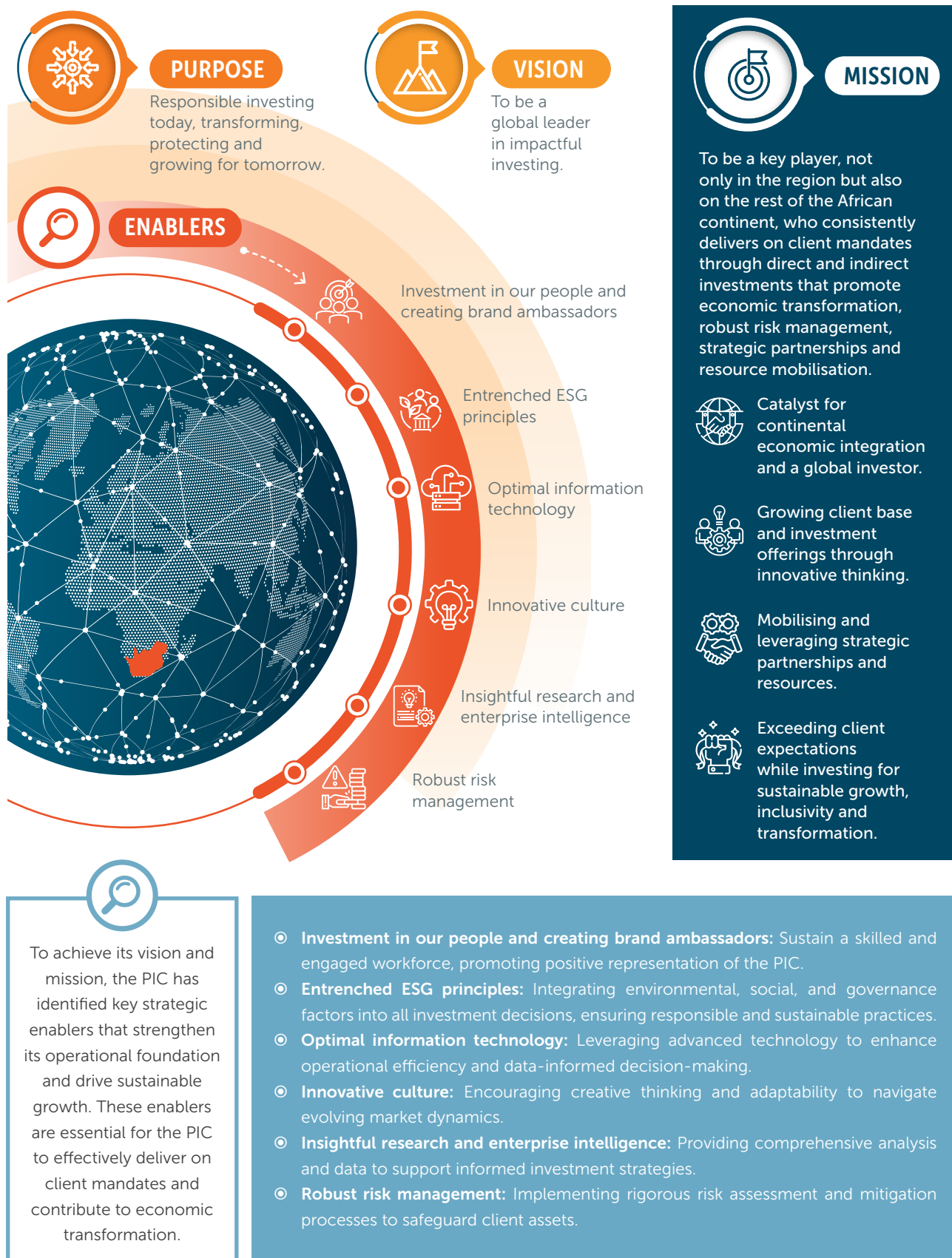
HOW PIC DELIVERS SUSTAINABLE RETURNS AND DEVELOPMENTAL IMPACT



02

The PIC is the trusted steward of life savings and other social security funds in South Africa, diligently investing to generate sustainable financial returns while advancing long-term socio-economic impact. To deliver on its mandate, the PIC is guided by purpose, vision and mission.

THE PIC'S STRATEGIC APPROACH



ETHICS AND VALUES

The PIC is the steward of South Africa's public sector wealth, leveraging the capabilities of its diverse team of investment professionals. Guided by the highest standards of ethical conduct, transparency and accountability, employees embody the Corporation's TR²AI²L values system, ensuring that every action prioritises client and stakeholder interests while demonstrating good corporate citizenship.

TR²AI²L



THE PIC WAY MAKING AN IMPACT



I CARE



Respect



Transparency



Lead by example



WE DELIVER



Accountability



Integrity



Innovation



Results-Driven

TR²AI²L



TRANSPARENCY

- We value creating a space for open communication, transparency and feedback above all else.
- We convey all necessary information to all our stakeholders.



RESULTS-DRIVEN

- We strive for results with passion, grit and determination.
- Our passion drives us to work with urgency and aspire for excellence in what we do.
- We motivate each other and are accountable to each other to deliver on our vision.
- We will always go above and beyond to make our clients successful. We believe in value creation for our stakeholders.
- We enable our clients to realise their investment objectives and deliver beyond stakeholder expectations.



RESPECT

- We respect human rights and the elimination of all forms of discrimination.
- We treat each stakeholder with respect and listen to their views.
- We listen to the views of our stakeholders and never disregard their opinions, no matter how different they are from ours.



ACCOUNTABILITY

- We are prepared to take accountability for our organisation and individual commitments and decisions.
- We are accountable to our organisation for our individual commitments and decisions, and to our stakeholders for every decision we make.



INTEGRITY

- We strive to do the right things at the right time and in the right way, in all that we do, taking responsibility for our actions.
- We behave and conduct our business ethically, openly, with honesty, integrity, and diligence in order to meet the expectations of our colleagues, clients and all stakeholders.
- The stakeholders we do business with are expected to share our commitment to integrity by doing business fairly, ethically and in compliance with all applicable laws and regulations.
- Ethical leadership starts at the top. It is the responsibility of the Board, EXCO and senior management to embed an ethical culture at the PIC.



INNOVATION

- We encourage and appreciate innovation and creativity.
- We consistently look for new ways to improve what we do, with emphasis on research and development.

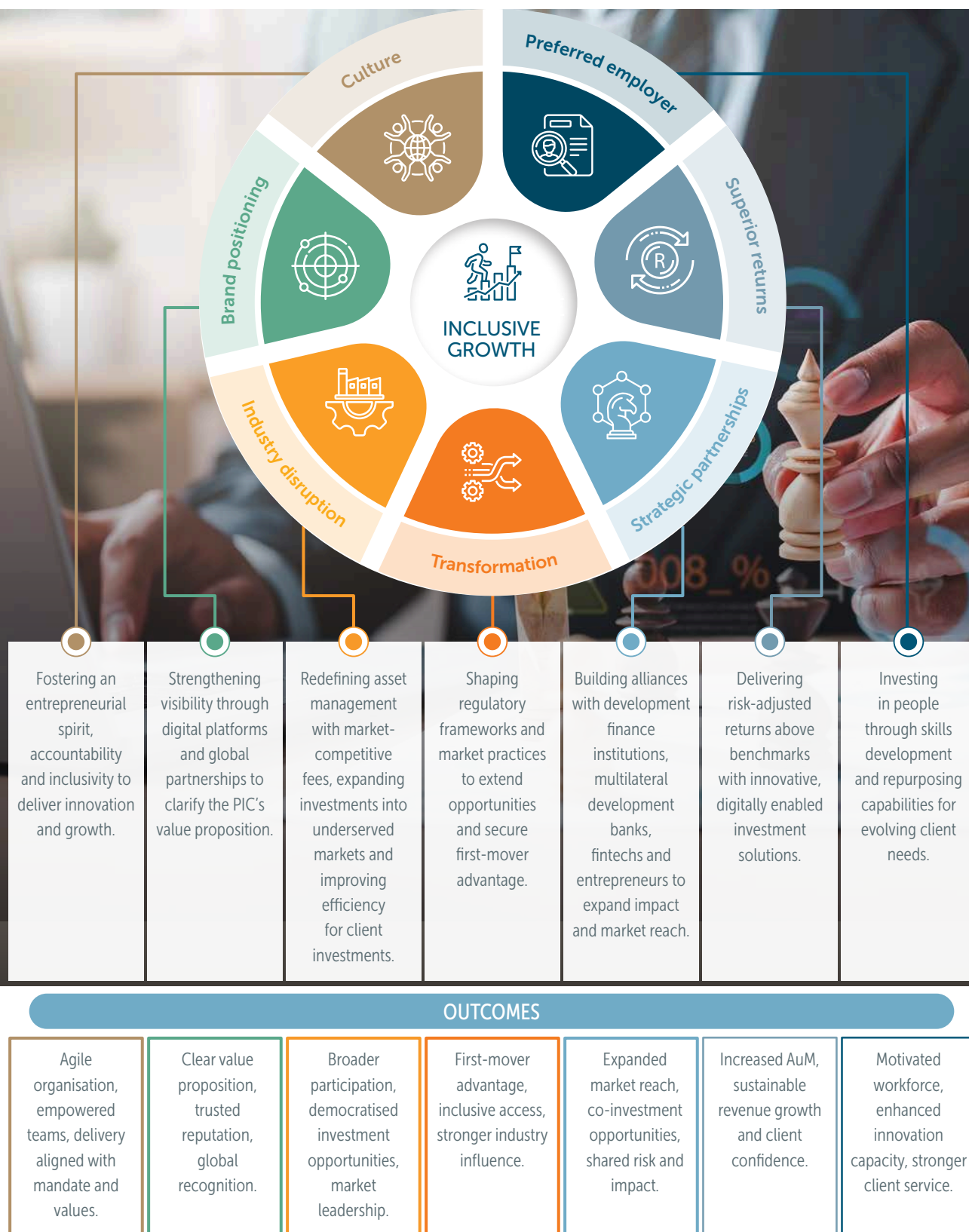


LEAD BY EXAMPLE

- We live by the company values and model behaviour that we are proud of.
- We aim to outperform our benchmarks and play a leading role in terms of developmental investments and operational excellence.

STRATEGIC INTENT

The PIC's strategic intent reflects how innovating for inclusive growth permeates its business. Each of the following commitments forms part of a cohesive framework that balances financial performance with developmental outcomes.



FOUNDATIONAL PILLARS FOR SUSTAINABLE INVESTMENT AND VALUE GENERATION

The PIC recognises that human capital, information and communications technology, ESG, and risk management are fundamental to long-term sustainability and investment performance.

By prioritising and effectively managing these areas, the Corporation strengthens operational resilience and supports consistent value creation for its clients.

UNPACKING THE PIC'S STRATEGIC INTENT



Preferred employer in financial services

The PIC aims to be a preferred employer in the financial services industry, attracting the best talent among professionals in investment management, corporate finance, legal and other corporate services. Supported by a performance-driven culture – The PIC Way – exceptional talent is the driving force behind organisational performance. This requires continuous innovation to attract and retain the best minds suitable for its core business functions.



Investment returns exceed industry benchmarks

Clients hold significant agency in choosing where to invest, and the PIC aims to be the partner of choice. Therefore, the PIC is committed to achieving returns that not only match, but also surpass the best in the industry. The PIC targets risk-adjusted returns over the long-term.



Growing AuM consistently above inflation

The PIC aims to grow assets under its management. It does this by seeking above-benchmark returns in the current AuM and by incrementally adding new clients to its portfolio. The acquisition of new clients and growing current portfolios above the rate of inflation ensures a continuous upward trajectory and consistent asset expansion.



Committed to making a positive economic and social impact

The PIC strives to amplify its influence in driving inclusive economic growth, development and transformation. The PIC's commitment extends beyond generating financial returns. It includes making a positive societal impact and measures its success, and that of its investee companies, on developmental criteria such as job creation, employment equity, economic inclusion for the youth, women and people with disabilities, and protecting the environment.

MANAGING RISKS AND OPPORTUNITIES

Effective risk management at the PIC extends beyond the identification, assessment, measurement, prioritisation and response to risks that may affect strategic, investment and operational objectives. It is also concerned with transforming risk into credible investment opportunities.

The strategic risks identified by the Board and Executive Committee (EXCO), collectively, define the organisation's risk profile. These risks are monitored quarterly to ensure that responses remain appropriate, continuously updated and aligned with the evolving business environment.

OUTCOMES OF MANAGING RISK AND OPPORTUNITIES



RESILIENT PORTFOLIOS

Safeguarding client assets against volatility while enabling sustainable long-term returns.



CREDIBLE OPPORTUNITIES

Leveraging risk insights to unlock new investments aligned with inclusive growth.



STAKEHOLDER CONFIDENCE

Reinforcing trust through transparent oversight and proactive risk responses.



INNOVATION IN RISK MANAGEMENT

Embedding digital tools and analytics to anticipate and manage emerging risks.



The PIC's risk management approach ensures that risks are not only mitigated but also harnessed to create opportunities that deliver sustainable financial returns, reinforce governance discipline, and broaden participation in the economy.

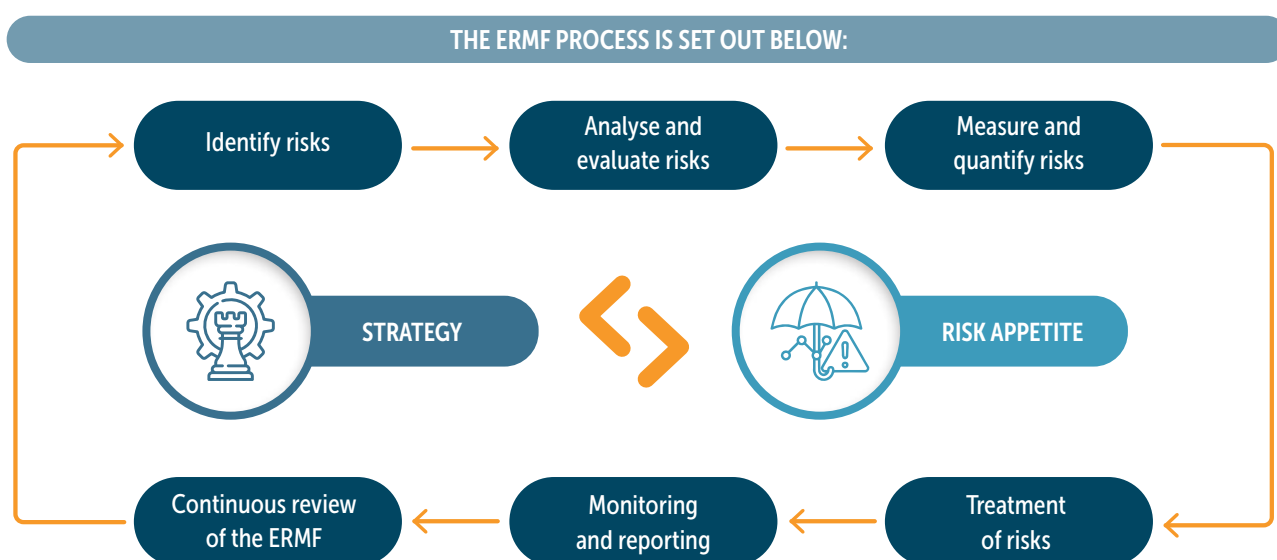


ENTERPRISE RISK MANAGEMENT

In a complex financial services environment, risk management must continuously evolve, with mitigation strategies reviewed and adapted to remain effective. The PIC has an Enterprise Risk Management Framework (ERMF) to identify, measure, manage, monitor and report on risks. The ERMF defines risk appetite and tolerance, promotes a risk-aware culture and builds the capability and tools to address both existing and emerging risks.

Part of a robust corporate governance structure, the ERMF is aligned with King V™ and ISO 31000, and the Committee of Sponsoring Organisations of the Treadway Commission frameworks.

The PIC applies both top-down and bottom-up approaches to identify, assess and mitigate risks. The top-down process involves Board and senior management risk workshops, cascading through the organisation. The bottom-up process entails risk assessments in each division and function, with findings referred to the Board. Together, these approaches ensure that key risks are identified and addressed, safeguarding the achievement of the PIC's strategic objectives.



Principal risks are continuously monitored to assess their impact on the strategic objectives. Controls are embedded across business units and functions to ensure that objectives are achieved.



PRINCIPAL RISKS



1

STRATEGIC RISK

Poor strategic choices, failing to execute selected strategies or being unable to adapt to shifts in the external business, political or socio-economic environments.



RISK APPETITE STATEMENT

The PIC has low-risk appetite and tolerance for:

- Failure to execute the strategy and achieve outcomes aligned with the corporate plan.
- Inability to safeguard the stability and sustainability of the organisation.
- Ineffective decision-making that compromises agility and accountability.
- Inability to adapt and remain relevant as one of Africa's largest asset managers.



2

CREDIT RISK

The probability that a borrower and/or counterparty may fail to meet its financial obligations. For the PIC, this encompasses not only the potential for default on interest or principal repayments but also the risk of credit deterioration that could impair the value of investments, reduce expected returns or constrain the ability to meet client mandates and developmental objectives.



RISK APPETITE STATEMENT

The PIC has low tolerance for credit risk-taking beyond client-specified credit risk parameters and its investment philosophy and criteria. All credit exposures must be aligned with clients' risk-return objectives, with strong emphasis on:

- Capital preservation.
- Recoverability.
- Prudent risk-adjusted returns.



3

MARKET RISK

The potential impact of changes in market variables on the value of a portfolio or an investment. It reflects expected and unexpected fluctuations in asset values due to volatility, correlations and movements. These may arise from shifts in equity prices, interest rates, credit spreads, foreign exchange rates, commodity prices or other market indicators.



RISK APPETITE STATEMENT

The PIC has low tolerance for risk-taking beyond client-specified parameters. The measured appetite aligns with each client's mandate and the strategic objectives. Market risk is accepted where it is expected to generate appropriate risk-adjusted returns, but the PIC does not tolerate excessive or unmanaged exposures that could result in material loss of capital or deviation from client benchmarks.



4

FUND LIQUIDITY RISK (AuM)

Failure of a portfolio to meet the reasonable liquidity demands of PIC clients, whether to honour redemption requests or meet a fund's investment objectives, due to insufficient liquidity of underlying assets.



RISK APPETITE STATEMENT

The PIC has low tolerance for liquidity risk beyond client-specified parameters. Where clients have not set explicit limits, the Corporation strives to maintain the ability to liquidate at least 5% of the total client portfolio value in 10 business days, reflecting the scale of its AuM.



5

LIQUIDITY RISK (CORPORATE)

Inability to meet its short-term financial obligations as they fall due, without incurring significant losses.



RISK APPETITE STATEMENT

The PIC maintains sufficient liquid assets to meet FAIS Act financial soundness requirements by ensuring that:

- Its current assets exceed current liabilities.
- Its liquid assets meet or exceed the regulatory liquidity limit of 8/52 weeks (15.3%) of annual expenditure.



6

OPERATIONAL RISK

Potential losses arising from inadequate or failed processes, people and systems or from external events.



RISK APPETITE STATEMENT

The PIC has zero appetite for:

- Business disruption following a disaster.
- Internal and external fraud by employees and other stakeholders.
- Unauthorised disclosure of client information.
- Fraud, bribery and corruption by both employees and third parties.
- Non-compliance with labour legislation.



7

INFORMATION TECHNOLOGY RISK

Potential financial loss, business disruption or reputational damage arising from failures of information technology systems.



RISK APPETITE STATEMENT

The PIC has a low appetite for:

- System unavailability affecting crucial business and investment functions.
- Legacy applications unable to withstand dynamic cybersecurity threats or stakeholder expectations.
- Non-compliant solutions and systems that do not adhere to approved architecture standards and policies.



8

CYBER-RISK

The Board ensures that EXCO integrates cyber-risk into the PIC strategy, managing this risk while promoting business agility and the ability to recover swiftly after a cyber-attack.



RISK APPETITE STATEMENT

The PIC has zero appetite for:

- Damage arising from malicious attacks.
- Business interruption.



9

LEGAL AND REGULATORY RISK

Losses arising from actual or proposed changes to, or non-compliance with, laws, regulations, rules, mandatory industry practices and internal policies and procedures.



RISK APPETITE STATEMENT

The PIC has zero tolerance for:

- Failure to meet contractual obligations.
- Non-compliance with court orders and processes.
- Loss of FAIS licence.

It has zero appetite and tolerance for:

- Non-compliance with laws, regulations, policies or requirements of regulatory bodies.
- Compliance breaches that may result in financial loss, penalties or imprisonment.
- Mandate breaches unless approved or noted by the client.



10

REPUTATIONAL RISK

Loss of credibility arising from internal or external factors related to, or resulting from, other risk categories.



RISK APPETITE STATEMENT

The PIC has zero risk appetite for:

- Damaging media commentary that undermines its brand.
- Inadequate client query management, resulting in late responses or mandatory reporting to clients outside of the approved service level agreement.
- Leaking information to the media.



11

ESG RISK

Inability to identify, measure and monitor environmental (including climate), social and governance risks in line with global practices and standards.



RISK APPETITE STATEMENT

The PIC has a low tolerance for ESG risk beyond what is prescribed in client mandates.



12

MODEL RISK

Losses from decisions based principally on model output, due to errors in the development, implementation or use of such models.



RISK APPETITE STATEMENT

The PIC has a low appetite for model errors and non-compliance with the Model Risk Policy.

CONTROL ENVIRONMENT ASSESSMENT

The PIC applies the methodology of the Committee of Sponsoring Organisations of the Treadway Commission to evaluate the robustness and effectiveness of internal controls. The control environment sets the standards, processes and structures for these assessments, which cover the areas detailed below.

CONTROL ENVIRONMENT PRINCIPLES



GOVERNANCE

Effective and ethical leadership by governing forums to achieve defined outcomes, which include organisational performance, ethical culture, legality and sound internal controls.



INTEGRITY AND ETHICS

Demonstrating honesty, ethical conduct and adherence to the PIC's values.



MONITORING AND OVERSIGHT

Incorporating and optimising assurance services from all assurance providers to enable an effective control environment and support the integrity of information used for internal decision-making by management and Board committees.



ORGANISATIONAL STRUCTURE, RECRUITMENT AND STAFFING

How management establishes, with Board oversight, structures, reporting lines, authorities and responsibilities to attract, develop and retain competent individuals.



RISK IDENTIFICATION AND MANAGEMENT

How the organisation identifies risks and determines how they should be managed.



ADDRESSING CHANGES

Identifying and assessing changes that could significantly affect internal control.



TECHNOLOGY CONTROLS

Developing general control activities over technology to support the achievement of objectives.

RISK PROFILE SUMMARY

Key strategic risks identified by EXCO and approved by the Board are continuously monitored, with adjustments made as risks evolve. During the year under review, the Board and its committees reviewed principal risks to confirm that appropriate controls were in place.

PIC RISK HEATMAP AS AT 31 MARCH 2026

LIKELIHOOD	RESIDUAL RISK RATING				
5 Almost certain >90%	5	10 #8 Compliance Risk (Regulatory and Mandate Compliance) #3 Strategy Execution Risk	15	20	25
4 Highly probable 51% – 70%	4 #2 Financial sustainability risk	8	12 #11 Artificial Intelligence (AI) and Data Risk	16 #7 Human Capital and Culture Risk	20
3 Possible 31% – 50%	3	6	9	12 #5 Reputational Risk	15
2 Unlikely 11% – 30%	2	4	6	8	10 #1 Investment Performance Risk #10 Cyber Risk
1 Rare	1	2 #4 ESG/climate risk	3 #6 Anti Bribery Corruption and Ethics Risk	4 #9 Information Technology Risk	5
IMPACT	1 Negligible	2 Minor	3 Moderate	4 Major	5 Critical

■ Low: 1 - 8 ■ Moderate: 9 - 14 ■ Critical: 15 - 25



EMERGING RISKS

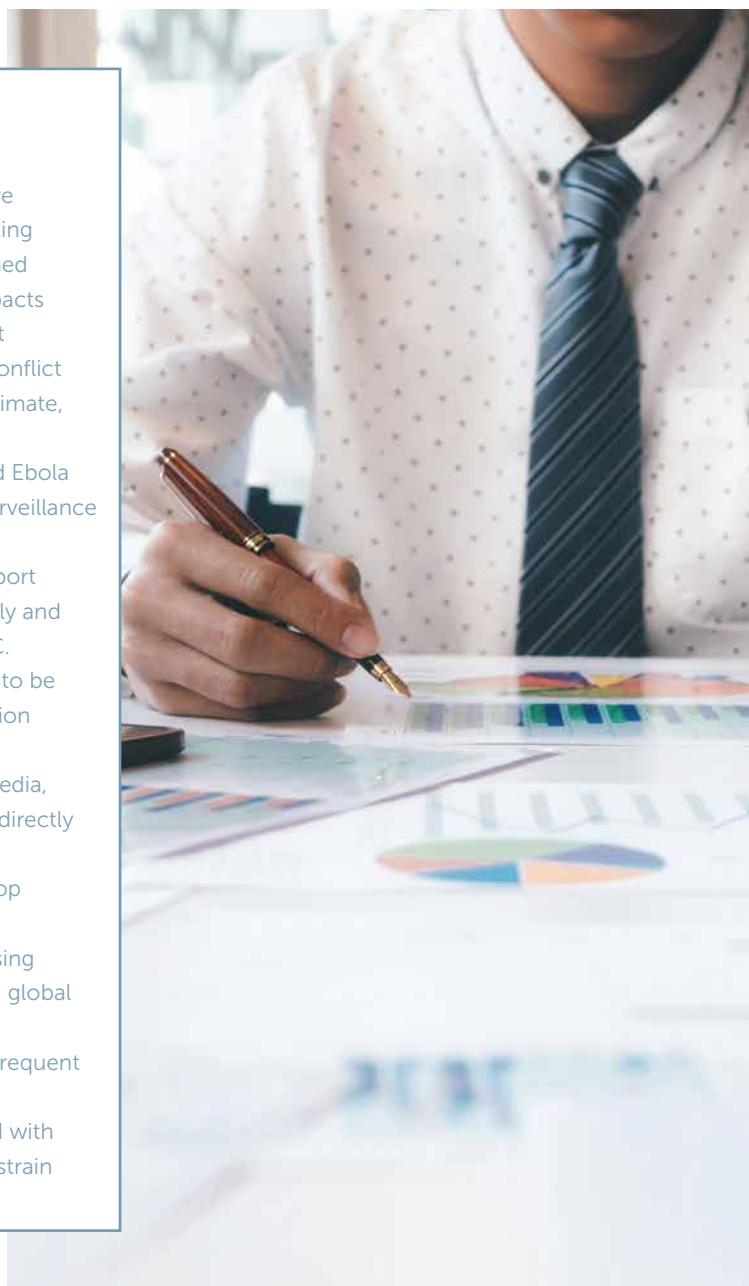
The operating environment is scanned continuously to identify, assess and proactively manage potential threats. The Risk Department leads the identification of emerging risks, drawing input from EXCO, Board committees, the Board and the economic research team. Mitigating actions are then formulated, and each emerging risk is allocated to an EXCO risk owner.

Emerging risks are treated similarly to principal risks – recorded in a risk register that tracks and analyses the impact and management. EXCO and the Board oversee the register to build a risk-aware culture that encourages proactive identification and management. Risks are monitored continuously, and responses are developed with risk owners and reported to EXCO, the Risk Committee and other Board committees. This ensures that emerging risks are managed to safeguard strategic objectives.



KEY RISKS CURRENTLY UNDER REVIEW INCLUDE:

- **Middle East conflict:** External shocks from the conflict have materially affected South Africa's business ecosystem, shifting risks to the downside. This reinforces the need for disciplined macro-policy and accelerated structural reform as the impacts – transmitted through financial markets, inflation and asset performance – are both immediate and cumulative. The conflict will continue to weigh on the economic and investment climate, adversely affecting AuM.
- **Infectious diseases:** Conditions such as the Hantavirus and Ebola virus are monitored as part of continuous emerging risk surveillance and business continuity planning.
- **Goeconomic confrontation:** Weaponisation of tariffs, export controls and sanctions exerts international pressure, directly and indirectly affecting the South African economy and the PIC.
- **Local election risk:** The 2026 local elections are expected to be highly contested, shaped by service delivery failures, coalition politics and growing voter frustrations.
- **Misinformation and disinformation:** Amplified by social media, this risk can destabilise the economy and polarise society, directly influencing the PIC's role in the national economy.
- **Cyber-attacks:** Artificial intelligence may be used to develop increasingly sophisticated cyber-attacks against the PIC.
- **Adverse outcomes of artificial intelligence:** The fastest-rising risk, with concerns about its impact on labour markets and global security.
- **Climate change and severe weather events:** Increasingly frequent events threaten lives, food security and economic stability.
- **Rising cost-of-living:** Higher food and fuel prices, coupled with elevated interest rates, erode household incomes and constrain consumption.



OUTLOOK AND STRATEGIC ALIGNMENT

The Risk Department has identified key multi-year initiatives to strengthen risk management proactively. These will be key focus areas in the next financial year:



IMPLEMENTATION OF THE RISK STRATEGY

The Risk Department will ensure that the risk management strategy fully supports and aligns with corporate strategy objectives.



RISK MANAGEMENT MATURITY ASSESSMENT

During the year under review, an independent service provider assessed the PIC's risk management practices, policies and processes. The focus for the year ahead will be on implementing recommendations to further mature risk management practices.



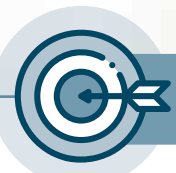
HUMAN CAPITAL INVESTMENT

Ongoing investment in people, structure and culture to strengthen Risk Department effectiveness.



COMBINED ASSURANCE MODEL ENHANCEMENT

Plans are in place to enhance the Combined Assurance model, while instilling a stronger risk culture across the PIC.



DRIVING SUSTAINABLE IMPACT IN 2026/27

The following initiatives will advance and enhance impactful risk management across the organisation:

- Implementation of the recently approved risk appetite framework to address portfolio deficiencies and provide clear guidelines for risk-taking in future transactions.
- Further deployment of artificial intelligence and machine learning tools to enhance risk management capabilities.
- Introduce a benchmarking tool to improve credit pricing discipline and transparency.
- Integrate data to improve decision-making efficiency and business performance.
- Strengthening data integrity through improved data quality management and validation, while enhancing the accuracy and consistency of portfolio performance calculations and reporting.

APPROACH TO INVESTMENTS

INVESTMENT PHILOSOPHY

The PIC's investment philosophy seeks to create dual value in unlisted markets: sustainable financial returns with meaningful social and environmental impact across South Africa and the continent. In listed markets, it capitalises on market inefficiencies created by behavioural biases, targeting high-quality companies at attractive valuations and applying strict sell discipline when fundamental value is lost.

Financial and Social Returns



FINANCIAL RETURNS

ALPHA GENERATION

Provide sustainable, long-term financial returns to clients in line with set benchmarks.

DIRECT INVESTMENT APPROACH

Impact investing for real socio-economic transformation across all PIC investment activities in unlisted investments.

SOCIO-ECONOMIC TRANSFORMATION

Transforming and contributing to the economy to improve sustainability through impact investing.

Incorporating ESG issues produces sustainable long-term portfolio returns



SUSTAINABLE INVESTING (ESG)



ENVIRONMENT

Protecting the environment to sustain the creation of wealth.



SOCIAL

Sharing the wealth is an insurance for sustained wealth creation.



GOVERNANCE

Good governance enhances financial performance.

Supported by robust risk management (people, systems and processes)



RISK MANAGEMENT

Efficient use of risk budget by avoiding risks that do not provide commensurate returns creates low volatility portfolio.



DIVERSIFICATION

Well-diversified portfolios produce stable distribution of returns.



TIME HORIZON

The PIC believes that in the long-term, markets revert to their mean. Investment strategies are generally long-term and avoid ad-hoc decision-making based on short-term factors.



MARKET EFFICIENCY

Markets differ in efficiency at macro, sector and asset levels, providing opportunities to generate excess returns over benchmarks through asset allocation. Investment strategies mix active and passive investments, with passive investments emphasised in more efficient markets.



VALUATION AND ANALYSIS

Valuation and analysis based upon fundamentals generally produce superior return/risk results. Investment strategies will focus on fundamentally based processes.



COST

The PIC believes that managing the costs of investing adds significant value to the production of excess returns. Investment strategies will be used cost-effectively.

INVESTMENT PROCESS



SYSTEMS

Funding application portal

Hi-Portfolio System
Microsoft Office

Systems

BMI, Bloomberg, Iris and WOW
Moody's RiskCalc

Quest – funding application portal

Investment Café
Cura Risk and FICA Compliance and World Check

ORIGINATION AND PROJECT DEVELOPMENT → SCREENING/MANDATE COMPLIANCE → DEAL SCOPING → DUE DILIGENCE → STRUCTURING → APPROVAL



PROCESS AND PEOPLE

Transacting/deal team

Research
Investment operations

Portfolio management

ESG
Ethics office

Legal
Finance

Workout and turnaround

Risk and compliance
Client relations

CONTRACTING → COLLATING CONDITIONS PRECEDENT → DISBURSEMENT → MONITORING, VALUE ADD AND VALUATIONS → TURNAROUND, WORKOUT AND RECOVERY → EXIT



GOVERNANCE



GROUP INVESTMENT
MANAGEMENT
COMMITTEE



SOCIAL, ETHICS AND
TRANSFORMATION
COMMITTEE



INVESTMENT
COMMITTEE



CLIENTS

Investment Mandate Implementation

The PIC is a long-term, active asset manager focused on delivering superior risk-adjusted returns while safeguarding and growing client portfolios in line with investment mandates.

Client mandates are individually negotiated and tailored to each client's investment profile and risk appetite, with performance measured against market-related benchmarks to ensure accountability and transparency.

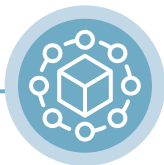


CLIENT MANDATES ARE DELIVERED THROUGH, AMONG OTHERS, THE FOLLOWING DISCIPLINES:



STRATEGIC ASSET ALLOCATION

Asset allocation is tailored to each client's risk profile, providing a strong probability of achieving long-term returns. Allocations are reviewed regularly to ensure liquidity for liabilities, downside protection, income generation and portfolio growth.



TACTICAL ASSET ALLOCATION

The Asset Allocation Committee manages tactical rebalancing, combining macro (top-down) and fundamental (bottom-up) views to exploit short- and medium-term pricing inefficiencies. All positions remain within strategic ranges, defined by client mandates, ensuring discipline and alignment with long-term objectives.



MONITORING AND COMPLIANCE

Asset class weights are monitored daily, with breaches reported immediately and remedial actions taken in line with client mandates.

Key changes during the year



FASTER APPROVALS

Streamlined processes reduced turnaround times.



SIMPLIFIED GOVERNANCE STRUCTURES

Fewer committees and reduced duplication improved responsiveness.



STRONGER OVERSIGHT

Governance standards were maintained and decision-making accelerated.



CLIENT VALUE

Opportunities evaluated and executed more efficiently, delivering impact without compromise.



RESPONSIBLE INVESTMENT LEADERSHIP

The PIC integrates ESG considerations into its investment processes, ensuring that risk management and value creation are considered together. Active ownership, collaboration, transparent disclosure and thought leadership drive positive change in investee companies while strengthening long-term performance. These practices reinforce accountability, expand impact and position the PIC as a progressive, sustainable investor.



Action

ESG objectives achieve long-term, sustainable and balanced investment returns.



Outcome



1

ESG INTEGRATION

Consider material ESG factors to gain insight into risks and opportunities that affect performance to provide better risk-adjusted returns.

A strong in-house team applies a proprietary methodology based on both international and local norms and dialogue with companies to ensure reliable qualitative and quantitative assessment of companies.



2

ACTIVE OWNERSHIP

Encourage the management of investee companies to make positive changes that improve investment outcomes and promote long-term value creation through proxy voting and engagement.

Enhanced ownership measures include:

- 100% annual general meeting voting on resolutions to consider ESG factors.
- Zero % abstentions on resolutions voted on at annual general meetings.
- Proactive engagement on specific strategic ESG topics.



3

COLLABORATION

Participate with like-minded investors to improve the behaviour of investee companies.

Join and participate in ESG collaboration initiatives, especially those linked to PIC strategic themes and leverage strategic partnerships with leading industry bodies and universities.



4

DISCLOSURE

Encourage improved transparency of material matters.

Report on material ESG factors to improve the quality of sustainability and ESG information for informed investment decisions and aligned outcomes.



5

PROMOTION

Encourage adoption and application of best practices through highlighting ESG accomplishments.

Engage with stakeholders on positive ESG accomplishments to build a progressive brand reputation.

Continue to publish content on ESG investing to enhance ESG presence in the market.



6

LEADERSHIP

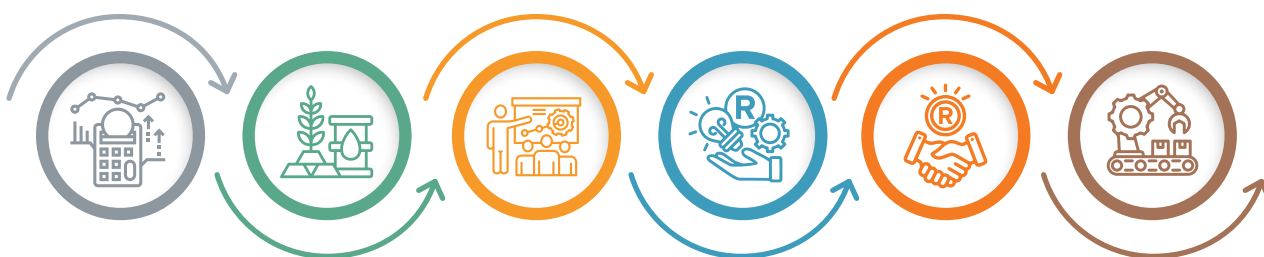
Demonstrate thought leadership in areas such as special purpose acquisitions, work groups, impact investing and transformation.

Advocate best practices to investees and other investors.

Retain membership of forums that bring together asset owners and managers to share their experiences and convictions.

VALUE CREATION MODEL

The PIC's value creation model illustrates how the Corporation deploys and transforms its financial and non-financial capitals through its investment and operational activities. Guided by client mandates, sound governance, disciplined risk management and responsible investment principles, these activities generate financial, social, economic and environmental outcomes for clients, beneficiaries and broader society.



THE CAPITALS ARE INTERCONNECTED AND ARE CONTINUALLY STRENGTHENED,
PRESERVED OR AFFECTED THROUGH THE PIC'S ACTIVITIES AND STRATEGIC DECISIONS.

CAPITAL INPUTS

BUSINESS ACTIVITIES

OUTPUTS

OUTCOMES



Financial capital

Financial resources entrusted to the PIC by clients, together with the Corporation's own financial resources.

- Client assets and investment inflows managed in accordance with client mandates.
- R3.657 trillion in assets under management (2024/25: R3.049 trillion).
- Strong balance sheet, liquidity position and regulatory capital position.

- Portfolio construction and asset allocation across listed equities, fixed income and dealing, real estate and private markets.
- Investment research, risk analysis, trade execution and portfolio monitoring.
- ESG integration and active ownership in accordance with client mandates.

- AuM growth: 19.94% (2024/25: 13.3%).
- GEPP: 20.24%; UIF: 14.71%; Compensation Commissioner: 22.54%; Compensation Pension Fund: 24.19%.
- R6.28 billion allocated to new unlisted investments and R2.43 billion to unlisted property transactions.
- Listed property return: 27.7% for the year and 82.7% over three years.

- Competitive, risk-adjusted returns that support clients' ability to meet their financial obligations.
- Greater liquidity and resilience in South Africa's financial markets.
- Capital directed towards infrastructure, emerging sectors, SMEs and transformation-aligned investments.



Natural capital

Environmental resources and ecosystems affected by, or considered in, the PIC's investment and operational activities.

- Climate and environmental research.
- The ESG Integration Framework and climate-related investment considerations.
- Environmental data relating to energy, water, biodiversity, pollution and waste.

- Assessment of environmental and climate-related risks and opportunities.
- Integration of environmental considerations into investment due diligence and monitoring.
- Engagement with investee companies on environmental performance and disclosure.
- Investment consideration aligned with climate resilience and a just transition.

- Environmental considerations embedded in investment assessment and portfolio monitoring.
- Investee-company engagement on climate change, energy and water use, biodiversity, pollution, rehabilitation and waste management.

- Improved identification and management of environmental risks.
- Capital allocation that supports climate resilience, cleaner energy and sustainable industries.
- Greater transparency and accountability for environmental performance.
- Contribution to South Africa's just transition and long-term environmental sustainability.

	CAPITAL INPUTS	BUSINESS ACTIVITIES	OUTPUTS	OUTCOMES
 Human capital The knowledge, skills, experience, wellbeing and diversity of the PIC's employees and leadership.	• 443 employees (2024/25: 443). • Skilled investment, governance, risk, technology and operational professionals. • More than R18 million invested in training, graduate development and bursaries for unemployed youth. • 27 graduates. • R7.4 million invested in employee skills development initiatives.	• Talent acquisition, graduate development and succession planning. • Technical, professional, management and leadership development. • Performance management, employee engagement and wellbeing initiatives. • Employment equity and transformation programmes.	• 433 employees participated in developmental interventions (2024/25: 308). • Workforce profile: 95% Black employees, 55% women and 45% men. • 80 employee bursaries awarded.	• Stronger organisational capability and institutional knowledge. • Improved leadership pipeline and succession readiness. • A diverse, skilled and engaged workforce able to execute the PIC's mandate. • Expanded education and youth-development opportunities. • Enhance employee engagement, wellbeing and organisational culture.
 Intellectual capital The PIC's institutional knowledge, investment processes, research capability, systems, frameworks and intellectual property.	• Deep investment knowledge and technical expertise across asset classes. • Sector research, market intelligence and data. • Risk management, compliance and ESG frameworks. • Technology-enabled processes, protocols and analytical tools.	• Macro-economic, sector and security-level research. • Portfolio modelling, investment due diligence and risk assessment. • Development and refinement of investment, ESG and governance frameworks. • Structured innovation through the Innovation Forum and responsible adoption of AI.	• 115-year track record of delivering financial returns to public sector clients. • Investment research and analysis supporting portfolio decisions. • Enhanced investment, risk and ESG methodologies. • Innovation proposals assessed through a structured governance process.	• Better-informed and more consistent investment decisions. • Improved risk management, efficiency and organisational resilience. • Digital transformation aligned with inclusive growth and long-term value creation. • Institutional knowledge preserved and strengthened.
 Social and relationship capital Relationships with clients, beneficiaries, employees, investee companies, regulators, the shareholder, suppliers and broader society.	• Stakeholder trust and the PIC's reputation as a steward of public funds. • Client, regulatory and industry relationships. • Relationships with investee companies and strategic partners. • Commitments to the Principles for Responsible Investment, the UN Global Compact and Code for Responsible Investment in South Africa.	• Client engagement and mandate reporting. • Regulatory and shareholder engagement. • Active ownership through voting and engagement with investee companies. • Corporate social investment, supplier development and industry participation.	• Voting rights exercised at all shareholder meetings of investee companies. • 3 124 resolutions voted on at 154 meetings; 95 investee companies engaged. • Support for Black-owned and Black women-owned businesses. • Over R3.7 million invested in community support through CSI.	• Greater investee-company accountability and improved governance practices. • Stronger client, regulatory and stakeholder confidence. • Socio-economic development, enterprise growth and community impact. • The PIC's social licence and reputation strengthened.
 Manufactured and operational capital The physical and digital infrastructure that enables the PIC to conduct its investment and operational activities.	• Secure technology infrastructure, data platforms and office facilities. • Digital and IT strategy. • Internal systems, cybersecurity controls and operational processes. • Technology capability and selected external service providers.	• Automation and digitisation of investment and operational processes. • Development and maintenance of secure data and technology platforms. • Automation of risk-management processes and controls. • Responsible use of AI to support analysis, efficiency and decision-making.	• Automation of the Isibaya investment lifecycle and selected risk-management processes. • Digitised workflows and improved operational controls. • Digital platforms supporting access to a broader range of asset classes. • Reduced reliance on international vendors and strengthened local capability.	• Improved operational efficiency, turnaround times and productivity. • Greater resilience, cybersecurity and business continuity. • Enhanced transparency and accountability through automated controls. • Improved decision-making supported by reliable data and AI-enabled processes.

PART 03 | THE PIC OVERVIEW

SNAPSHOT OF MANDATE, SCALE AND OPERATING MODEL



03

The PIC operates a diversified investment platform spanning listed and unlisted asset classes across South Africa, the rest of Africa and global markets. Its investment capabilities combine disciplined portfolio management, integrated risk oversight and responsible investment practices to meet client mandates while supporting long-term economic and developmental outcomes.

OVERVIEW OF THE PIC

Through its diversified investment platform, the PIC offers a comprehensive suite of asset classes and products that balance financial performance with developmental outcomes, reinforcing its role as a catalyst for inclusive growth across South Africa, the continent and global markets.

Operating in a rapidly evolving global environment, the organisation modernises investment approaches through technology, data and integrated risk management. It channels capital into infrastructure, transformation programmes and enterprises that expand economic participation and create sustainable jobs. Anchored by governance discipline and institutional stability, it continues to build a trusted organisation that protects and grows value for clients, beneficiaries and society.

The Corporation manages a broad, diversified portfolio of listed equities, real estate, capital markets, private equity and impact investing, covering sectors such as infrastructure, energy and financial services across South Africa, the rest of Africa and global markets.

It holds strategic shareholdings in companies such as Harith Fund Managers (46%), Harith General Partners (30%) and Bophelo Insurance Group (30%). Through its investment in Harith, the PIC is indirectly involved in managing the Pan African Infrastructure Development Fund, which has delivered infrastructure projects across Africa. Investment in the South African Small Medium Enterprise Fund Limited (7.19%) supports equity investments in high-potential small and medium enterprises, while also providing mentorship and business support — inclusive growth in action.

By managing a diversified platform that balances innovation with inclusivity, the PIC delivers sustainable value directly to its clients, ensuring mandates are met and long-term security is protected.



INVESTMENT PLATFORM STRUCTURE:



LISTED

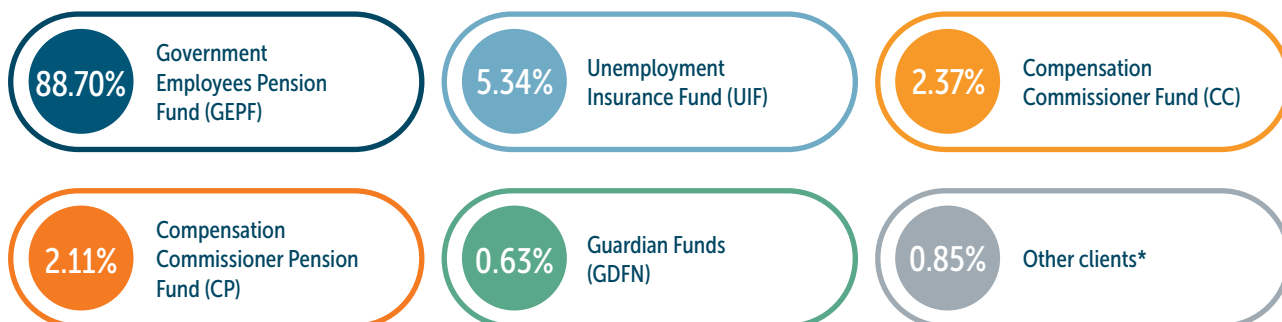
equities, bonds, properties, money markets, global, rest of Africa.



UNLISTED

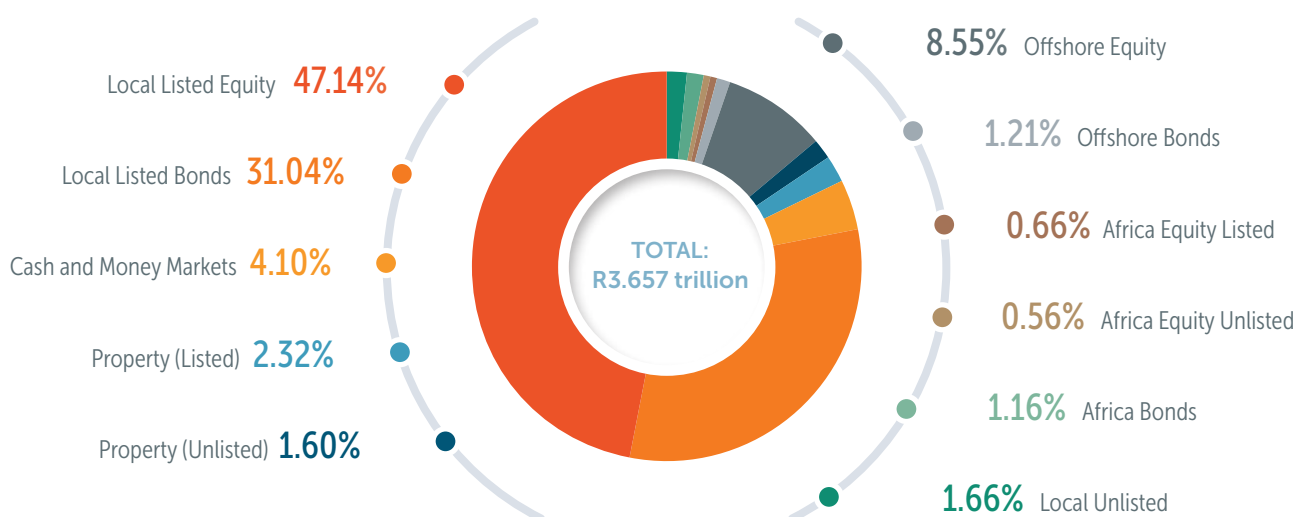
private equity, unlisted properties, impact investing, rest of Africa, private debt, early-stage funds.

At 31 March 2026, assets under management totalled R3.657 trillion, distributed as follows:



* Various clients with smaller portfolios.

ASSET CLASS COMPOSITION OF ASSETS UNDER MANAGEMENT



The PIC exists to serve its clients. It prioritises mandate-linked engagements that are structured, regular and responsive.



LISTED ASSETS



UNLISTED ASSETS

THE PIC INVESTS IN THESE ASSETS

ALLOCATION OF THE TOP FIVE CLIENTS

● Listed Equities	GEPI	UIF	CC	CP	
● Listed Bonds	GEPI	UIF	CC	CP	
● Money Markets	GEPI	UIF	CC	CP	GDFN
● Listed Properties	GEPI	UIF			
● Offshore (Global)	GEPI	UIF			
● Rest of Africa	GEPI				

ALLOCATION OF THE TOP FIVE CLIENTS

● Unlisted Properties	GEPIF	UIF	CC	
● Developmental Investments	GEPIF	UIF	CC	CP
● Offshore (Global)				
● Rest of Africa	GEPIF			
● Structured Investment Products	GEPIF			

HOW THE PIC OPERATES

Building on more than a century of evolution and resilience, the PIC's operating model translates this legacy into a disciplined, client-focused approach that drives innovation and inclusive growth today.



REVENUE MODEL

The PIC charges competitive management fees for its services, which finance operations while maintaining cost efficiency for clients.



BOARD OVERSIGHT

The Board provides strategic guidance and governance oversight of investment activities and implementation.



MANAGEMENT RESPONSIBILITY

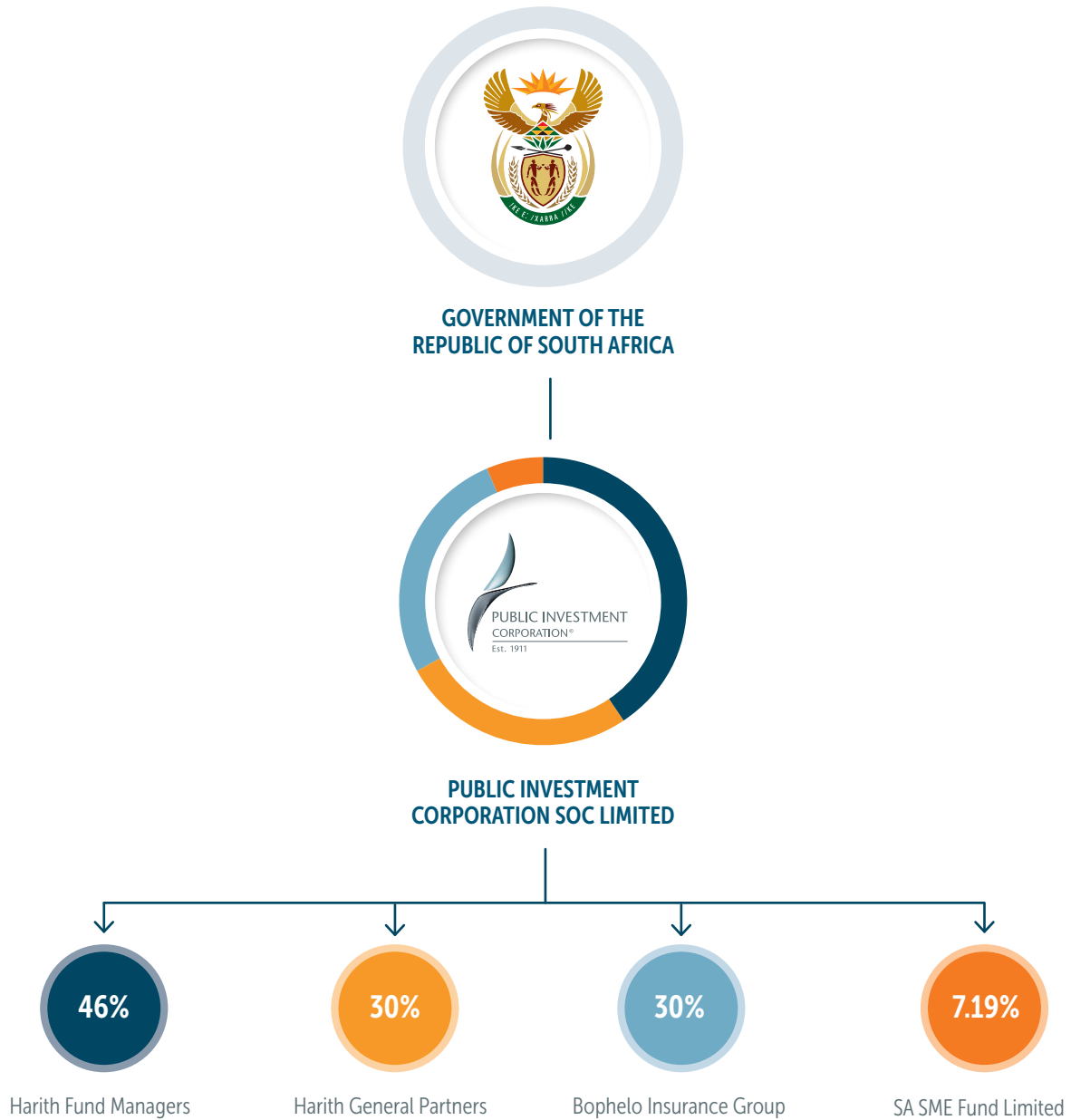
Management ensures execution of investment strategies in line with client mandates, balancing financial performance with developmental impact.



INNOVATION AND INCLUSIVITY

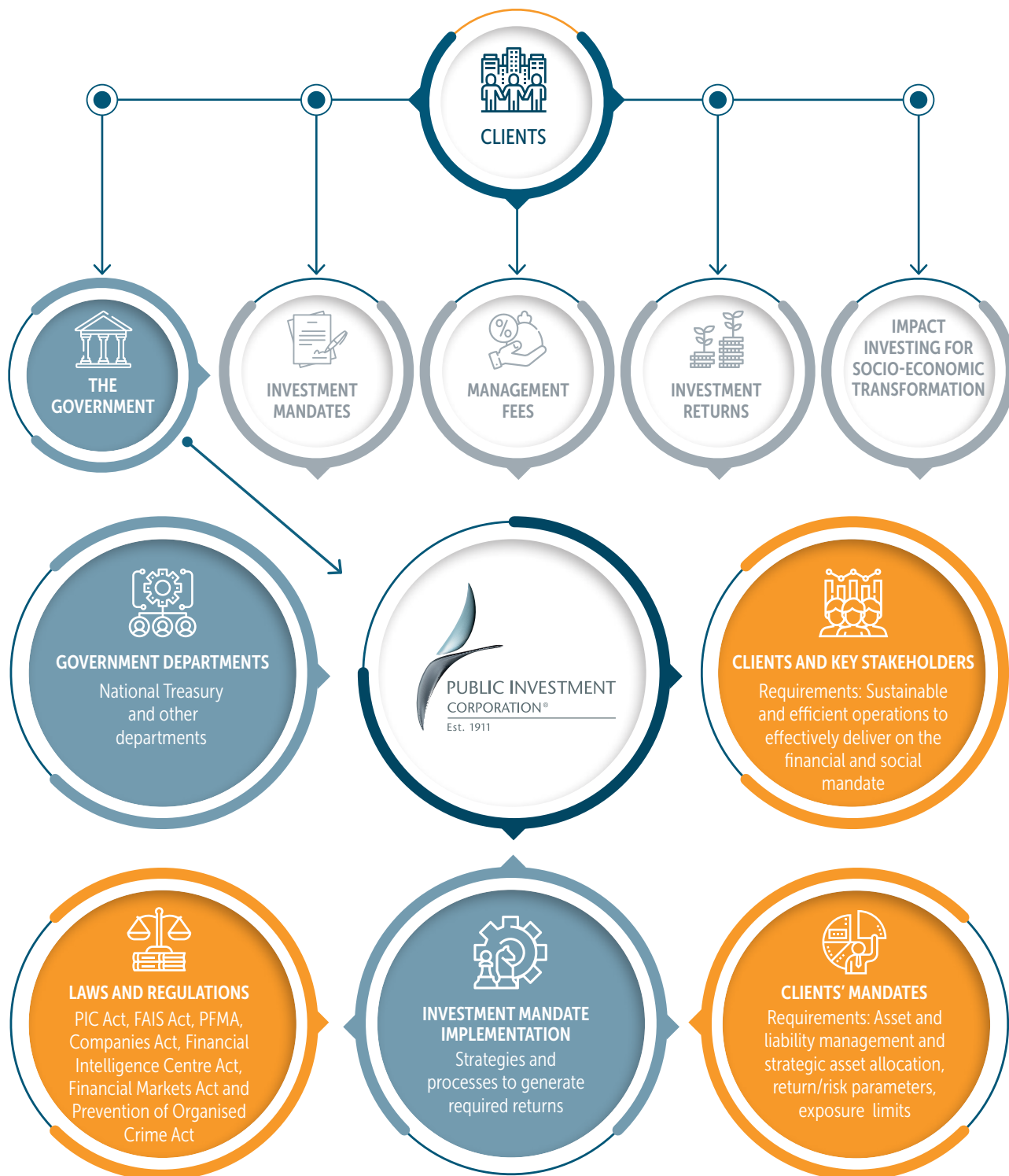
The model integrates technology, data and transformation to deliver innovative solutions that expand participation and reinforce resilience.

THE PIC'S GROUP STRUCTURE



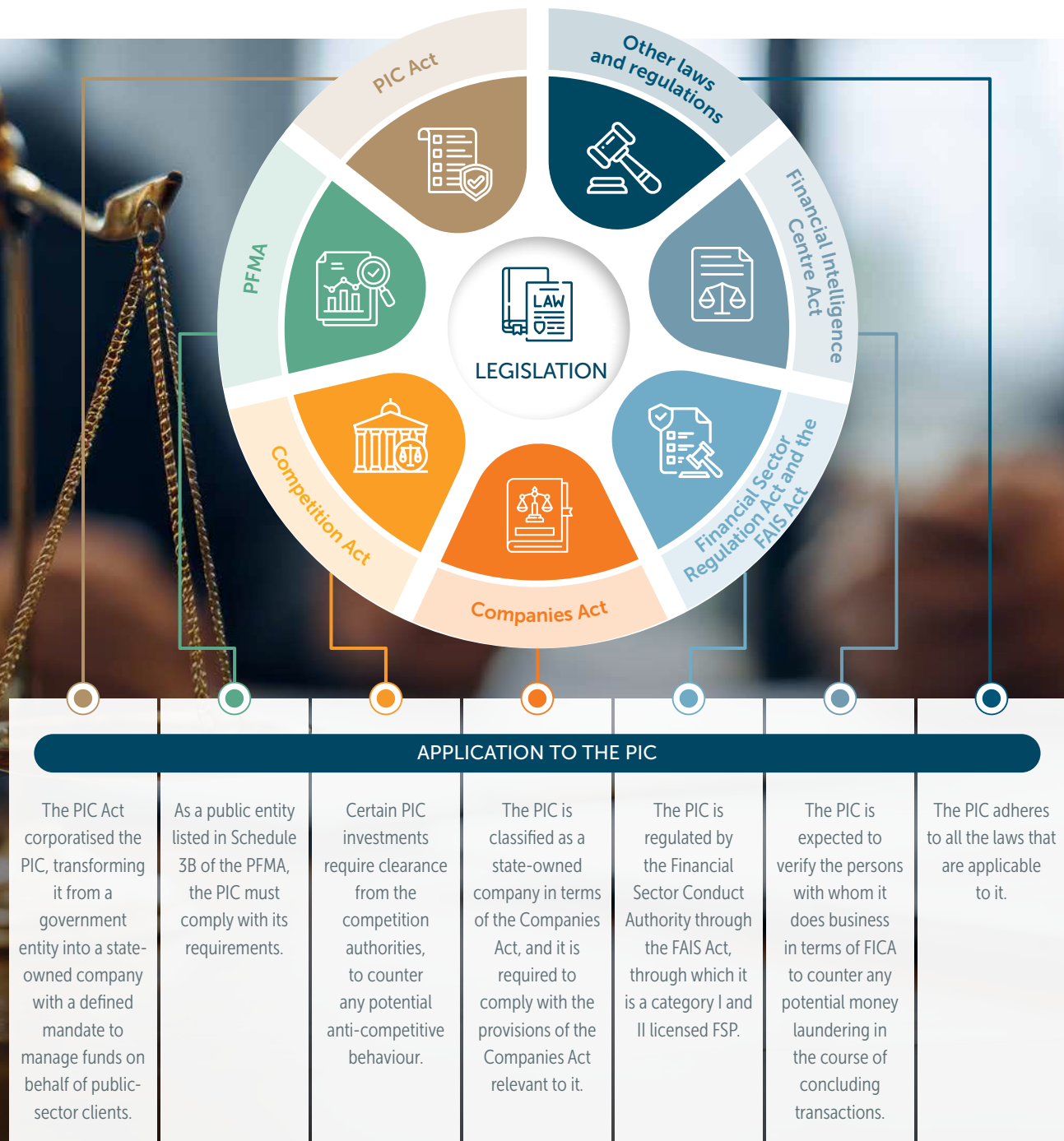
THE PIC'S OPERATING MODEL

A disciplined model that turns client mandates into innovative, inclusive growth



THE PIC'S LEGISLATIVE AND REGULATORY ENVIRONMENT

The PIC is regulated by various laws and regulations:



PART 04 | MARKET AND STAKEHOLDER LANDSCAPE

UNDERSTANDING THE FORCES SHAPING THE PIC'S MANDATE AND INVESTMENT STRATEGY



04

The PIC operates within a dynamic market and stakeholder environment shaped by economic conditions, regulatory developments, geopolitical shifts and evolving client expectations.

Understanding these factors enables the Corporation to anticipate risk, respond to emerging opportunities and maintain constructive relationships with the stakeholders who influence and are affected by its activities.

ECONOMIC CONTEXT

Understanding the external environment is crucial to assessing the risks and opportunities that shape the PIC's investment strategy and long-term performance. Global and domestic economic conditions influence asset valuations, portfolio resilience, and the ability to deliver sustainable returns, while affecting employment, stakeholder confidence and the preservation of natural resources.



Due to US-Israel-Iran conflict oil prices increased:
± US \$70 to US \$120
per barrel

2026 BROUGHT SHIFTING TRADE DYNAMICS:



Evolving geopolitical
tensions



Rapid technological
change

The year under review brought shifting trade dynamics, evolving geopolitical tensions and rapid technological change. While global markets were resilient, volatility remained elevated, underscoring the importance of disciplined macroeconomic policy, structural reform and proactive risk management. These factors also influenced employment prospects, infrastructure investment, stakeholder confidence and resource sustainability, highlighting how external pressures ripple across all capitals and shape the PIC's ability to create long-term value.

This overview of global and local economic conditions highlights developments that shaped the investment landscape and informed the PIC's response.

GLOBAL ECONOMIC CONDITIONS AND OUTLOOK

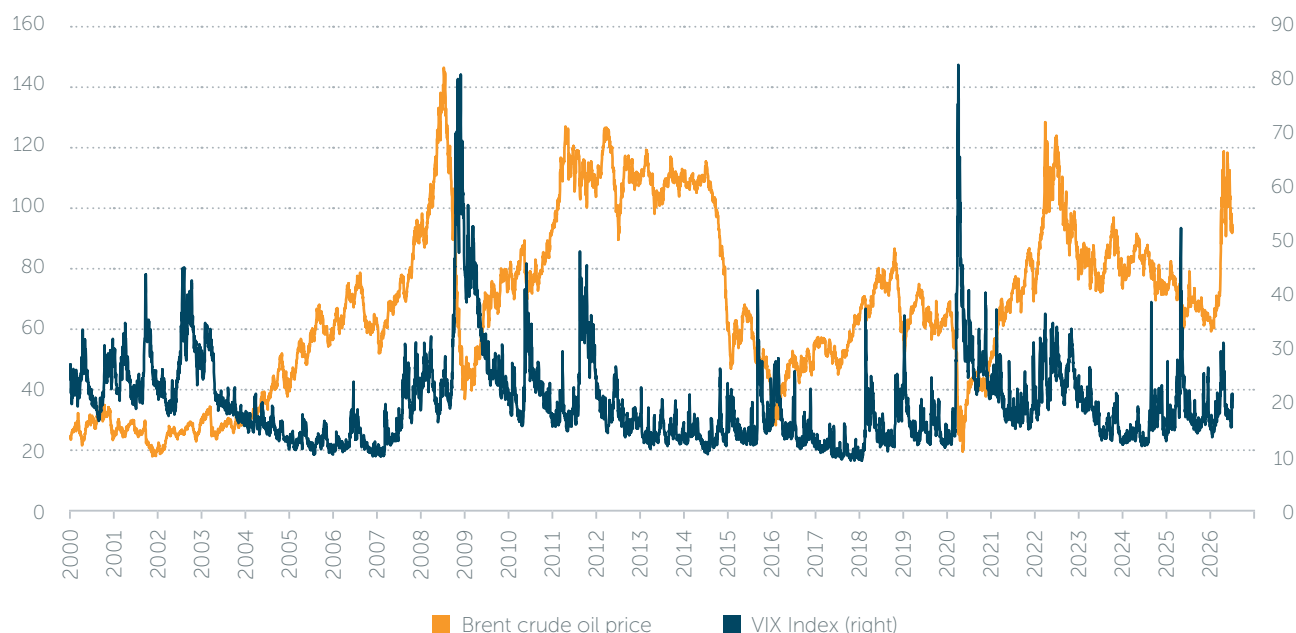
Tariff-related uncertainty eased progressively during the year, although concerns grew about the impact on global economic growth and inflation from existing tariffs. For most countries, inflation pressures remained contained, with the notable exception of the US, where tariffs were expected to generate self-inflicted inflationary pressure. However, the Federal Reserve judged the impact temporary and prioritised employment support through interest rate cuts.

This environment negatively affected the US dollar and created scope for other central banks to ease monetary policy. China experienced deflation, transmitted globally through export channels as it diverted trade away from the US. Artificial intelligence continued to drive investment and support valuations of major US technology firms until there was a sell-off in software stocks. Investors began to reassess the implications for software as a service business models. Energy prices remained subdued. Although tariff uncertainty abated, geopolitical developments continued to dominate the macro-landscape, supporting gold and other precious metals prices, which reached record highs.

Conditions changed materially in March 2026 following the escalation of the US-Israel-Iran conflict. Oil prices increased from about US\$70 to US\$120 per barrel in a short period, as illustrated in the figure below. Although peace negotiations are in progress, the duration of the conflict remains uncertain. Two key risks persist: renewed hostilities could drive prices back above the US\$90 level, reached shortly after the ceasefire, while the full systemic effects of the conflict have yet to materialise. Supply chain disruption continues to generate significant uncertainty as secondary and indirect impacts of the conflict ripple through the global economy.

The global economy remained resilient throughout the financial year, despite trade and geopolitical tensions and elevated uncertainty. Most markets ended the financial year robust and higher despite policy volatility and trade tensions.

ENERGY PRICES AND VOLATILITY



Source: Bloomberg, PIC Research

Global regional developments

UNITED STATES

Household consumption remained a key growth driver, supported by strong market performance, particularly in artificial intelligence-related sectors. However, the labour market showed signs of slowing, with softer employment conditions and weaker wage growth, suggesting moderation ahead. Inflation concerns persisted, driven by anticipated additional tariffs and supply-side pressures, keeping the Federal Reserve cautious. While rate cuts were expected to support growth and employment, inflation remained above target and the Federal Reserve paused further easing, with potential rate hikes on the cards.

EUROPE

Economic activity was constrained by weak global demand and ongoing trade uncertainty, particularly in manufacturing economies such as Germany. While manufacturing struggled, lower inflation and limited fiscal support provided some relief. The European Central Bank remained cautious, holding rates steady as energy prices stabilised for most of the year. This trend reversed in April 2026 following the escalation in the US-Middle East conflict.

CHINA

Economic growth remained uneven. Exports provided some support as trade patterns adjusted to US tariffs, but domestic demand was weak, with ongoing pressure in the property sector and deflationary conditions. Authorities implemented fiscal and monetary measures to support growth, yet the outlook remained uncertain due to external demand and trade policy risks. While China continues to prioritise technological development and trade diversification, growth slowed and remains vulnerable. Slower growth in China affects South Africa through potential risks of lower commodity prices, trade, and the terms of trade.

EMERGING MARKETS

Commodity-exporting countries faced pressure from lower global prices for most of the year, constraining growth and limiting fiscal space. Other emerging markets experienced stable policy settings and considered interest rate cuts as global financial conditions eased. Despite this resilience, heightened uncertainty, geopolitical tensions, and weaker global demand continued to weigh on capital flows and investment in emerging markets.

GLOBAL RISKS

The financial year highlighted that, while the global economy remains resilient, it is still exposed to trade tensions, geopolitical instability and policy uncertainty risks. Further trade fragmentation is possible, particularly if tariffs increase and trade relationships continue to shift. Inflation from tariffs, high oil prices and supply disruptions may also limit the ability of central banks to ease monetary policy meaningfully. Higher oil prices could prompt additional central bank rate hikes due to second-round inflation effects.

Key risks include persistent trade frictions, protectionist policies and sustained elevated oil prices. These factors could lead to lower global growth and higher inflation, potentially leading to stagflation. In this environment, central banks would have limited flexibility, as cutting interest rates to support growth would be constrained by heightened inflation. This could result in higher interest rates and tighter financial conditions for longer, continued market volatility and uncertain investor sentiment.

Global economic growth forecasts

REGION/COUNTRY	Actual	Projections		Difference from January 2026 World Economic Outlook		Difference from October 2025 World Economic Outlook	
	2025	2026	2027	2026	2027	2026	2027
World output	3.4	3.1	3.2	-0.2	0.0	0.0	0.0
ADVANCED ECONOMIES	1.9	1.8	1.7	0.0	0.0	0.2	0.0
United States	2.1	2.3	2.1	-0.1	0.1	0.2	0.2
Euro Area	1.4	1.1	1.2	-0.2	-0.2	-0.1	-0.2
Germany	0.2	0.8	1.2	-0.3	-0.3	-0.3	-0.3
France	0.9	0.9	0.9	-0.1	0.0	0.0	0.0
Italy	0.5	0.5	0.5	-0.2	-0.2	-0.3	-0.1
Spain	2.8	2.1	1.8	-0.2	-0.1	0.1	0.1
Japan	1.2	0.7	0.6	0.0	0.0	0.1	0.0
United Kingdom	1.3	0.8	1.3	-0.5	-0.2	-0.5	-0.2
Canada	1.7	1.5	1.9	-0.1	0.0	0.0	0.0
Other advanced economies	3.0	2.6	2.2	0.6	0.1	0.6	0.1
EMERGING MARKETS	4.4	3.9	4.2	-0.3	0.0	-0.1	0.0
Emerging and developing Asia	5.5	4.9	4.8	-0.1	0.0	0.2	0.0
China	5.0	4.4	4.0	-0.1	0.0	0.2	-0.2
India	7.6	6.5	6.5	0.1	0.1	0.3	0.3
Emerging and developing Europe	2.0	2.0	2.1	-0.3	-0.3	-0.2	-0.3
Russia	1.0	1.1	1.1	0.3	0.1	0.1	0.1
Latin America and the Caribbean	2.4	2.3	2.7	0.1	0.0	0.0	0.1
Brazil	2.3	1.9	2.0	0.3	0.1	0.0	0.0
Mexico	0.6	1.6	2.2	0.1	0.1	0.1	0.2
Middle East & Central Asia	3.6	1.9	4.6	-2.0	0.6	-1.9	0.8
Saudi Arabia	4.5	3.1	4.5	-1.4	0.9	-0.9	1.3
Sub-Saharan Africa	4.5	4.3	4.4	-0.3	-0.2	-0.1	-0.1
Nigeria	4.0	4.1	4.3	-0.3	0.2	-0.1	0.3
South Africa*	1.1	1.0	1.3	-0.4	-0.2	-0.2	-0.2

Source: PIC Research, IMF

Note: * IMF forecast.

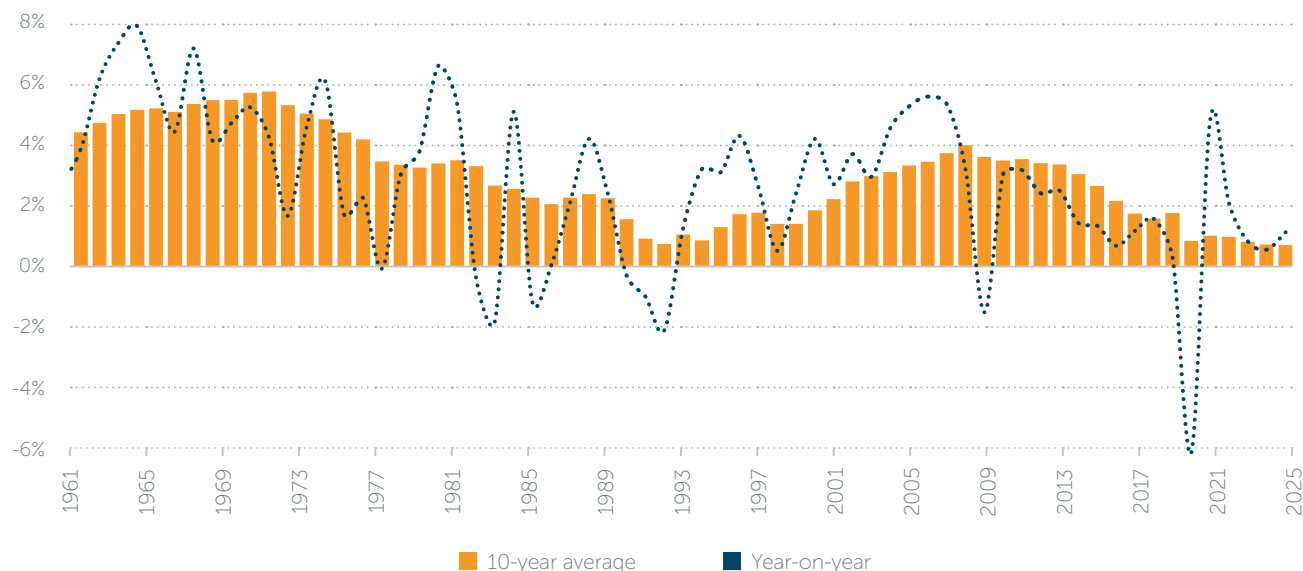
DOMESTIC ECONOMIC CONDITIONS AND OUTLOOK

Given ongoing global and domestic constraints, the PIC anticipates continued pressure on its domestic equity and property portfolios in the next financial year. While weak growth, constrained investment and persistent structural challenges improved later in the year under review, these gains were modest and the outlook remains fragile.

Growth and activity

Economic activity was weak for much of the year. In the second quarter of 2025, gross domestic product grew by 0.8% quarter-on-quarter, supported by broad-based expansion and consumption. Investment remained a key constraint, with gross fixed capital formation contracting by 1.4%. By the fourth quarter, gross domestic product growth moderated to 0.5%, accompanied by a modest recovery in investment of 1.6%, driven mainly by the private sector. Growth for 2025 remained subdued at 1.1%, but strengthened in the first quarter of 2026, albeit with a decline in fixed capital formation. Ongoing conflict in the Middle East is expected to weigh on growth in the coming quarters.

REAL GDP AT MARKET PRICES



Source: PIC Research, Stats SA, EconoStat

Growth is expected to remain constrained at around 1%. While improvements in electricity supply and logistics provide some support, these remain modest, with potential growth estimated at less than 2% over the medium term, limiting the economy's capacity for sustained expansion and reinforcing the fragility of the outlook.

South Africa's economic growth is expected to remain at around 1%, with medium-term potential growth below 2%.



Energy, infrastructure and business conditions

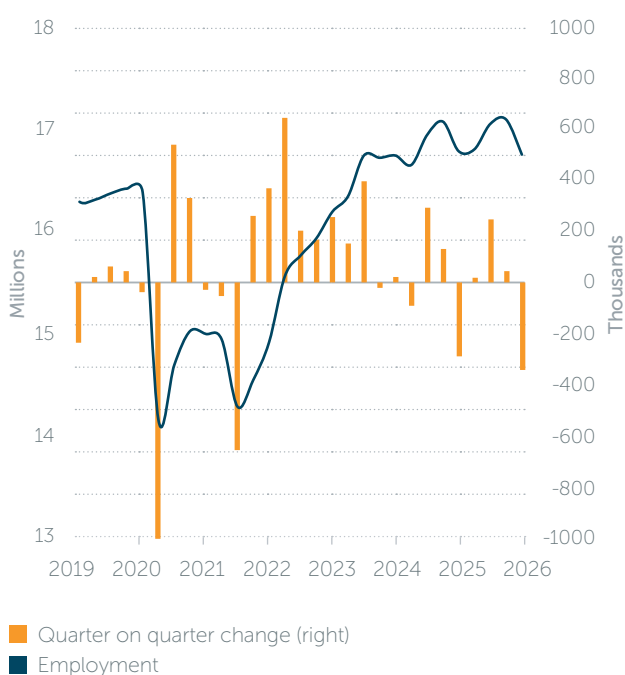
Energy and logistics conditions improved gradually over the year, with Eskom's increased energy availability and better rail and port performance supporting production and export activity. These improvements contributed to more stable operating conditions towards the end of the financial year.

However, business conditions remain under pressure and manufacturing activity is weak, with the Absa Purchasing Managers' Index just above the neutral 50-index point at 50.8 in May 2026. Key demand indicators, such as business activity and new sales orders, remain subdued. At the same time, input costs rose sharply, with the purchasing price index climbing to 84.8, reflecting higher fuel costs. This indicates that supply-side improvements are being offset by rising cost pressures and weak demand conditions, leaving the operating environment fragile.

Labour market and household consumption

Labour market conditions deteriorated towards the end of the period. The official unemployment rate rose to 32.7% in the first quarter of 2026, from 31.4% in the fourth quarter of 2025, following a decrease in employment of 345 000 jobs. Furthermore, the expanded unemployment rate remained high at 43.7% in the first quarter of 2026.

EMPLOYMENT



Source: PIC Research, Stats SA, EconoStat

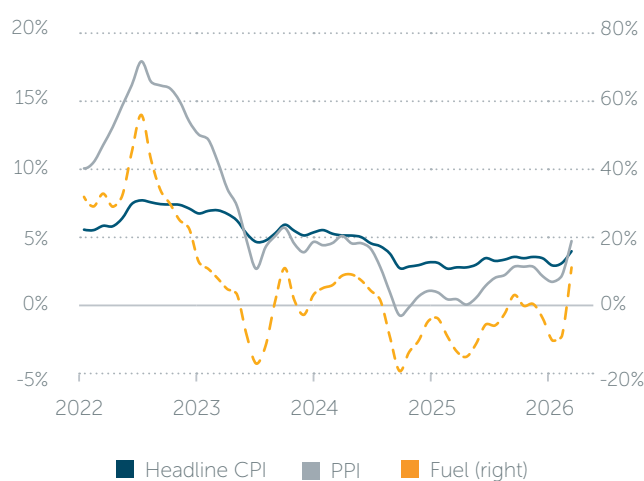
Labour market conditions are expected to remain subdued. The implications of the US-Iran conflict are likely to weigh further on domestic employment through higher input costs, weaker business confidence and softer economic activity. Employment growth is therefore expected to remain limited. The unemployment rate may remain elevated in the near term, particularly as cost pressures impede hiring across key sectors.

Household consumption remained relatively resilient during the period, supported by lower inflation and easing borrowing costs, which improved real disposable income and household balance sheets. However, this resilience is expected to weaken. Rising fuel costs, broader inflationary pressures, and elevated interest rates are likely to erode real incomes and dampen consumer confidence, particularly as second-round effects from higher transport and food costs begin to materialise.

Inflation and monetary policy

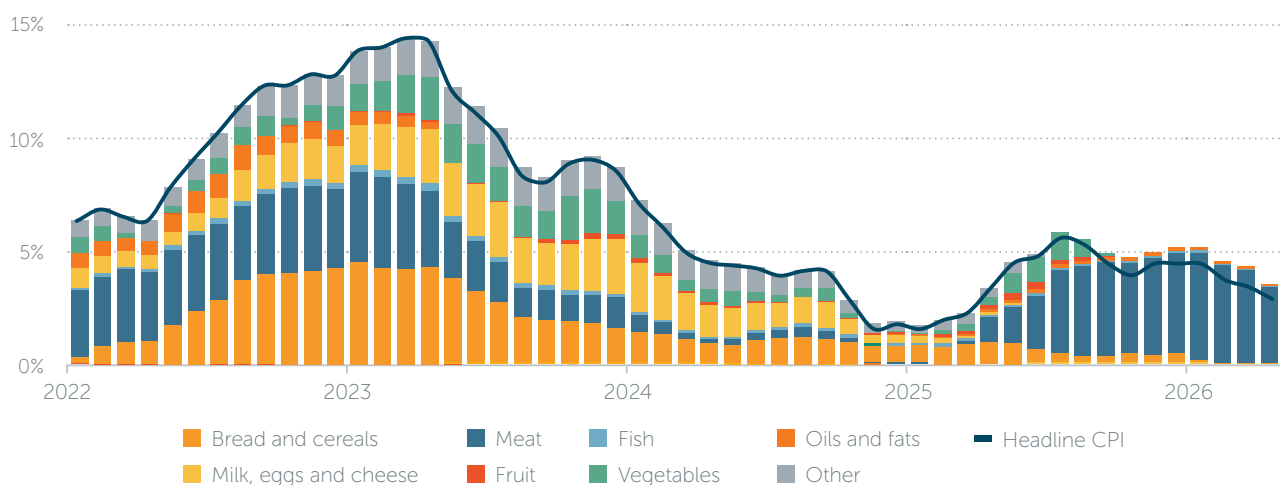
Inflation was contained over most of the year, with food inflation reaching a 14-month high of 5.5% in July 2025 before moderating later. However, by April 2026, inflation had moved above the South African Reserve Bank's (SARB) preferred 3% inflation target to 4%, prompting the Monetary Policy Committee to increase the repo rate to 7.00%, reducing near-term support to household consumption and investment activity. These hikes should be reversed over the next year, should the conflict in the Middle East end.

HEADLINE, FUEL, AND PRODUCTION INFLATION RATES



Source: PIC Research, Stats SA, Bloomberg, EconoStat

FOOD INFLATION



Source: PIC Research, Stats SA, Bloomberg, EconoStat

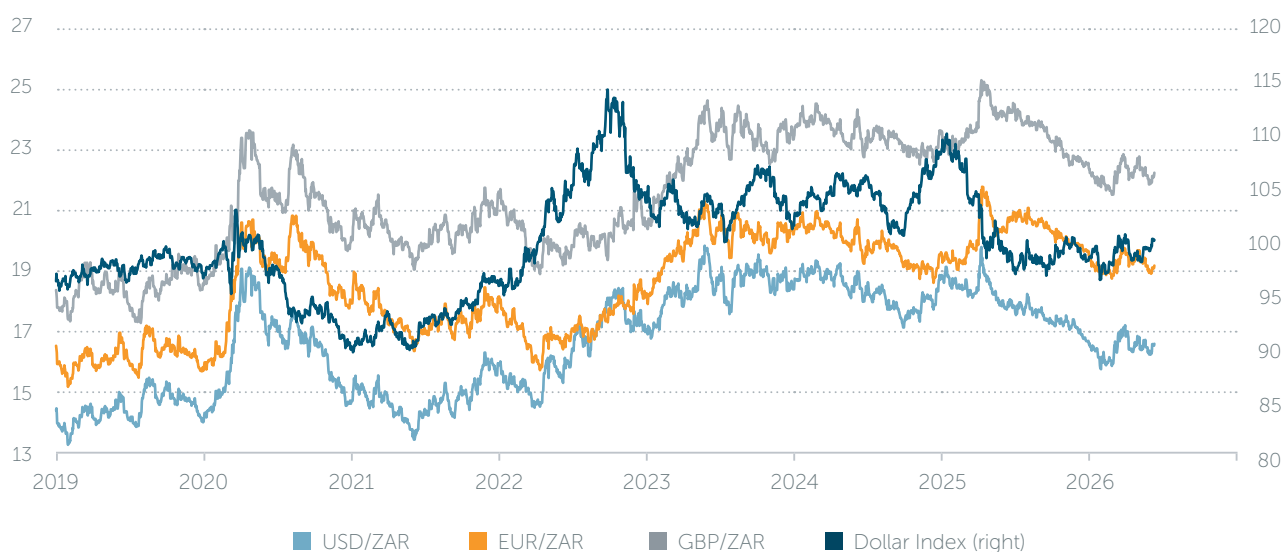
Headline inflation, which moderated to around 3% year-on-year in early 2026, is expected to average around 4.0% this year due to elevated oil prices. Fuel price increases, partially mitigated by a R3-per-litre levy reduction, are expected to influence inflation over the coming months.

In this context, monetary policy is expected to remain cautious. The policy rate has been increased to 7.00%, but the scope for further easing is limited in the very near term. The trajectory of interest rates depends on global energy prices and domestic inflation expectations, which hinders the SARB's flexibility.

External sector and exchange rate

Financial market conditions improved towards year-end, with government bond yields declining by approximately 250 basis points and the rand strengthening to below R16.50/US\$, supported by improved domestic fundamentals, capital inflows and strong commodity prices.

FOREIGN EXCHANGE RATES



Source: PIC Research, Bloomberg



Credible fiscal policy with a commitment to consolidating government debt and the shift towards a lower inflation target are expected to support the rand through improved real interest rate differentials. Continued demand for export commodities provides an additional buffer. Elevated US inflation is likely to limit or even stop US Federal Reserve rate cuts, reinforcing favourable interest rate differentials and supporting the rand.

Higher oil prices are expected to affect fuel, transport and food costs, potentially increasing inflation and putting pressure on the rand. In the baseline scenario, however, the oil price shock is expected to be temporary, with inflation moderating and the rand remaining range-bound.

Fiscal dynamics

Fiscal outcomes improved later in the year, supported by stronger tax revenue growth of approximately 9% year-on-year and contained expenditure growth of around 4%. These developments stabilised the debt trajectory.

However, the outlook is increasingly challenging. Rising fuel-related support measures and higher borrowing costs are expected to place additional pressure on the budget. While elevated commodity prices may generate a temporary revenue windfall of up to R50 billion, this is unlikely to fully offset the economic impact of higher energy costs.

Notwithstanding the aforementioned, the recent improvement of credit ratings reviews indicates growing alignment among major agencies, with outlooks shifting to the positive and/or ratings being upgraded, leaving South Africa positioned just two notches below investment grade.

Geopolitical risks and outlook scenarios

The escalation of the US-Iran conflict represents a significant external shock to the domestic economy, primarily through oil prices, the exchange rate and global financial conditions. Oil prices rose above US\$120 per barrel during the escalation, increasing inflationary pressures and weighing on growth. In this regard, three scenarios are envisaged, on the next page.



Three scenarios exist:

- **Baseline:** If the ceasefire holds or the US-Israel-Iran conflict ends, growth should remain around 1%, with inflation near the upper end of the target.
- **Adverse:** Further escalation could lead to significantly higher oil prices, currency depreciation and stagflation risks.
- **Favourable:** De-escalation could lower inflation, improve confidence and bring near-term growth closer to 1.5%.

Overall, while the domestic economy has shown some tentative stabilisation, the outlook remains highly uncertain. The interaction between global energy prices, the exchange rate and domestic inflation will be central in shaping economic outcomes, with risks remaining tilted to the downside.

STRATEGIC IMPLICATIONS AND PORTFOLIO POSITIONING

The evolving global and domestic macroeconomic environment continues to shape the PIC's investment strategy, portfolio positioning and risk management approach. External shocks translate directly into risks and opportunities for long-term value creation. The PIC's mandate requires balancing financial performance with socio-economic outcomes, ensuring that investment decisions contribute to resilience, transformation and inclusive development.

By embedding innovation in energy, infrastructure and governance, the Corporation seeks to mitigate systemic risks while advancing inclusive growth, reinforcing its role as both a steward of capital and a catalyst for sustainable development.

In response to heightened geopolitical risks, inflationary pressures and ongoing market volatility, the PIC maintained a disciplined focus on portfolio diversification, liquidity management and active risk monitoring across asset classes. Emphasis was placed on preserving long-term value creation through prudent capital allocation, while identifying investment opportunities in infrastructure development, energy transition and technological innovation. The PIC also continued to assess the resilience of its domestic equity, fixed income and property portfolios against downside economic scenarios to support sustainable medium- to long-term returns for clients.

Drivers of the PIC's ability to create value

External pressures shape the PIC's operating environment, but also reveal opportunities to strengthen resilience through technology, infrastructure and inclusive investment. By translating volatility into informed participation and long-term value creation, the organisation navigates uncertainty while advancing outcomes that matter to stakeholders and society.

ASSESSING CURRENT MARKET CONDITIONS AND THEIR IMPACT ON VALUE CREATION



FINANCIAL CAPITAL

Macro conditions (gross domestic product, repo rate, rand) directly affect returns and debt sustainability.



HUMAN CAPITAL

Labour market fragility and skills development initiatives show how the PIC's investments can support employment and resilience.



SOCIAL AND RELATIONSHIP CAPITAL

Fiscal pressures and bond market shifts underscore the importance of stakeholder trust and partnerships.



NATURAL CAPITAL

Oil price shocks, food inflation and levy adjustments highlight the environmental and resource dimensions of value creation.



MANUFACTURED CAPITAL

Energy supply, logistics and infrastructure bottlenecks highlight the need for investment in productive assets.



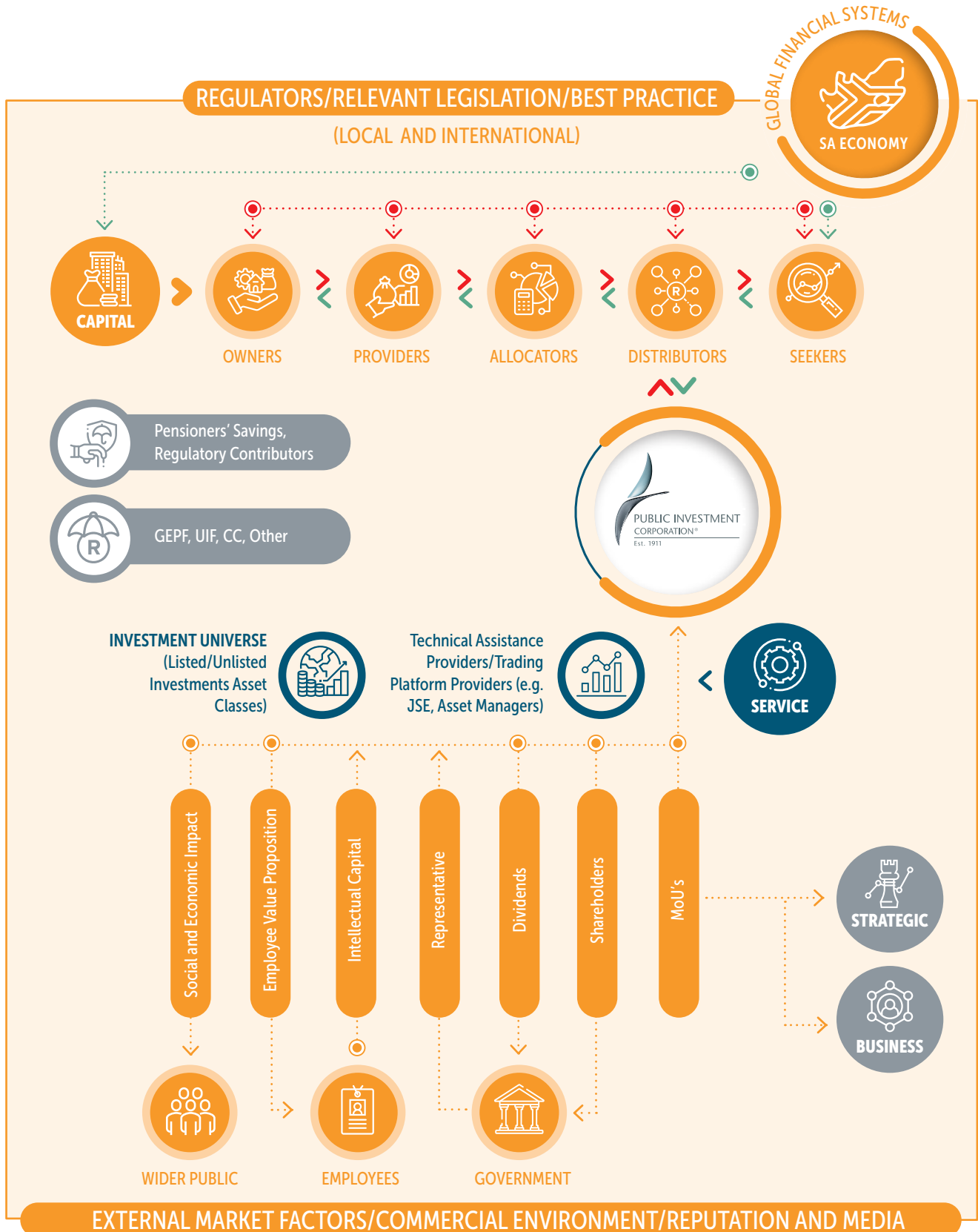
INTELLECTUAL CAPITAL

Innovation, governance and risk insights demonstrate how knowledge systems underpin resilience.

INNOVATING FOR INCLUSIVE GROWTH

THE PIC'S ECOSYSTEM

To realise its investment strategy, the PIC interacts with various stakeholders, as depicted below.



STAKEHOLDER UNIVERSE

The PIC, with its broad stakeholder universe, subscribes to codes of good practice for the treatment of stakeholders. It has a Board-approved Stakeholder Management Framework that guides all employees and Board members on how to interact with stakeholders.

Together with other governance documents, such as the PIC's News and Social Media Policy and Client Relations Policies, the framework informs the management of reputational risk. King V™ Report on Corporate Governance for South Africa, the most recent code on corporate governance, sees stakeholder relationships as key to organisational success.

THE PIC SUBSCRIBES TO THE FOLLOWING PRINCIPLES CONTAINED IN KING V™:



PRINCIPLE 4

The governing body ensures that external reports issued by the organisation enable stakeholders to make informed assessments of how the organisation creates, preserves and erodes value within its economic, social and environmental context over the short-, medium- and long-term, and



PRINCIPLE 13

The governing body adopts a stakeholder-inclusive approach in the execution of its duties in the long-term best interests of the organisation within its economic, social and environmental context.



STAKEHOLDER
MANAGEMENT AT
THE PIC IS BASED
ON THE FOLLOWING
PRINCIPLES:



CONSULTATION

The PIC engages with its stakeholders and is inclusive in undertaking its mandate. It should be responsive and accountable to stakeholders.



INCREASING ACCESS

The PIC facilitates access through physical and digital channels and provides access to information in accordance with the Promotion of Access to Information Act.



ENSURING COURTESY

The PIC engages stakeholders courteously, impartially and objectively.



PROVIDING INFORMATION

Stakeholder information will be appropriate, accurate and timely, provided it does not compromise the Corporation and/or is not confidential.



OPENNESS AND TRANSPARENCY

The PIC will be open and transparent with stakeholders.

ENGAGEMENTS DURING 2025/26

During the year under review, the PIC engaged stakeholders in line with the stakeholder management principles outlined above. The table below provides a high-level overview of these engagements.

 STAKEHOLDERS		 ENGAGEMENT	
 REGULATORS		1 FINANCIAL SECTOR CONDUCT AUTHORITY (FSCA) Three engagements, which include: ● A joint supervisory engagement (with the FSCA and the Financial Intelligence Centre). ● An engagement between the PIC EXCO and FSCA EXCO following the appointment of the PIC CEO. ● Biannual engagements. SOUTH AFRICAN RESERVE BANK Two engagements were held on: ● Significant ownership in eligible financial institutions. ● A confidential transaction in progress. FINANCIAL INTELLIGENCE CENTRE An engagement to consider the outcome of an inspection report, the outcomes of which were favourable to the PIC.	
 GOVERNMENT		2 NATIONAL TREASURY The PIC supported South Africa's G20 Presidency by developing four research papers that contributed to the South African position paper in November 2025: ● Using listed and unlisted financial instruments to fund infrastructure on the continent. ● Ways to shorten the long lead times in developing infrastructure on the African continent. ● Industrialising South Africa through pension fund capital. ● The contribution of green jobs to fostering sustainable development and reducing inequality in Africa. MINISTER OF FINANCE The PIC's annual general meeting was held. PARLIAMENT ● A presentation to the Standing Committee on Public Accounts (SCOPA), relating to the PIC's management of investments on behalf of its clients, including the GEPPF, the UIF and Compensation Fund (CC and CP). ● Presentations to the Standing Committee on Finance (SCOF) and the Select Committee on Finance (SeCOF). ● Responding to parliamentary questions submitted to the Minister of Finance as the PIC's shareholder representative.	
 EMPLOYEES		3 EMPLOYEES ● The former and current CEOs held four employee engagement sessions to discuss organisational matters and employee concerns. ● Regular communiqués were issued on topics of interest to employees.	



STAKEHOLDERS



ENGAGEMENT



CLIENTS

4

CLIENTS

Quarterly client investment committee meetings were held as follows:

- Eight with the GEPIF.
 - Four Investment Committee (Listed Investments); and
 - Four Advisory Board (Unlisted Investments).
- Four with the Compensation Fund (CC and CP).
- A workshop was conducted to induct the UIF's newly appointed Board members into PIC reporting processes. One investment committee meeting was held with the new UIF Board.
- EXCO-to-EXCO meetings were held with the GEPIF, UIF and Compensation Fund (CC and CP).
- Four quarterly investment liaison committee meetings and six communication liaison committee meetings were held with the GEPIF.



INDUSTRY PLAYERS

5

INDUSTRY PLAYERS

The PIC hosted the following PIC Perspectives engagements during South Africa's G20 Presidency:

- Three virtual panel discussions were held:
 - Accelerating infrastructure development in Africa: Strategies to reduce lead times;
 - Re-industrialising South Africa: Can institutional capital spark South Africa's next industrial boom; and
 - The contribution of green jobs to fostering sustainable development and reducing inequality in Africa.
- Two in-person events were held:
 - The first took place at Protea Hotel Fire & Ice, Pretoria, on 14 August 2025 and was anchored on the research paper titled *Using listed and unlisted financial instruments to fund infrastructure on the continent; and*
 - The second event took place at The Venue, Melrose Arch, on 20 November 2025, under the theme *Mobilising global capital for inclusive growth and industrialisation.*

The participants at the Melrose Arch event adopted resolutions, collectively known as the Melrose Resolutions, namely:

- Form strategic partnerships and collaborations;
- Promote and co-finance initiatives significantly;
- Scale up support for project preparation facilities (PPFs);
- Expand and innovate tailored risk mitigation and blended finance solutions;
- Invest in local capacity and supply chains;
- Mobilise institutional green investment;
- Standardise green jobs and sustainability impact disclosure;
- Regional standards and cross-border projects;
- Adopt artificial intelligence and big data analytics; and
- Collaborate with industry bodies and policymakers to promote regulatory frameworks that align with developmental objectives.



MEDIA

6

TRADITIONAL MEDIA AND SOCIAL MEDIA

- Responded to media enquiries.
- Traditional and social media content highlighting investment activities, thought leadership, investments of interest, site visits and CSI initiatives.

CASE STUDY

New Perspectives on Investment Research, Policy and Implementation

The PIC has pioneered a new platform for research, policy engagement and investor dialogue on infrastructure development, industrialisation, sustainable finance and the allocation of institutional capital for inclusive growth across Africa.

During the year under review, this research output became a cornerstone of the PIC Perspectives: G20 Dialogues. The PIC Perspectives initiative was launched in 2025 to coincide with and support South Africa's G20 Presidency under the theme 'Solidarity, equality and sustainability'.

The Corporation released four research papers on investment, economic research and future growth that culminated in the final PIC Perspectives G20 Dialogue event and the adoption of the *2025 Melrose Resolutions* in November 2025. The first paper, *Accelerating infrastructure development in Africa: Strategies to reduce lead times*, examined Africa's infrastructure financing gap and the need for improved project preparation, regulatory reform and blended finance solutions. The second paper, *Using listed and unlisted financial instruments to fund infrastructure on the continent*, explored how public and private market instruments can channel long-term capital into infrastructure. The third paper, *Reindustrialising South Africa: Can institutional capital spark South Africa's next industrial boom?*, was co-authored with the University of Oxford. It looked at the role

of institutional capital in accelerating industrial growth, job creation and manufacturing expansion across sectors such as agro-processing, mining beneficiation and automotive manufacturing. The fourth paper, *Scaling institutional capital for green jobs in South Africa*, also produced in collaboration with the University of Oxford, highlighted opportunities in renewable energy, green manufacturing and climate infrastructure, examining how green investment can grow the economy and create jobs.

All research was shared with the National Treasury and the Department of International Relations and Cooperation as part of the PIC's contribution to South Africa's G20 policy recommendations and dialogue.

At the PIC Perspectives G20 Dialogue in Melrose Arch, Johannesburg, investors, CEOs and development finance institutions discussed ways to implement investment partnerships. The conference concluded with the adoption of the defining outcome of PIC Perspectives - the 2025 Melrose Resolutions.



The resolutions also emphasise mobilisation of institutional capital into green sectors, improving sustainability disclosure standards, harmonising regional infrastructure frameworks and leveraging artificial intelligence and data analytics to bolster investment decision-making and transparency. Importantly, they mark a shift from policy dialogue to implementation-oriented partnerships to accelerate long-term investment and sustainable development across the continent.

2025 MELROSE RESOLUTIONS



1

These resolutions established a collective commitment to unlock capital for infrastructure, industrialisation, the green economy and emerging industries across Africa and to form strategic partnerships and collaborations to unlock capital for investing in infrastructure, industrialisation, the green economy and new and emerging industries in Africa.



2

Promote and co-finance initiatives that facilitate cross-border infrastructure, aligning with continental goals to create larger, more integrated and more attractive markets. This includes proactively seeking blended finance opportunities with development finance institutions and public entities to de-risk projects.



3

Significantly scale up support for project preparation facilities, which entails dramatically increasing funding and technical support to create a deep pipeline of bankable projects.



4

Expand and innovate tailored risk mitigation and blended finance solutions continuously to innovate and broaden financial products, ensuring they are tailored to African markets. This includes developing new instruments to address local currency financing gaps and sub-sovereign risks.



5

Invest in local capacity and supply chains: This requires investing in and prioritising the use of local supply chains and service providers to build a sustainable local ecosystem.



6

Mobilise Institutional Green Investment: Commit to increasing institutional capital flows into green sectors to accelerate job creation. Enhance support towards training programs to equip the workforce with skills for the green economy.



7

Standardise green jobs and sustainability impact disclosure: Adopt shared metrics and reporting standards for green jobs and sustainability outcomes, underpinned by interoperable data and transparent reporting.



8

Champion Regional Standards and Cross-Border Projects: Actively support the development, adoption, and harmonisation of regional technical and regulatory standards for infrastructure. Standardise due diligence questionnaires and legal agreements to improve the long-lead times in concluding transactions that span multiple countries.



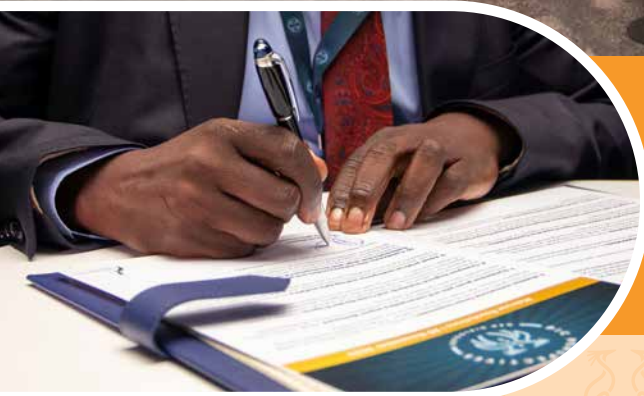
9

Adopt artificial intelligence and big data analytics to improve decision-making and risk assessment for investments. Furthermore, use these technologies to enhance transparency and accountability, which are critical for attracting institutional investors.



10

Collaborate with industry bodies and policymakers to promote regulatory frameworks that align with developmental objectives. This will ensure clearer, more consistent policies to reduce bottlenecks and facilitate an investment-ready pipeline and support initiatives that streamline project approvals and improve governance standards to enhance the investment climate.



Signing of the 2025 Melrose Resolutions.



PART 05 | PERFORMANCE AND PORTFOLIO REVIEW

TRACKING FINANCIAL AND STRATEGIC PERFORMANCE ACROSS PORTFOLIOS

05

This approach, leveraging advanced technologies, innovative strategies and continuous improvement, allows the Corporation to excel across asset classes, meet evolving client needs and integrate ESG factors into the investment processes. By strategically deploying capital into key sectors, the PIC encourages economic growth, cultivates a sustainable economy and creates enduring value for all stakeholders.

PERFORMANCE AGAINST KEY
STRATEGIC OBJECTIVES

	STRATEGIC INTENT OBJECTIVE	MEASURE	TARGET 2025/26			ACTUAL PERFORMANCE 31 MARCH 2026	ACTUAL PERFORMANCE (Achieved/Not achieved)	PERFORMANCE COMMENTARY
FINANCIAL SUSTAINABILITY (25%)						FINANCIAL SUSTAINABILITY (25%)		
1a	Improve PIC’s financial sustainability and going concern through efficient operations and cost containment.	Total employee costs ratio (cost to company excluding PICeeds/total income) (where X is the ratio).	x ≤ 40%		30%	Achieved	Costs to company were maintained in line with budget as a result of disciplined cost containment measures.	
1b		Total costs/total income (where X is the ratio).	x ≤ 80%		69%	Achieved	Expenses were maintained in line with budget as a result of disciplined cost containment measures.	
INTERNAL BUSINESS PROCESSES/OPERATIONAL EFFICIENCY (20%)						INTERNAL BUSINESS PROCESSES/OPERATIONAL EFFICIENCY (20%)		
2a	Monitor compliance and governance.	Submit all PFMA submissions within the stipulated deadline.	Submit all PFMA submissions within the stipulated deadline.		Submitted all PFMA submissions within the stipulated deadline.	Achieved	Management implemented monitoring controls that were preventative to ensure that all PFMA submissions were made within the stipulated deadlines per the PFMA and also based on instructions from the National Treasury.	
		Achieve an unqualified audit opinion with no material findings on the audit of predetermined objectives, annual financial statements, compliance and AuM	Achieve an unqualified audit opinion with no material findings on the audit of predetermined objectives, annual financial statements, compliance and AuM		PIC achieved an unqualified audit opinion with material findings.	Not Achieved	PIC achieved an unqualified audit opinion with material findings.	
		Ethical Behaviour - % of action taken when unethical conduct is confirmed.	80% of management actions initiated within 1 month of the unethical conduct being confirmed.		60%	Not Achieved	In Quarter 1, 2 reports were finalised and adopted by the A&ITC, however, they did not require consequence management. In the 2 nd quarter, 4 reports were finalised and adopted by relevant committees. 1 report required consequence management which management indicated that it was initiated and is in progress. In the 3 rd Quarter - 5 Investigation Reports were finalised and adopted by the governance structures. 1 report required consequence management which management indicated that it was initiated within 1 month. In the 4 th Quarter - 7 Investigation Reports were finalised and adopted by the governance structures. Three reports required consequence management which management indicated that 1 report was initiated within 1 month.	
		% of employees who have completed Ethics Awareness Training.	100% of PIC employees to complete Ethics Training per annum.		100%	Achieved	100% employees have completed the Ethics Training.	

	STRATEGIC INTENT OBJECTIVE	MEASURE	TARGET 2025/26		ACTUAL PERFORMANCE 31 MARCH 2026	ACTUAL PERFORMANCE (Achieved/Not achieved)	PERFORMANCE COMMENTARY
INTERNAL BUSINESS PROCESSES/OPERATIONAL EFFICIENCY (20%)				INTERNAL BUSINESS PROCESSES/OPERATIONAL EFFICIENCY (20%)			
2b	Improve, transform and optimise operations through IT systems and digital capabilities.	The number of processes automated and optimised.	100% of Isibaya processes automated and optimised to facilitate faster transaction processing, amongst others.		69.8%	Not Achieved	69.8% of processes as defined in the TID were automated and optimised.
2c	Improve Enterprise-Wide Risk Management practices.	Reduce PIC risk exposure and improve the internal control environment (Measured by a reduction in risk index and the control environment rating).	At least 10% reduction in risk index from the prior year and a satisfactory control environment rating.		10.68%	Achieved	The risk reduction as at 31 March 2026 is 10.68%. As per the Risk performance rating scale, this equates to a performance score as follows: >10%<15% reduction in Risk index.
2d	Maintain a rating of "Good" on the Corporate Governance matrix as of 31 March.	Assessment against PIC's Corporate Governance Matrix ratings as per the PIC internally generated ESG assessment.	ESG rating Score $\geq 75\%$		82%	Achieved	ESG rating of 82% has been achieved.
CLIENTS/STAKEHOLDERS (45%)				CLIENTS/STAKEHOLDERS (45%)			
3a	Meet Client Benchmark Portfolio Returns and compliance with Client Risk Parameters (over period of 36 months).	Listed Investments α is defined as Total Individual Fund Return for the Top 5 Funds. Individual Fund Benchmark Return.	Individual Top 5 Funds $\alpha \geq 0$ (Benchmark)		$\alpha = -0.24\%$	Not Achieved	The top five listed composite fund recorded an annualised return of 15.04% over the 36-month review period, showing an underperformance of -0.24% compared to the composite benchmark return of 15.28%. The performance for the top five clients was particularly shaped by the GEPF portfolio, given its substantial size. The ongoing transition within the GEPF portfolio, now scheduled for completion by 2028, has led to an unintentional overweight in cash and an underweight allocation to local equities. This was primarily driven by the sell-down of local equities to fund allocations to global managers.
3b	Meet Client Benchmark Portfolio Returns (Unlisted Investments excluding Properties) (over period of 36 months).	Unlisted Investments (excluding Properties) (Measured by all Unlisted PIC clients Weighted Hurdle Rate (x)).	IRR $\geq$ Hurdle rate		-0.2%<6.95%	Not Achieved	The negative IRR was primarily driven by valuation declines resulting from the impairment of non-performing assets.
			MOIC ≥ 1		1.23	Achieved	Multiple on Invested Capital of 1.23x inclusive of exited transactions was achieved. The Multiple on Invested Capital is based on the 31 March 2026 valuations.
3c	Meet Client Benchmark Portfolio Returns Total Return (Capital and Income) (X) $\geq$ MSCI RE for PIC unlisted properties portfolio structure) (over period of 36 months).	Property Investments Measured as Total Return (Capital and Income) (X) $\geq$ MSCI RE adjusted by weighting the portfolio returns as customised for the PIC's clients' portfolio structure.	X $\geq$ MSCI RE		-5.00%	Not Achieved	Unlisted Property performance has improved steadily since the high inflation and Covid impacts with the GEPF Indirectly Held's performance exceeding the benchmark over 1 and 2 years but underperforming over 3 year narrowly by under 1%, this portfolio is heavily weighted to retail. The Directly Held portfolio is heavily weighted to offices and underperformed its benchmark.

	STRATEGIC INTENT OBJECTIVE	MEASURE	TARGET 2025/26		ACTUAL PERFORMANCE 31 MARCH 2026	ACTUAL PERFORMANCE (Achieved/Not achieved)	PERFORMANCE COMMENTARY
CLIENTS/STAKEHOLDERS (45%)				CLIENTS/STAKEHOLDERS (45%)			
3d	Catalyst for transformation and diversity to facilitate transformation through investment activities in Listed Investments.	Multi-Management (Public Markets) Percentage of the total AuM allocated to domestic asset management firms should be managed by transformed asset managers with: - BEE Level 1 – 3; 51% HDI Ownership; and 30% management control by HDIs. This excludes non-SA allocation.	$X \geq 50\%$ AuM allocation to domestic asset management firms must meet: - BEE Level 1 – 3; 51% and above HDI Ownership; and 30% above management control by HDIs. This excludes non-SA allocation.		At 31 March 2026 80.68% of the allocations to domestic firms are allocated to BEE firms with 51% black ownership and 30% black management control.	Achieved	At 31 March 2026 80.68% of the allocations to domestic firms are allocated to BEE firms with 51% black ownership and 30% black management control.
		Listed Investments (Brokerage) Percentage of brokerage paid to designated BEE broker firms used as a percentage of total brokerage paid. BEE Brokers must be BEE Level 1 – 3 rating. Percentage of brokerage paid to broker firms with: 51% HDI Ownership; and 30% Black management control by HDIs.	$\geq 90\%$ of brokerage paid shall be to brokers on Level 1 – 3 BEE rating. $\geq 70\%$ of a total brokerage shall be paid to brokers with: 51% HDI Ownership; and 30% Black management control by HDIs.		98.4% of brokerage was paid to brokers on a level 1 - 3 BEE rating.	Achieved	Aim to increase brokerage spend to level 1 - 3 BEE Brokers.
					76.34% of total brokerage were paid to brokers with at least 51% ownership by HDIs and 30% management control by HDIs.	Achieved	Aim to increase brokerage spend to brokers with at least 51% ownership by HDIs and 30% management control by HDIs.
3e	Catalyst for transformation and diversity to facilitate transformation through investment activities in Unlisted Investments.	Multi-Management (Private Markets) (Measured by X% (percentage) of the approved funds during the Financial Year allocated towards BEE – transformed Asset Managers) (To qualify as a BEE Asset Manager, they must have: 51% HDI Ownership; and 30% management control by HDIs). Diversity at:- - Management; and - Board Level in BEE Asset Managers – in relation to the above measure. (Measured as an average woman participation percentage in the total annual approved transactions).	$\geq 70\%$ of all the approved funds is allocated to BEE Asset Managers.		83.87% of all the approved funds were allocated to BEE Managers.	Achieved	83.87% of all the approved funds were allocated to BEE Managers.
			$\geq 30\%$ - women participation within management level.		Average women % participation at management level within transactions approved is 38.57%.	Achieved	Average women % participation at management level within transactions approved is 38.57%.
			$\geq 30\%$ women participation within Board level.		Average women % participation at Board level within transactions approved is 33.83%.	Achieved	Average women % participation at Board level within transactions approved is 33.83%.
		Unlisted Investments (Excluding Properties Investments and Includes Early Stage) Diversity at – - Management level; - Board Level; and % women ownership. (Measured as an average woman participation percentage in the total annual approved transactions).	$\geq 30\%$ women participation within management Level.		Average women % participation at management level within transactions approved is 24.49%.	Not Achieved	Average women % participation at management level within transactions approved is 24.49%.
			$\geq 30\%$ women participation within Board Level.		Average women % participation at Board level within transactions approved is 23.13%.	Not Achieved	Average women % participation at Board level within transactions approved is 23.13%.
			$\geq 30\%$ women ownership.		Average women % ownership within transactions approved is 19.93%.	Not Achieved	Average women % ownership within transactions approved is 19.93%.
		Property Investments (Unlisted) Diversity – % of Black women ownership (Measured as an average women participation percentage in the total annual approved BEE transactions).	$\geq 15\%$ Black women ownership.		4.06%	Not Achieved	As at 31 March 2026, there was one qualifying approval.



	STRATEGIC INTENT OBJECTIVE	MEASURE	TARGET 2025/26			ACTUAL PERFORMANCE 31 MARCH 2026	ACTUAL PERFORMANCE (Achieved/Not achieved)	PERFORMANCE COMMENTARY
ORGANISATIONAL CAPACITY – HUMAN CAPITAL MANAGEMENT (10%)					ORGANISATIONAL CAPACITY – HUMAN CAPITAL MANAGEMENT (10%)			
4a	Ensure adequate PIC capacitation.	Capacitation of critical roles as per EE Plan.	≥80% filled			94.7%	Achieved	Of the 38 roles filled, 36 appointments (94.7%) were made from designated groups, as defined in the Employment Equity Act. The recruitment process specifically targeted designated candidates to support compliance with legislative requirements.
		Women representation at senior management level (measured as %) based on the Paterson grading scales.	≥35%			45.8%	Achieved	Women currently make up 45.8% (66 out of 144) of employees at senior and top management level. In line with the PIC’s commitment to strengthening the representation of women in leadership positions, the organisation continued to prioritise the recruitment and retention of women at these levels.
		Increase number of employees living with disabilities as a percentage (%) of overall total staff.	≥2%			2.7%	Achieved	The PIC currently has 12 employees with disabilities out of a total workforce of 443, representing 2.7% of all employees. Advancing workforce diversity remains central to the PIC’s Employment Equity objectives. In support of these imperatives, the organisation continues to focus on the recruitment and retention of employees with disabilities.

NATIONAL TREASURY INSTRUCTIONS ON FRUITLESS, WASTEFUL AND IRREGULAR EXPENDITURE

Fruitless and Wasteful Expenditure

Figures in Rand thousand	2026	2025
Opening balance	19,789	349
Add: Fruitless and wasteful expenditure confirmed	758	20,020
Less: Fruitless and wasteful expenditure written off	-	-
Less: Fruitless and wasteful expenditure recoverable	(26)	(580)
Closing balance	20,521	19,789

2026

An interest payment of R731,946 was paid to the South African Revenue Service (SARS) on 16 April 2025. This interest arose due to the timing of the Voluntary Disclosure Programme (VDP) payment and the subsequent allocation of that payment by SARS. On 26 March 2025, the PIC entered into a voluntary disclosure agreement with the South African Revenue Service (SARS) in terms of which PIC applied for relief afforded by the Voluntary Disclosure Relief Programme (the VDP) that is administered by SARS in accordance with the Tax Administration Act (No.28 of 2011).

*R22 600 was overpaid in 2024 in respect of invoice relating to tuition fees for a student. The amount was recovered.

*R2 620 of a bursary amount paid in 2024 to a student exceeded the threshold for which the student qualified for as per bursary policy. The amount was recovered.

Figures in Rand thousand	2026	2025
Fruitless and wasteful expenditure under assessment in 2025/26.	869	-
Fruitless and wasteful expenditure that relates to prior years and identified in 2025/26	26	16,319
Fruitless and wasteful expenditure for the current year	732	3,701
Total	1,627	20,020

Irregular Expenditure

Figures in Rand thousand	2026	2025
Opening balance	2,455	1,240
Add: Irregular expenditure confirmed	3,870	2,366
Less: Irregular expenditure condoned	-	(1,151)
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable	(20)	-
Less: Irregular expenditure not recovered and written off	-	-
Closing balance	6,305	2,455

2026

- The amount of R1,550,952 (2025: R504,422) relates to employee acting allowance payments that were not based on the Delegation of Authority (DoA), resulting in a breach of the PFMA.
- The amount of R19,571 in 2025 was paid towards some student bursaries for students who had failed modules in 2024. This expenditure was in contravention of the PIC Bursary Policy.
- During the period from January 2023 to August 2025, the entity applied an incorrect interpretation of the Preferential Procurement Regulations, 2022 (PPR 2022) in relation to requests for quotations (RFQs), with a value equal to or below R30 000. As a result, the prescribed 80/20 preference point system was not applied when evaluating certain quotations. Following the identification of the matter, management undertook a comprehensive review and quantification of the affected transactions for that period. Management performed a retrospective assessment of the affected procurement and confirmed that, had the 80/20 preference point system been correctly applied, the same bidders would have been awarded the respective quotations. Accordingly, the procurement outcomes were not affected, no undue benefit accrued to the successful suppliers, and no financial loss or prejudice was incurred by the entity. The related expenditure amounting to irregular expenditure is R151,505 (2025: R468,594)

Reconciling items

Figures in Rand thousand	2026	2025
Irregular expenditure under assessment in 2025/26	1,711	-
Irregular expenditure that relates to 2024/25 and identified in 2025/26	2,168	-
Irregular expenditure for the current year	1,702	2,366
Total	5,581	2,366

This overview outlines the PIC's investment activities during a complex and demanding financial year.



MR AUGUST VAN HEERDEN
Acting Chief Investment Officer

ACTING CHIEF INVESTMENT OFFICER'S OVERVIEW

The period was defined by persistent macroeconomic headwinds, heightened geopolitical uncertainty, market volatility and South African economic constraints. Despite this, the Corporation maintained a disciplined, long-term investment approach, preserving capital, generating sustainable risk-adjusted returns and deploying capital in support of client mandates and socio-economic development.

The domestic operating environment improved from a weak base, buoyed by a more stable post-election political environment, lower interest rates and a relatively cooperative government of national unity. However, this has not yet translated into economic momentum.

Confidence remains fragile and vulnerable to currency volatility, weak growth, fiscal pressures, high unemployment and global geopolitical risks.

That stated, there were encouraging signs arising from the government's reform agenda. Operation Vulindlela progressed, with reforms in electricity, freight logistics, water, telecommunications and automated visa systems. South Africa's exit from the Financial Action Task Force grey-list in October 2025 was a significant milestone.

The PIC investment philosophy remained rooted in balancing long-term value creation with prudent risk management. We continued to focus on portfolio diversification, liquidity management and risk monitoring across asset classes.

The value of AuM grew from R3.049 trillion to R3.657 trillion, representing an increase of 19.94%, notwithstanding outflows of R172 billion. This reflects the strength of our diversified investment platform, the benefits of long-term asset allocation and the ability to navigate uncertainty while remaining committed to clients' investment objectives.



The value of AuM grew from R3.049 trillion to R3.657 trillion, a 19.94% increase, notwithstanding outflows of R172 billion.

Asset class performance over various periods

ASSET CLASS	INDEX	MARCH 2026	3 MONTHS	6 MONTHS	YEAR TO DATE	1 YEAR	3 YEARS ANNUALISED	5 YEARS ANNUALISED
Local Bonds	All Bond Index	-6.8%	-3.4%	5.3%	-3.4%	19.2%	14.3%	12.2%
Local Inflation-Linked Bonds	CILI Index	-5.7%	-1.1%	6.9%	-1.1%	13.3%	9.3%	8.7%
Local Equities	All Share Index	-10.5%	-0.6%	7.4%	-0.6%	33.6%	18.6%	15.7%
Local Cash	STEFI Index	0.6%	1.7%	3.4%	1.7%	7.3%	8.0%	6.8%
Local Property	SA Listed Property Index	-11.4%	-4.9%	10.5%	-4.9%	28.6%	22.9%	17.9%
Global Equities (in USD)	MSCI All Country World Index	-7.2%	-3.2%	0.0%	-3.2%	20.0%	16.6%	9.5%
Global Equities-Developed Markets (in USD)	MSCI World Index	-6.4%	-3.6%	-0.6%	-3.6%	18.9%	16.8%	10.3%
Global Equities-Emerging Markets (in USD)	MSCI Emerging Markets Index	-13.1%	-0.2%	4.6%	-0.2%	29.6%	14.8%	3.7%
Global Bonds-Bloomberg Global Aggregate (in USD)	Barclays Global Aggregate Bond Index	-3.1%	-1.1%	-0.8%	-1.1%	4.3%	2.6%	-1.5%
USD/ZAR Currency	USDZAR (SA Rand per US dollar)	-6.3%	-2.3%	1.9%	-2.3%	7.5%	1.6%	-2.8%

The PIC's major clients and assets under management (R'billion)

CLIENT	BEGINNING MARKET VALUE	INFLOW	OUTFLOW	MARKET MOVEMENT	ENDING MARKET VALUE	GROWTH INCLUDING FLOWS	GROWTH EXCLUDING FLOWS
GEPI	2.698	73	(160)	633	3.244	20.24%	23.46%
UIF	170	-	(5.3)	30	195	14.71%	17.82%
CC	71	2.7	(0.3)	14	87	22.54%	19.15%
CP	62	2.3	(0.1)	13	77	24.19%	20.65%
GDFN	22	-	-	1	23	4.55%	4.55%
Smaller clients	26	7.7	(6.6)	4	31	19.23%	15.00%
TOTAL	3.049	86	(172)	695	3.657	19.94%	22.78%

At 31 March 2026, the PIC managed R3.657 trillion, with the GEPI portfolio accounting for 88.7% of total AuM.

The GEPF portfolio delivered growth of 20.24% in 2025/26, despite withdrawals of R160 billion and an ongoing mandated strategic allocation transition set for completion by 2028. At 31 March 2026, the portfolio was overweight in local listed equities. The All-Share Index was up 33.6% over the 12 months, keeping the GEPF's local listed equity allocation above benchmark target.

The UIF listed portfolio returned 19.51% in 2025/26, outperforming the benchmark by 106 basis points. The excess return was driven primarily by top-down asset allocation. Key contributors included underweight positions in global listed equity and money market and an overweight allocation to local listed equity.

The CC and CP portfolios grew by 22.54% and 24.19%, respectively. The CC portfolio underperformed its benchmark by 0.06% primarily due to top-down asset allocation. The CP portfolio ended the year with a 20.47% return, outperforming the 19.88% benchmark and realising an excess return of 0.60%. The CP portfolio's performance was attributable to prudent asset allocation.

Top Five Client Performance Summary vs Consumer Price Index (CPI) targets

PORTFOLIO	3 MONTHS			12 MONTHS			24 MONTHS*			36 MONTHS*			60 MONTHS*		
	FUND	BMK	REL	FUND	BMK	REL	FUND	BMK	REL	FUND	BMK	REL	FUND	BMK	REL
GEPF Total Listed vs CPI+5.5%	-1.28	2.49	-3.77	24.21	8.62	15.59	20.53	8.42	12.11	15.21	9.21	6.00	12.24	10.32	1.92
UIF Total Listed vs CPI+3%	-1.60	1.89	-3.43	19.51	6.13	12.60	17.50	5.93	10.91	13.95	6.72	6.77	11.53	7.82	3.44
CC Fund - Listed vs CPI+3.5%	-1.28	2.01	-3.23	20.24	6.63	12.76	18.42	6.43	11.26	13.73	7.22	6.07	11.27	8.32	2.72
CP Fund - listed vs CPI+3.5%	-1.52	2.01	-3.46	20.47	6.63	12.98	18.56	6.43	11.40	13.91	7.22	6.24	11.32	8.32	2.76
PICOF vs CPI+3%	-1.45	1.89	-3.27	20.66	6.13	13.69	18.28	5.93	11.65	14.31	6.72	7.11	11.76	7.82	3.65

* Annualised

Most clients' portfolios with CPI+ targets delivered strong returns against their targets over the 12 months. Notably, the GEPF total listed portfolio achieved an annualised return of 24.21%, outperforming its CPI+5.5% benchmark by 15.59%. Similarly, the UIF total listed portfolio returned 19.51%, exceeding its CPI+3% target by 12.60%. The CC and CP also delivered robust results, surpassing their CPI+3.5% targets by 12.76% and 12.98% respectively.

All large client portfolios with CPI+ targets remained well ahead of their CPI+ targets over 24, 36 and 60 months. Four of the PIC's five largest clients are measured against CPI+ targets. Although the Guardian Funds portfolio follows a different benchmark framework, it similarly outperformed its benchmark across all periods, reflecting the strength and consistency of investment outcomes across the client base.

Through Multi-Management Public Markets, the PIC allocated capital to 16 global and 25 domestic asset managers, with allocations of R392 billion and R390 billion, respectively. In support of transformation, the PIC continues to use its capital to develop and grow black-owned investment firms. Allocations to B-BBEE firms increased to 81% of the portfolio and fees paid to empowerment firms reached R826 million (86.4% of total fees).

Notably, the GEPF total listed portfolio achieved an annualised return of 24.21%, outperforming its CPI+5.5% benchmark by 15.59%.



During the year under review, the PIC's Unlisted Investments (the Isibaya Fund, Multi-Management Private Markets and the Early-Stage Fund, including Unlisted Properties) allocated R8.71 billion to new investments, supporting portfolio growth, transformation and economic development.

Cumulatively, the teams (excluding Unlisted Properties) have allocated R15.9 billion of local funds and US\$447 million of the Rest-of-Africa funds since 2022. These allocations were from the R25 billion mandate that the GEPP made available on 1 April 2022. The PIC remains on course to deploy the full amount across the mandates before the five-year investment period ending on 31 March 2027. Since its inception, the PIC has delivered an internal rate of return (IRR) in excess of 15% on its 2022 Unlisted Investments mandate.

By 31 March 2026, the Isibaya Fund's cumulative investments had exceeded R100 billion across both active and exited portfolio companies on behalf of the GEPP, UIF and the CP. The portfolio allocation demonstrates the PIC's continued commitment to deploying long-term, catalytic capital into strategic sectors that support economic growth, infrastructure development, transformation and inclusive participation across South Africa and the continent.

During the period under review, the Multi-Management Private Markets division concluded two landmark investments for the GEPP in companies that play a pivotal role in energy security and future technologies. Investments in the Africa Rainbow Energy Fund and the Solcon Capital Fund I, with black ownership of 81.90% and 92.42% respectively, reinforced the PIC's commitment to transformation and inclusive participation.

Through the Early-Stage Fund, the PIC catalysed projects in their infancy, creating new industries, driving innovation and unlocking economic growth while generating financial returns. The focus is on promoting job creation, particularly for women and youth. Since inception, the fund has approved R2.3 billion across 10 transactions, including R1.2 billion for fund investments. Catalytic capital is expected to mobilise up to R4 billion from other limited partners, supporting a cumulative target of R5.2 billion. On average, supported fund managers are 80% black-owned, with 68% black representation across management teams.

During the year under review, the PIC concluded R2.43 billion worth of unlisted property transactions. The portfolio has a market value of R64.5 billion across directly held and indirectly held portfolios in South Africa, the rest of Africa and globally, with retail being the largest exposure. Notable assets include the V&A Waterfront in Cape Town and Waterfall City in Johannesburg. Over the last three years, transactions totalling R10.9 billion in South Africa and US\$48.5 million in the rest of Africa were approved.

Guided by international standards and local regulatory frameworks, we have embedded environmental, social and governance (ESG) principles across our investment processes. This approach includes rigorous due diligence for new investments, active stewardship and strategic engagement with investee companies to unlock long-term value and mitigate systemic risks.



Investment Outcomes and Developmental Impact



R3.657 trillion

Assets under management.



R8.71 billion

Allocated to new unlisted investments.



R2.43 billion

Committed to unlisted property transactions.



226 327 Direct jobs facilitated through portfolio investments.



145 Portfolio companies funded through the Isibaya portfolio.



95 Investee companies engaged through active ownership initiatives.



81% Allocations directed to empowered asset management firms.

The Corporation exercised its voting rights at all shareholder meetings of investee companies during the period under review as part of a structured and consistently applied stewardship approach. The PIC's ESG listed team voted on 3 124 resolutions at 154 meetings. In addition, the Corporation engaged with 95 investee companies.

The PIC's ESG listed team voted on **3 124** resolutions at **154** meetings.



We acknowledge the expertise and commitment of our investment professionals, which underpinned these achievements.

Digital disruption, particularly artificial intelligence, will continue to reshape markets, industries and investment processes. This creates opportunities to enhance operational efficiency, deepen insights and strengthen decision-making.

We will continue to adopt and apply these technologies in a disciplined and responsible manner. This supports the PIC's commitment to innovating for inclusive growth.

The investment environment is expected to remain uncertain amid ongoing global volatility and persistent domestic economic constraints. Consequently, the Corporation will prioritise disciplined capital allocation, robust risk management and portfolio resilience.

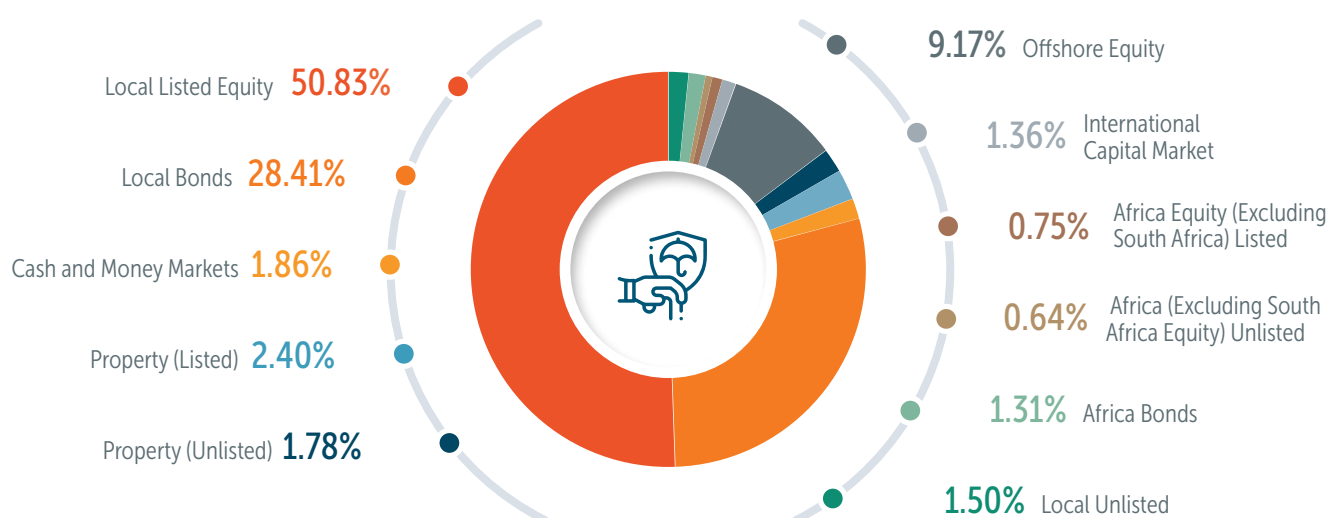
We remain committed to delivering sustainable, long-term value for clients, while contributing meaningfully to South Africa's economic development. The PIC will continue to align our investment decisions with clients' mandates, applying disciplined capital allocation, responsible stewardship and prudent risk management to strengthen portfolio resilience and support sustainable outcomes.



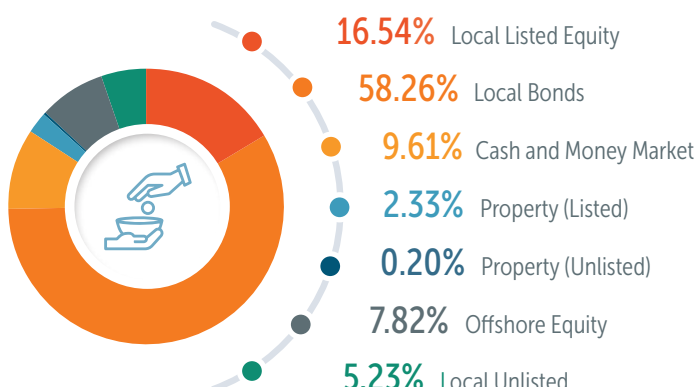
August van Heerden
ACTING CHIEF INVESTMENT OFFICER

CLIENT PORTFOLIO ASSET ALLOCATION

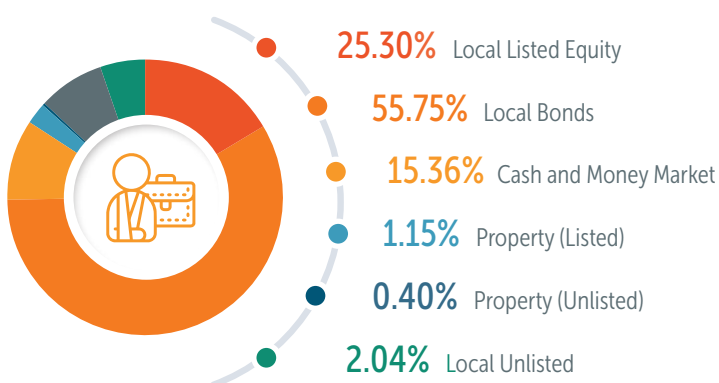
GEPF ASSET ALLOCATION



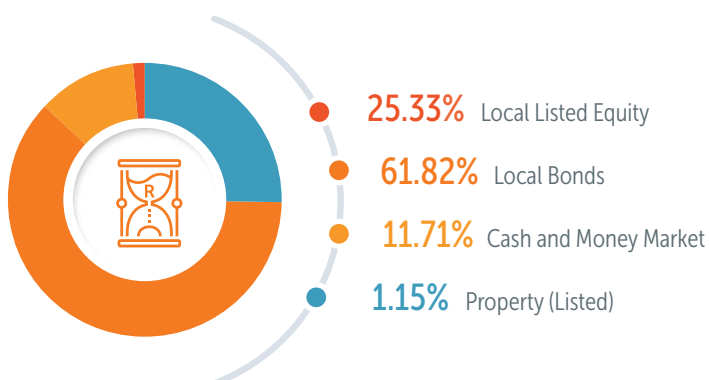
UIF ASSET ALLOCATION



CC ASSET ALLOCATION



CP ASSET ALLOCATION



GDFN ASSET ALLOCATION



The Associated Institutions Pension Fund (AIPF) is not reflected as a separate entity in this year's Integrated Annual Report, following its amalgamation with the GEPF on 1 April 2025.

The Temporary Employees Pension Fund was similarly amalgamated with the GEPF. The assets and performance of both entities are therefore incorporated into the GEPF portfolio, and former AIPF members now fall under the rules, regulations and pension increases of the GEPF. Day-to-day administration continues to be managed by the Government Pensions Administration Agency.



Client Performance

Top five clients' performance summary

PORTFOLIO	12 MONTHS			24 MONTHS			36 MONTHS		
	FUND	BENCHMARK	RELATIVE	FUND	BENCHMARK	RELATIVE	FUND	BENCHMARK	RELATIVE
	%	%	%	%	%	%	%	%	%
PIC TOP FIVE CLIENTS LISTED	23.65	23.38	0.27	20.21	20.48	-0.28	15.04	15.28	-0.24
GEPF total Listed	24.21	23.94	0.22	20.53	20.86	-0.27	15.21	15.53	-0.27
GEPF – Offshore	10.42	9.00	1.30	7.95	6.00	1.84	13.64	11.87	1.58
GEPF Offshore Equity	12.32	11.41	0.82	8.90	8.19	0.66	15.47	13.87	1.41
GEPF Offshore Fixed Income	-0.06	-1.27	1.22	2.23	-0.50	2.75	5.15	0.42	4.71
GEPF – Africa Listed Equity	21.62	21.09	0.44	3.43	21.71	-15.02	-4.93	6.30	-10.56
GEPF – Africa Fixed Income	18.89	7.00	11.11	19.14	5.09	13.37	25.04	14.17	9.52
GEPF – Local Listed	26.50	26.78	-0.22	22.72	23.25	-0.43	15.89	16.36	-0.40
GEPF – Listed Equity	33.43	34.34	-0.68	27.90	29.15	-0.96	18.35	19.37	-0.86
GEPF – Listed Property	28.11	28.30	-0.15	23.90	23.99	-0.08	22.39	22.78	-0.32
GEPF – Nominal Bonds	19.42	19.24	0.15	19.81	19.70	0.10	14.36	14.27	0.08
GEPF – Inflation Linkers	13.53	13.32	0.18	11.25	11.10	0.13	9.58	9.28	0.28
UIF total Listed	19.51	18.45	1.06	17.50	16.63	0.87	13.95	13.49	0.46
UIF – Offshore	13.17	10.15	3.02	9.94	6.27	3.67	16.03	13.44	2.59
UIF – Local Listed	20.18	19.57	0.61	18.29	17.99	0.30	13.76	13.54	0.22
CC	20.24	20.30	-0.06	18.42	18.63	-0.21	13.73	13.67	0.05
CP	20.47	19.88	0.60	18.56	18.34	0.23	13.91	13.67	0.25
GDFN	7.95	7.60	0.35	8.47	8.00	0.47	8.53	8.08	0.45
PICOF	20.66	19.50	1.16	18.28	17.57	0.71	14.31	13.91	0.40

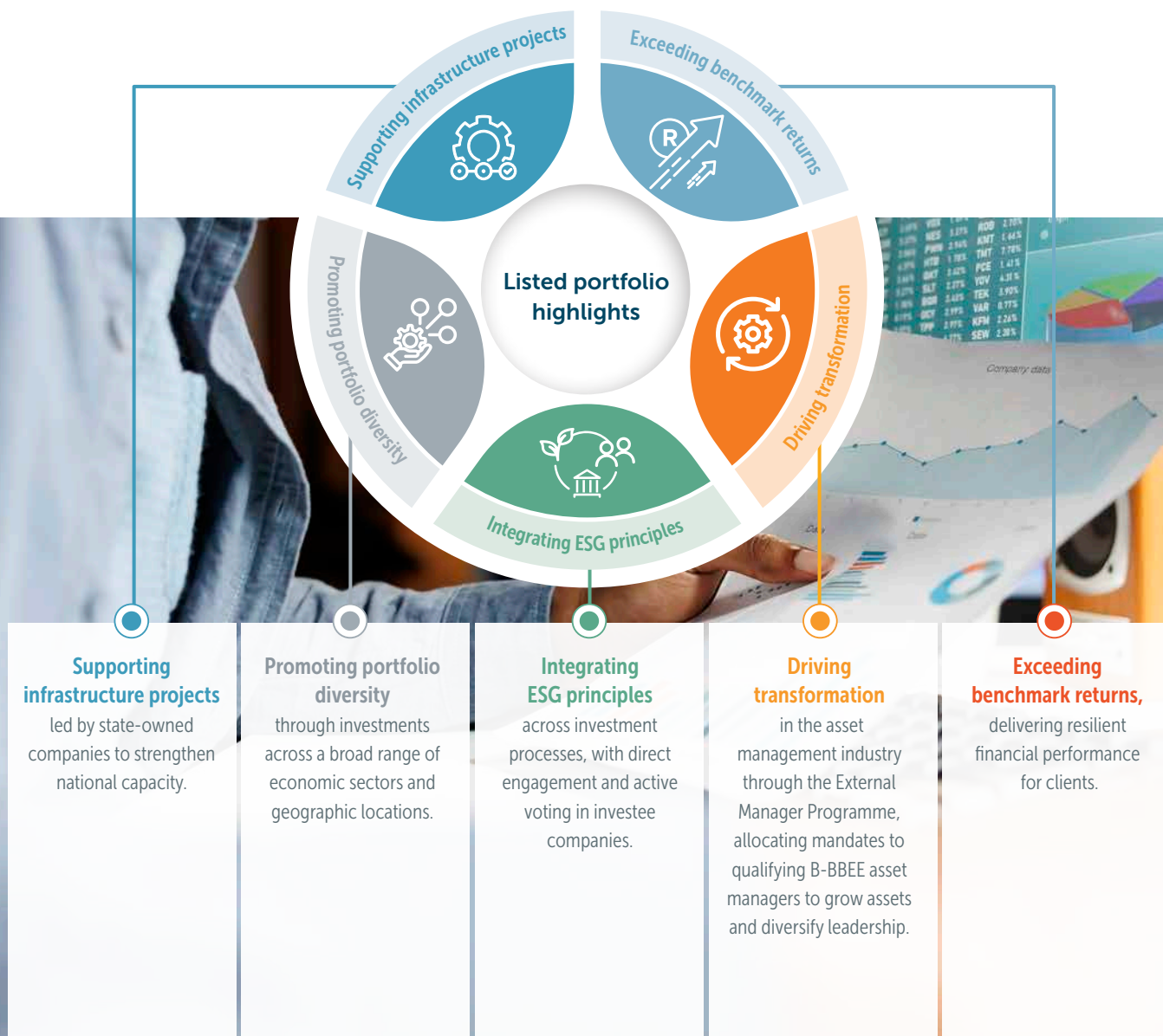
Fund vs Consumer Price Index (CPI)+ Targets

PORTFOLIO	12 MONTHS			24 MONTHS			36 MONTHS		
	FUND	BENCHMARK	RELATIVE	FUND	BENCHMARK	RELATIVE	FUND	BENCHMARK	RELATIVE
	%	%	%	%	%	%	%	%	%
GEPF total Listed vs CPI+5.5%	24.21	8.62	15.59	20.53	8.42	12.11	15.21	9.21	6.00
UIF total Listed vs CPI+3%	19.51	6.13	12.60	17.50	5.93	10.91	13.95	6.72	6.77
CC – Listed vs CPI+3.5%	20.24	6.63	12.76	18.42	6.43	11.26	13.73	7.22	6.07
CP – Listed vs CPI+3.5%	20.47	6.63	12.98	18.56	6.43	11.40	13.91	7.22	6.24
PICOF vs CPI+3%	20.66	6.13	13.69	18.28	5.93	11.65	14.31	6.72	7.11

The top five listed client portfolios delivered solid long-term investment outcomes and achieved their investment objectives over the one-, two- and three-year periods under review. Exposure to local and offshore markets was diversified, with offshore allocations benefitting from global equity market strength and favourable currency movements. Domestic equity and fixed-income markets also contributed positively as inflation moderated and expectations of lower interest rates improved market sentiment. Relative performance across mandates reflected the impact of asset allocation decisions, benchmark positioning and security selection across certain asset classes.

The portfolios continued to generate returns well above their CPI+ targets, demonstrating their ability to preserve and grow clients' capital in real terms despite economic uncertainty, geopolitical risks and fluctuating market conditions.

LISTED EQUITIES



LISTED EQUITIES

Sustaining value in 2025/26

The Listed Equities division delivered strong and resilient returns for clients during the year under review, underscoring the PIC's commitment to 'Innovating for inclusive growth'. This performance was supported by disciplined investment strategies, sector diversification and the integration of ESG principles. Despite market volatility and shifting global conditions, the organisation generated sustainable value across its six capitals of the Integrated Reporting Framework, positioning the organisation as a global leader in responsible investment and inclusive development.

The Listed Equities division assets grew by 23.9% to R1.2 trillion. The Internal Listed Equities portfolio achieved a 33.4% return for the year and 65.9% over three years, through strong industrial consumer exposures, albeit limited gains from lower resources allocation.

The Listed Property portfolio delivered a return of 27.7% for the year and 82.7% over three years, with performance temporarily dented by the benchmark transition from the South African Listed Property index to the All Property Index and the resultant cash drag.

South African listed property was strong in 2025, supported by bond-yield compression, earnings growth and resilient operating fundamentals across office, retail and industrial sectors. In early 2026, market volatility and higher-for-longer interest rate outlook emerged due to geopolitical tensions, yet property earnings momentum and operations remained resilient.

The portfolio is influenced by the All Share Index, which delivered a 33.6% return over the year to 31 March 2026, with Resources (+91.0%), Chemicals (+130.1%) and Precious Metals and Mining (+104.5%) driving performance. Chemicals was the best-performing subsector locally, due to rising oil prices. Financials (+29%) and Industrials (+5%) grew moderately, while Industrial metals (-53.4%) declined due to weak demand and regulatory pressures. This dispersion reflects market volatility, yet the PIC continues to leverage sector opportunities to deliver returns above benchmark while applying ESG considerations in investments.

Global market context

Over the review year, Morgan Stanley Capital International (MSCI) reported that emerging markets returned 30.3% and South Africa 51.8% in US dollar terms, compared to the world performance of 20.5%. The period was marked by geopolitical uncertainty, including the Ukraine conflict and Strait of Hormuz trade disruptions, and US tariff measures in April 2025 that heightened volatility and inflation concerns. A partial tariff reprieve, improved investor sentiment and regional recovery provided some support; however, later tensions involving the US, Israel and Iran renewed energy-security and global-growth concerns. Against this backdrop, the PIC focuses on sustainable equity returns by investing in companies with strong fundamentals and high-quality management, while using market dislocations to increase exposure to attractively valued companies with intact long-term fundamentals.

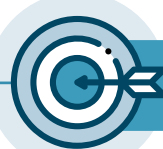
Contribution to B-BBEE, transformation and job creation

The PIC promotes good corporate governance and transformation through engagement with investee companies, proxy voting and board nomination processes. These engagements encourage greater racial and gender representation on boards and in executive management, while supporting sound governance and long-term value creation.

The PIC also contributes to transformation through its brokerage allocation model. During the year under review, 76.34% of total brokerage fees were allocated to firms owned or managed predominantly by historically disadvantaged individuals, exceeding National Treasury's prescribed minimum target of 60%.

Outlook and strategic alignment

- **Global growth:** International Monetary Fund projects 3.1% in 2026 and 3.3% in 2027.
- **Global inflation:** 4.4% (2026), easing to 3.7% (2027).
- **Risks:** Middle East conflict, commodity price shocks, inflationary pressures and market risk aversion.
- **PIC outlook:** A volatile macro-environment with slower growth, persistent inflation, and risk of tighter monetary policy.
- **Strategic alignment:** A long-term, fundamental investment approach with a disciplined focus on sustainable value creation.
- **Valuation insight:** The JSE All Share Index appears largely fairly valued; stock picking remains key.



DRIVING SUSTAINABLE IMPACT IN 2026/27

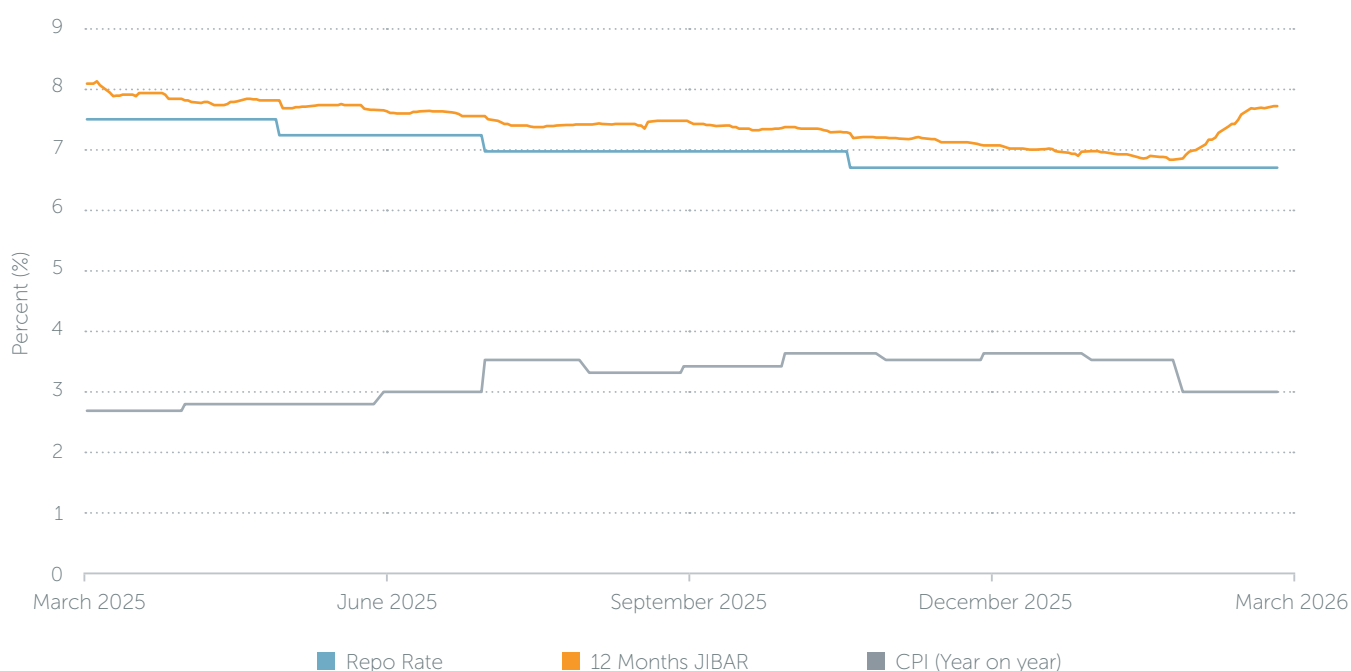
- **Exceeding benchmarks:** Delivering investment returns above client objectives.
- **Top 60 coverage:** Enhancing research and monitoring of leading listed companies.
- **Rest of Africa expansion:** Operationalising the ability to transact and deploy capital for diversification and long-term returns.
- **Global equity capability:** Strengthening expertise to invest in global markets.

FIXED INCOME ASSETS

The Fixed Income division continues to deliver stable returns and support portfolio diversification. Across money markets, the positive performance of conventional and inflation-linked bonds, infrastructure financing, parastatals and corporate issuances reflects disciplined risk management and active engagement with market dynamics. While bond portfolio activity has been shaped by evolving interest rate expectations and geopolitical developments, the PIC remains focused on sustainable value creation. In line with the 2026 theme of 'Innovating for inclusive growth', fixed income strategies are not only securing financial resilience but are expanding access to capital for infrastructure and development initiatives, reinforcing inclusive participation in South Africa's growth story.

The review year was marked by shifting global monetary policy expectations, episodic volatility and heightened geopolitical risk, set against a gradually improving domestic fiscal and policy backdrop. Early disinflation trends supported monetary easing locally and abroad, while renewed inflation risks linked to energy prices and geopolitical tensions became increasingly influential towards year-end. These dynamics shaped outcomes across money markets, nominal and inflation-linked instruments, reinforcing the importance of disciplined risk management and resilience.

MONEY MARKETS

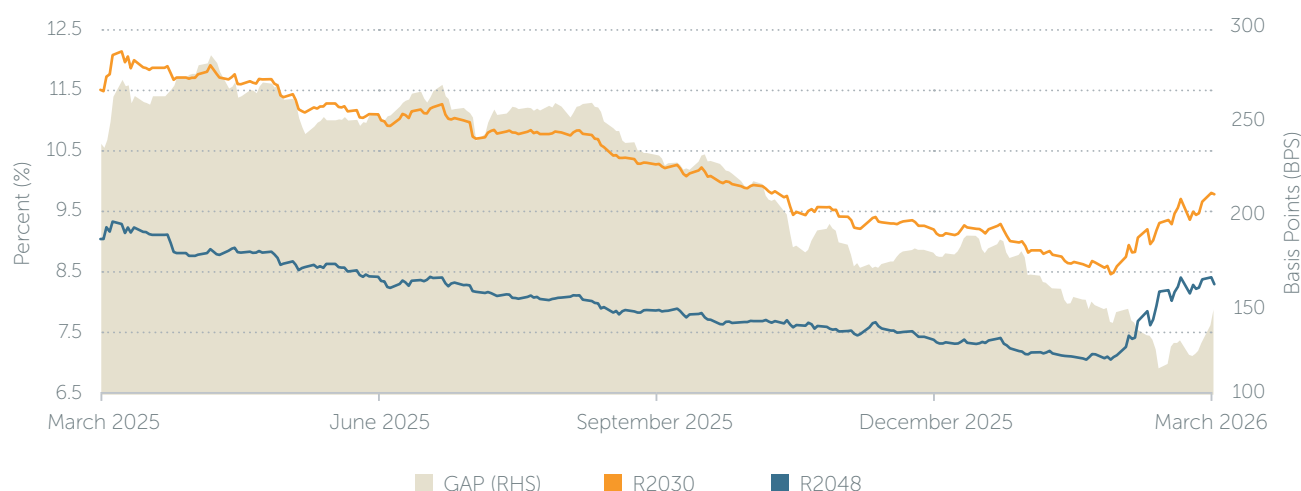


Source: PIC, Bloomberg

The South African repo rate began the financial year at 7.50% and closed at 6.75%, following three 25-basis-point reductions implemented by the South African Reserve Bank during the first three quarters. The repo rate easing cycle was supported by a more favourable inflation outlook and the formal adoption of a lower inflation target. The subsequent uptick in short term yields reflected renewed global volatility and inflation concerns following the outbreak of conflict in the Middle East in late-February 2026, which prompted market repricing across funding and forward rate markets.

Domestic short-term interest rates traded lower in response. The 12-month Johannesburg Interbank Average Rate (JIBAR) declined by 36 basis points, from 8.09% at the beginning of the financial year to 7.73% at year-end, after reaching a low of 6.88% during the year.

CONVENTIONAL BONDS



Source: PIC, Bloomberg

South African nominal government bonds were shaped by improving domestic fundamentals, offset by heightened global volatility toward the end of the period. For much of the year, the domestic yield curve benefitted from favourable risk sentiment, improved fiscal credibility and sustained demand for higher-yielding assets. Foreign investors drove much of the rally in government bonds, pushing down borrowing costs most notably in the middle range maturities and in longer term bonds, as overseas participation increased.

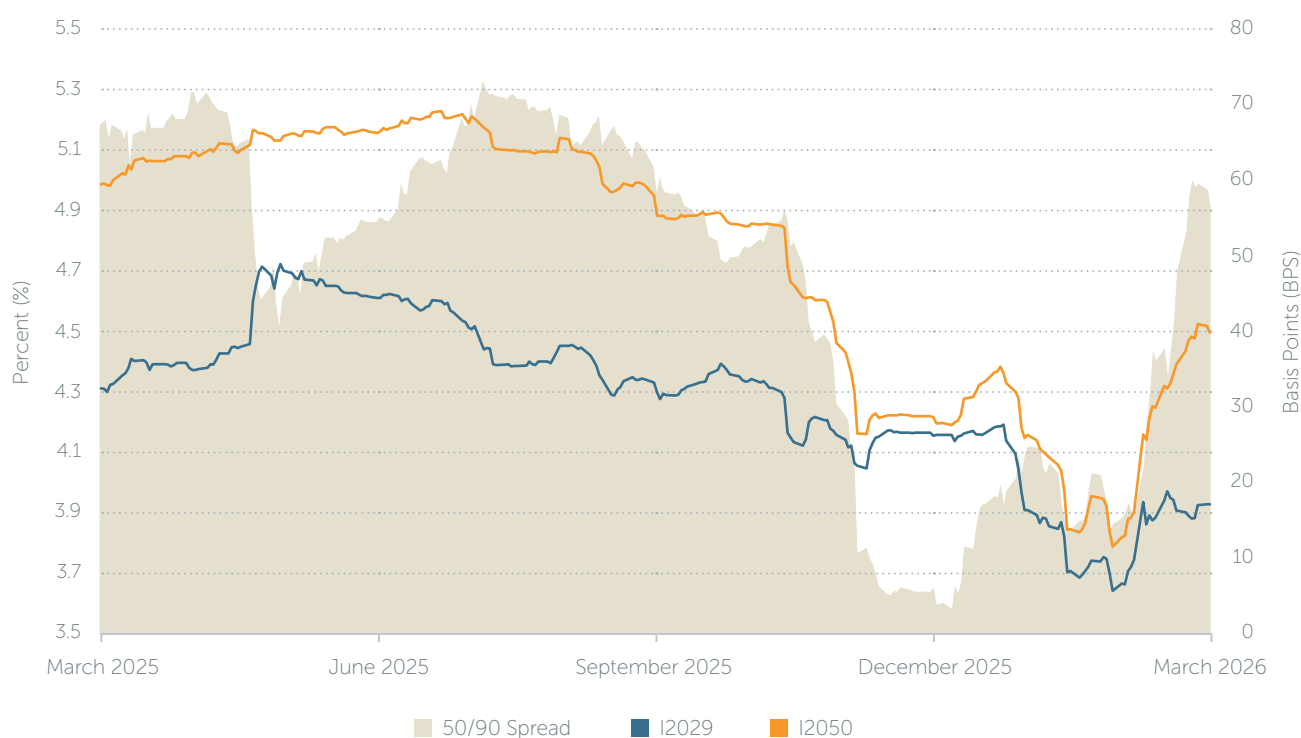
Fiscal developments provided an anchor. Government communications signalled commitment to fiscal consolidation, supported by stronger-than-expected revenue performance and stabilising public debt trajectory. The sovereign credit rating upgrade further bolstered investor confidence and contributed to lower costs across both short- and long-term bonds.

Toward year-end, global factors increasingly dominated market outcomes. Escalating geopolitical risks, sharp oil-price movements and renewed inflation uncertainty triggered a broad risk-off repricing across global bond markets. Domestic yields rose sharply and volatility increased across tenors. Despite a supportive February 2026 national budget, local yields remained sensitive to global developments, revealing South Africa's exposure to external shocks.

For much of the year, the domestic yield curve benefitted from favourable risk sentiment, improved fiscal credibility and sustained demand for higher-yielding assets.



INFLATION-LINKED BONDS



Source: PIC, Bloomberg

Inflation-linked bonds delivered a relatively stable performance over the year, with real yields shaped more by long-term risk assessment than short-term inflation. Bond yields started the year high. In the first half, longer term bonds became more expensive for the government to issue, as investors stayed cautious about South Africa's ability to manage its finances and control inflation.

As the year went on, borrowing costs on inflation linked bonds fell across all maturities, with long-term bonds dropping more sharply. This narrowed the gap between short- and long-term borrowing costs, flattening the curve by late-2025. Toward year-end, heightened global volatility and weakness in government-bond markets led to a partial reversal, with long-dated inflation-linked bonds underperforming and the curve re-steepening. Overall, the curve reshaped, given shifting assessments of long-term inflation risk rather than changes in near-term inflation expectations.

Fixed income performance

Fixed-interest assets delivered strong gains for most of the year, supported by favourable conditions up to late-February. The escalation in the Middle East conflict in March sharply weakened global risk sentiment, partially unwinding the rally into year-end. Even so, conventional bonds (Johannesburg Stock Exchange All Bond Index) closed the financial year with a solid return of 19.24%, inflation-linked bonds delivered 13.32% and money-market instruments returned 7.28%.

Bond portfolio activity

Shorter-dated exposures were replaced by longer-dated exposures due to participation in government switch auctions. This strengthened maturity profiles while supporting market functioning, and enhancing reinvestment efficiency and flexibility in a changing market.

Infrastructure bonds

The government's inaugural issuance of infrastructure bonds was a milestone, heralding an important evolution in South Africa's funding framework by channelling capital into long-term infrastructure investment through clear use-of-proceeds structures. The PIC supported the programme for its role in economic development, funding diversification and transparency in sovereign issuance.

Parastatals



Land Bank

The Land Bank entered default on 23 April 2020, at which time the PIC held exposure of R7.5 billion on behalf of its clients. Following the implementation of a Debt Restructuring Solution on 16 September 2024, the PIC has, to date, received R6.2 billion in capital repayments, representing a recovery of approximately 83% of the original exposure. As at 31 March 2026, the remaining outstanding balance amounts to R1.3 billion, with scheduled semi-annual repayments expected to continue through to 31 March 2028.



Transnet

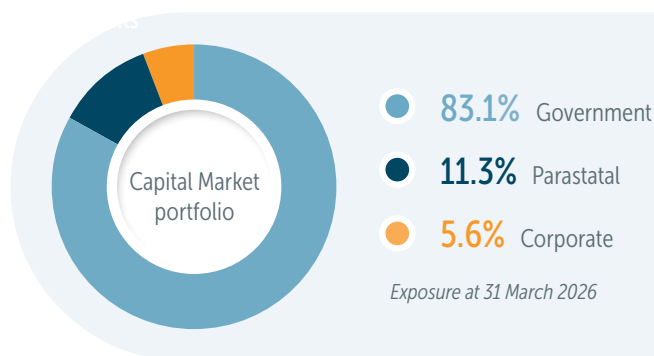
Transnet repaid the TN25 bond, which matured on 19 August 2025, against which the PIC held exposure of R5 billion. Proceeds received from this maturity were partially reinvested into the government-guaranteed Transnet TNG32 bond, with the PIC rolling R1.86 billion into the new issuance.

Corporate bonds

During the financial year, the Corporation, on behalf of its clients, participated in over R10 billion of corporate bond issuance that met credit quality requirements and aligned with its return objectives.

Most local corporate bonds have transitioned from the Johannesburg Interbank Average Rate to the South African Overnight Index Average. The latter, based on actual overnight transactions, enhances the robustness and transparency of short-term rate setting and aligns the domestic market with global benchmark reforms.

At year-end, the Capital Market portfolio was allocated predominantly to government bonds at 83.1%, with parastatals accounting for 11.3% and corporates 5.6%.



Market outlook

Market volatility and heightened uncertainty continue to weigh on capital markets, with global sentiment increasingly dictated by geopolitical developments. The Middle East conflict entrenched a risk-off environment across global markets, raising concerns around the inflation outlook, particularly for economies reliant on oil imports. Higher and more volatile oil prices have prompted global central banks to reassess inflation and growth risks, with market pricing reflecting a hold-for-longer stance and hawkish bias.

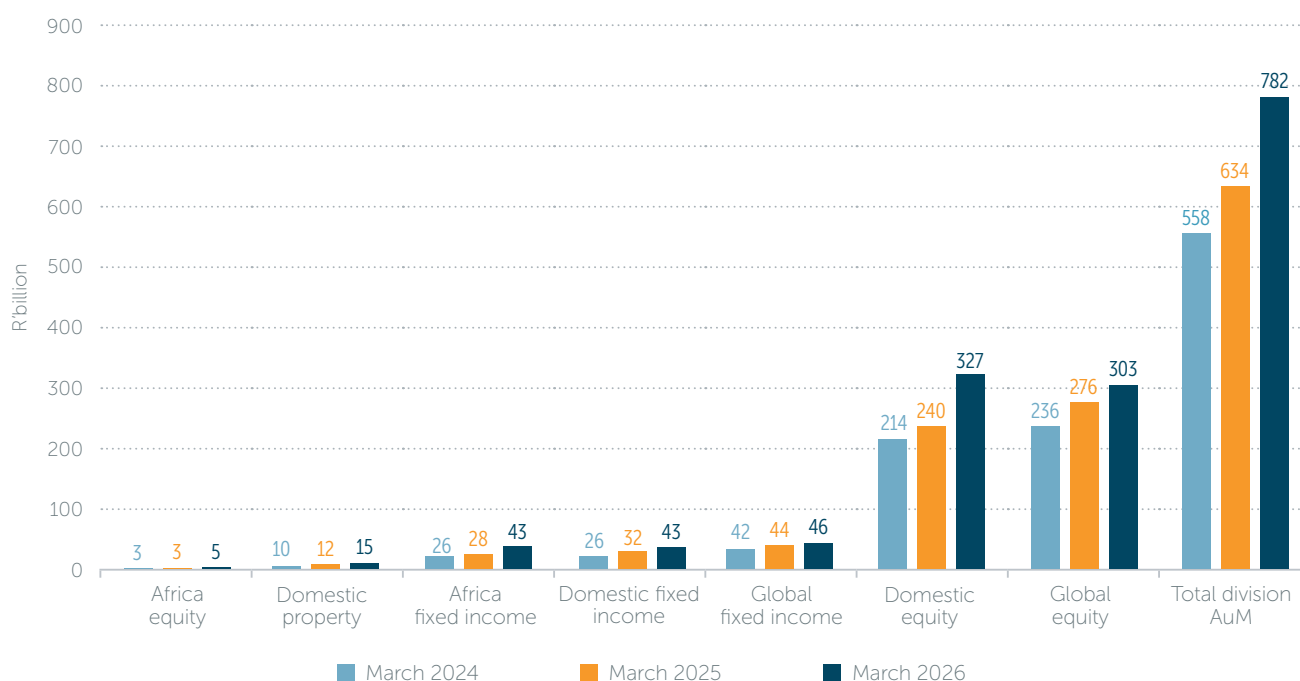
Domestically, the February budget outlined supportive fundamentals for domestic bond yields, reinforcing fiscal consolidation. However, pressure on the rand and elevated oil prices have contributed to the South African Reserve Bank's cautious stance, with forward-rate agreements repricing and expectations of short- to medium-term interest rate cuts diminishing. The approaching local government elections may add to the political risk premium. Further escalation in geopolitical tensions or prolonged elevated oil prices could leave domestic bond yields vulnerable, with volatility to persist and yields under pressure.

MULTI-MANAGEMENT: PUBLIC MARKETS

The PIC is the largest asset allocator of investment funds in South Africa. The Multi-Management: Public Markets division manages R782 billion across domestic and international listed asset classes. Multi-management entails allocating funds to external asset managers to invest on behalf of the GEPI and other clients, generating sustainable, benchmark-based returns.

This approach has delivered financial resilience and diversification while advancing inclusive development outcomes, supporting infrastructure investment, broadening access to capital and contributing to economic activity across multiple sectors, while driving transformation in line with client mandates.

ASSETS UNDER MANAGEMENT



Source: PIC

SUSTAINING VALUE IN 2025/26

The platform continued to grow in both scale and transformation outcomes during the reporting period. Externalised assets under management rose to R782 billion by 31 March 2026, an increase of R148 billion (23.3%), from R634 billion in March 2025, with allocations to B-BBEE firms increasing materially compared to previous years. Performance across global and African mandates remained broadly positive, although domestic equity underperformed against benchmarks.

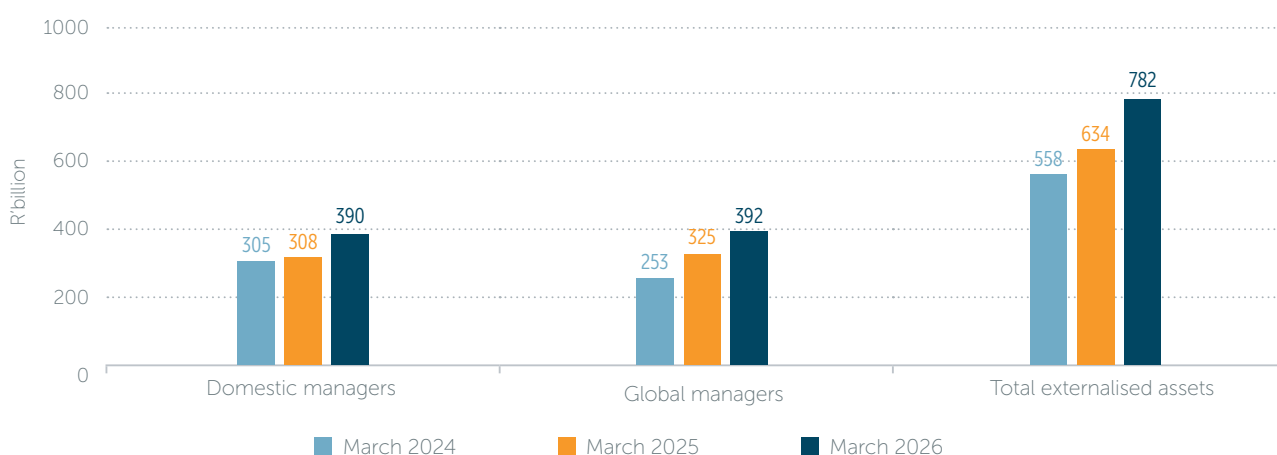
Through the PIC Multi-Management Programme, capital was allocated to 25 domestic managers (R390 billion) and 16 global firms (R392 billion). The PIC Global Developmental Programme supports black-owned South African asset managers to develop global investment capabilities and manage international mandates on behalf of the PIC clients. The programme is expected to increase global assets managed by domestic managers.

Total AuM grew by more than 23.3% during the year under review, driven primarily by strong Johannesburg Stock Exchange performance.

Performance was mixed across asset classes, with global strategies significantly outperforming domestic peers.

Domestic equity delivered the strongest growth, rising from R240 billion to R327 billion (+36.3%), while global equity remained the second largest asset class at R303 billion, reflecting continued offshore diversification. Domestic fixed income grew by R11 billion (+34.4%), signalling increased allocations to bonds and money market instruments in a high interest rate environment. Africa equity and global fixed income remained stable, while domestic property rose modestly, from R12 billion to R15 billion, consistent with a recovering but still cautious listed property sector.

ASSETS UNDER MANAGEMENT: MULTI-MANAGEMENT PUBLIC MARKETS



Source: PIC

ALLOCATIONS AND FEES TO B-BBEE FIRMS STOOD AT:

81% R826 million
(86.4% of total fees).

US \$200 million Allocated to the Global Developmental Programme across equity and fixed income mandates

TRANSFORMATION

The B-BBEE Developmental Manager Programme, introduced in 2009, has expanded the participation of black asset managers across savings, investments and asset management industry. Greater representation of black women is necessary, particularly among shareholders, boards and senior investment professionals. Managers are transformed in ownership and governance structures. During the year under review, allocations and fees to B-BBEE firms stood at 81% and R826 million (86.4% of total fees).

During the year, US \$200 million was allocated to the Global Developmental Programme across equity and fixed income mandates. Expansion of this programme remains a strategic priority, with more allocations expected during the next financial year.

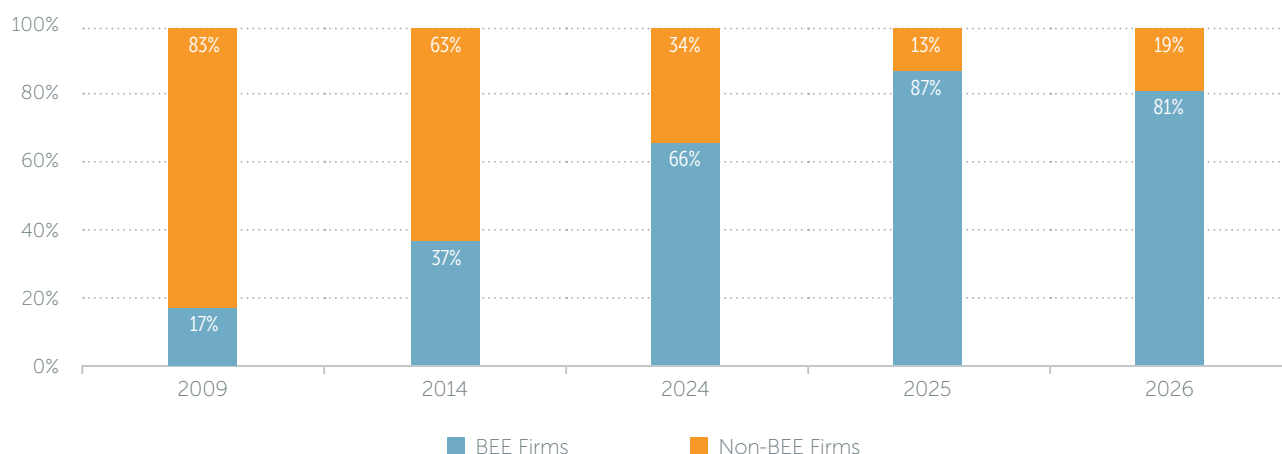
Domestic asset classes delivered the strongest performance, with domestic equity, fixed income and property assets each growing more than 30% in 2025/26. The division continues to optimise client solutions through disciplined portfolio rebalancing and enhancements to client mandates, reinforcing its role in scale, diversification and transformation.

ALLOCATION TO BLACK-OWNED FIRMS OVER TIME

The figure below illustrates the evolution of portfolio allocation between B-BBEE and non-B-BBEE firms from 2009 to 2026. The stacked bar chart makes clear the structural shift in mandate allocation.

In 2009, only 17% of externalised assets were managed by B-BBEE firms, but this had increased by 2014 to 37%. A decade later, the figure had reached 66% and in 2026, topped 80%.

ALLOCATION TO BLACK-OWNED FIRMS OVER TIME



Source: PIC

South African manager statistics — transformation scorecard

The transformation scorecard across 25 domestic firms reflects continued progress in ownership, governance and investment management.

SOUTH AFRICA MANAGER STATISTICS	BLACK OWNERSHIP	BLACK WOMEN OWNERSHIP	BOARD REPRESENTATION		EXECUTIVE MANAGEMENT		INVESTMENT PROFESSIONALS	
			BLACK	BLACK WOMEN	BLACK	BLACK WOMEN	BLACK	BLACK WOMEN
Minimum	33%	0%	25%	13%	44%	0%	42%	0%
Median	79%	21%	88%	50%	78%	25%	73%	28%
Mean	78%	27%	83%	47%	79%	30%	75%	31%
Maximum	100%	76%	100%	100%	100%	100%	100%	100%

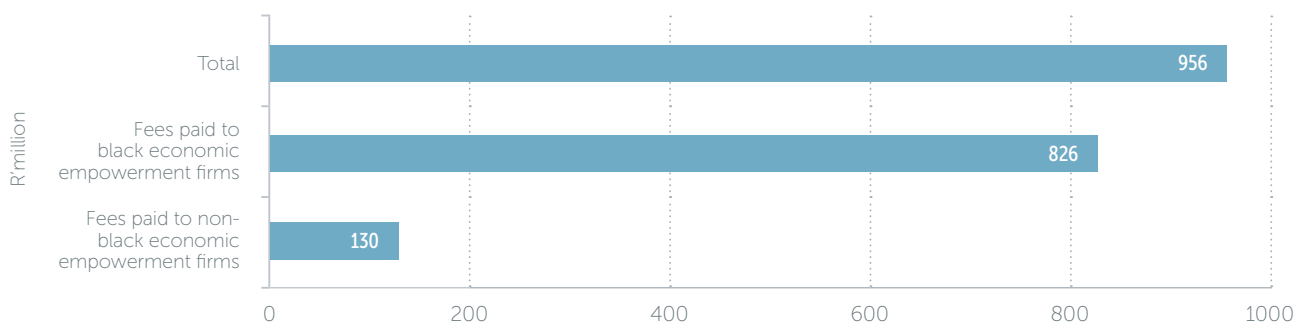
Across the 25 PIC-mandated firms, average black ownership stands at 78% (median 79%) – strong and consistent transformation. Black-women ownership averages 27% (median 21%), up from 16% in 2025.

Board representation averages 83% black (median 88%), with black women at 47% (median 50%). Executive management shows 79% black representation (median 78%), with black women at 30% (median 25%). Investment teams mirror this trend, with 75% black representation (median 73%), underscoring transformation across ownership, governance, leadership and investment functions.

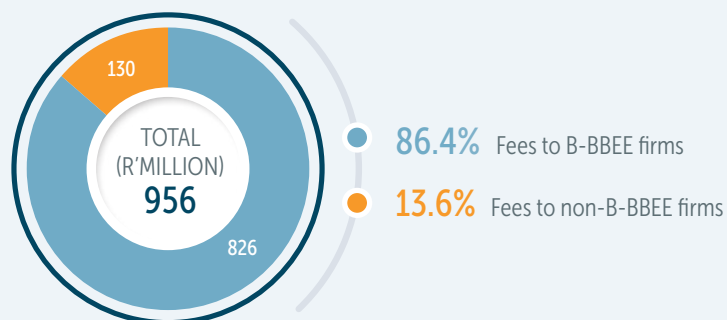
Fee distribution analysis

The figure below shows fees paid to domestic investment managers in 2025/26 – total fees, those paid to B-BBEE firms and those to non-B-BBEE firms.

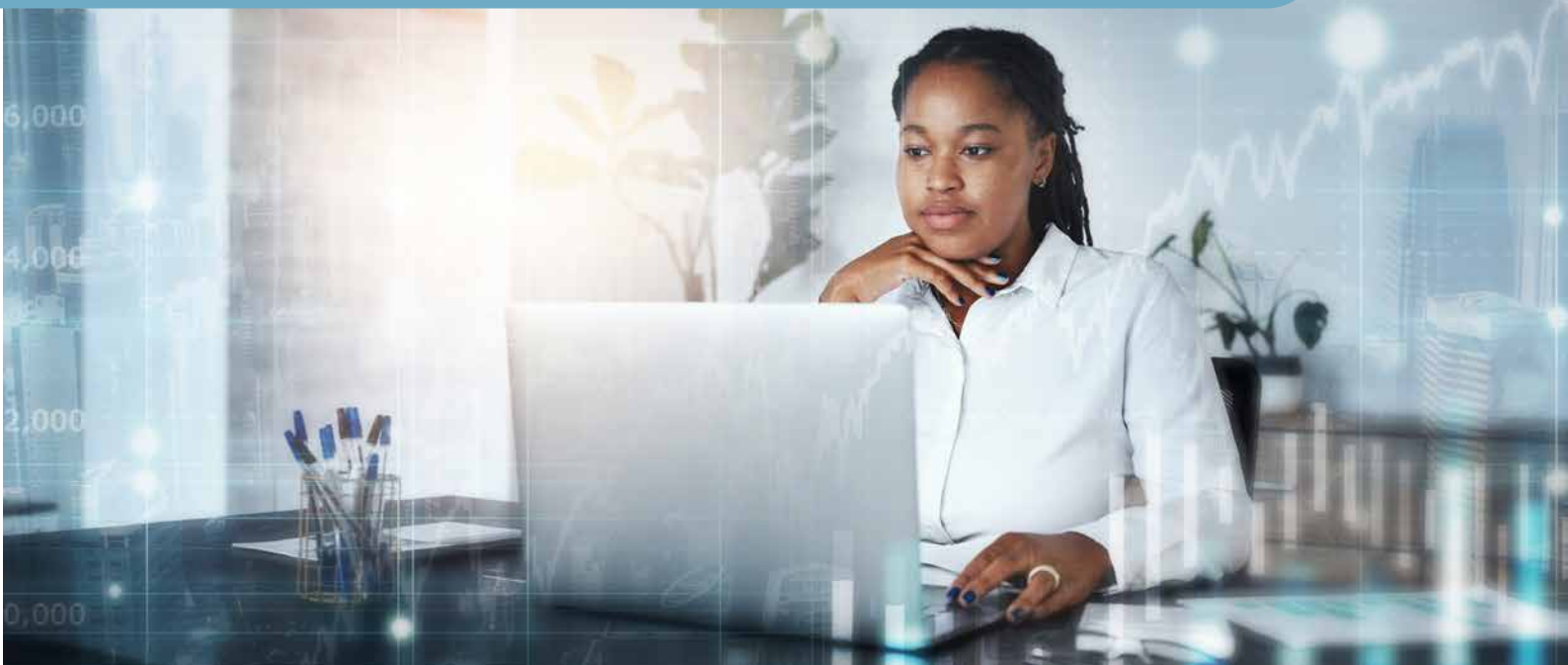
FEES PAID TO DOMESTIC FIRMS



Fees paid to domestic managers amounted to R956 million for the year, with R826 million (86%) having gone to B-BBEE firms, aligned to their 86% share of AuM. The remaining R130 million (13.6%) was paid to non-B-BBEE managers.

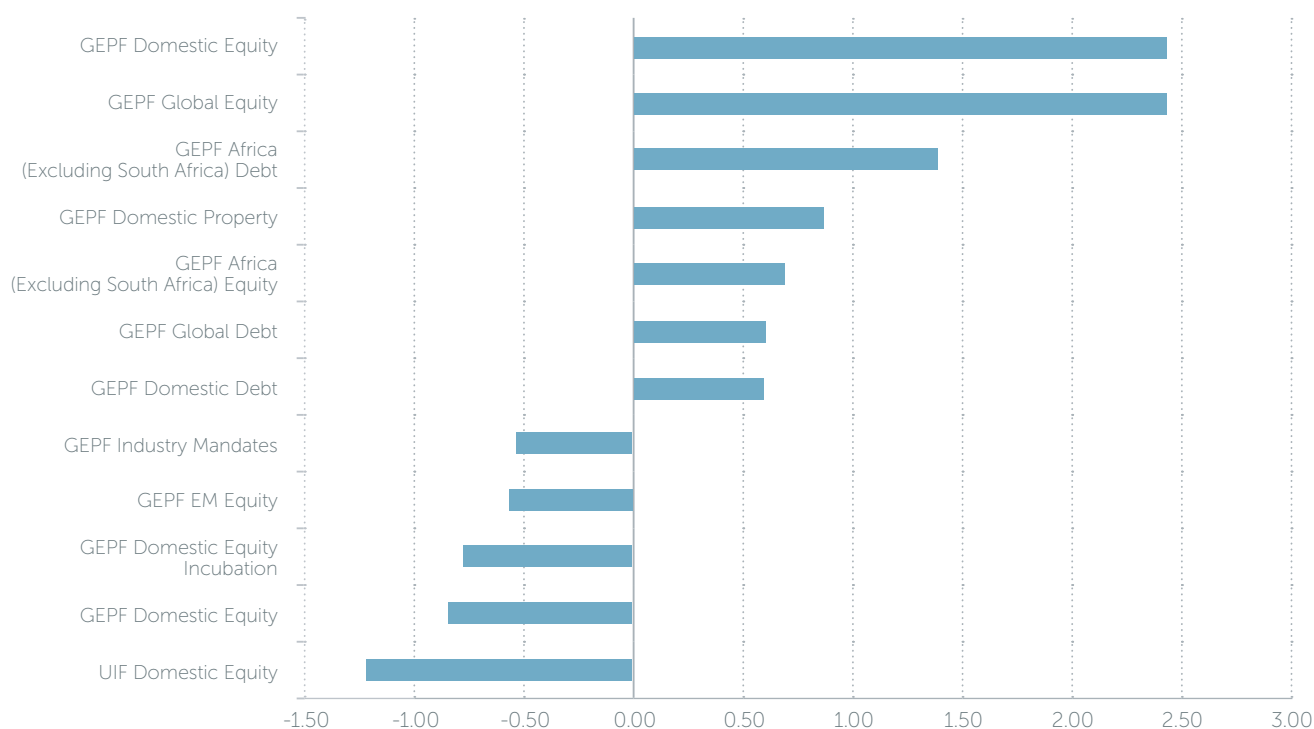


The scale of fees flowing to B-BBEE owned firms underscores the PIC's contribution to advancing economic participation, translating transformation policy into tangible financial empowerment.



Performance analysis to March 2026

The figure below presents the three-year annualised information ratio for externalised mandates across seven asset classes at 31 March 2026. The ratio quantifies the consistency of excess return generated per unit of active risk (tracking error) against the benchmark.



Asset Class	Information Ratio	Assessment
Global equity	2.48	Excellent
Africa (excluding South Africa) equity	0.62	Excellent
Global debt	0.58	Good
Domestic debt	0.58	Good
Domestic property	0.85	Excellent
Africa (excluding South Africa) debt	1.38	Excellent
Domestic equity	-0.78	Below benchmark

Global equity's exceptional ratio reflected significant alpha generation through skilled manager selection. Global and domestic debt showed modest outperformance above the 0.5 skill threshold. Domestic property and Africa (excluding South Africa) debt added marginal positive alpha, although gains may be eroded by fees over time. Domestic equity's underperformance warrants closer review of manager selection.

OUTLOOK AND STRATEGIC ALIGNMENT



Monitoring domestic equity mandate performance.



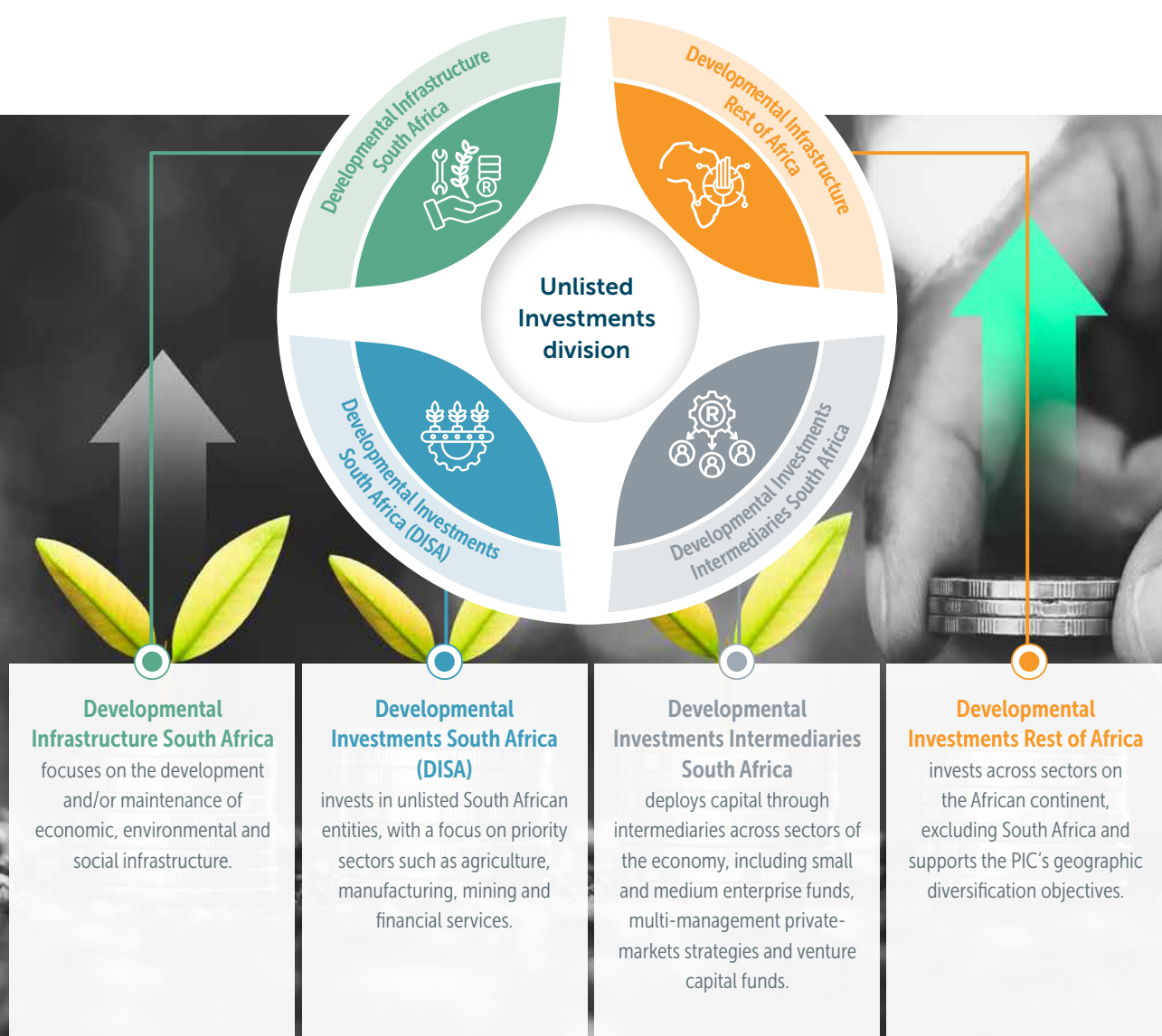
Focus on investments in small and medium enterprises, financial services and digital infrastructure.



Improving black-women-ownership representation across external managers.

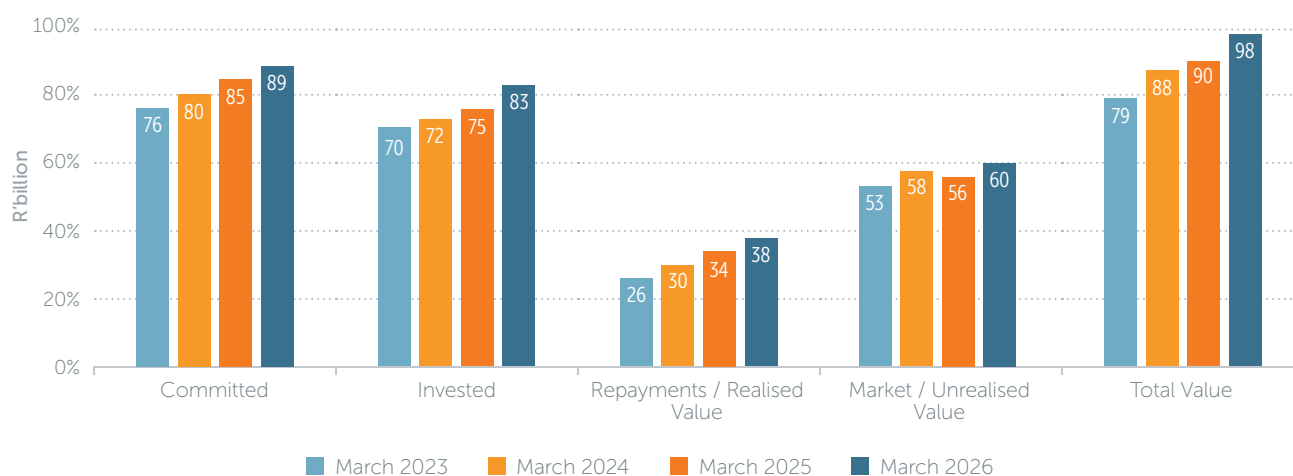
UNLISTED INVESTMENTS: ISIBAYA

Unlisted investments, commonly known as Isibaya, advance the PIC's vision of becoming a global leader in impactful investing by deploying long-term capital into priority sectors that expand productive capacity, strengthen essential services and promote broad-based economic participation. In a volatile operating environment defined by geopolitical risk, shifting trade dynamics and persistent domestic infrastructure constraints, the portfolio remains focused on disciplined underwriting, strong governance and partnerships that crowd in capital and accelerate delivery.



Innovation for inclusive growth is reflected in how the platform originates, structures and deploys capital. This includes strengthening origination and due diligence capabilities; structuring investments to improve bankability and scalability; partnering with investors to crowd in funding; and embedding ESG and resilience considerations throughout the investment lifecycle.

UNLISTED INVESTMENTS AUM GROWTH IN R'BILLION (2023–2026)



The portfolio continues to grow in committed and invested capital, repayments and market value. The increase in allocation and portfolio size reflects the PIC's continued commitment to deploying long-term, catalytic capital into strategic sectors that support economic growth, infrastructure development, transformation and inclusive participation across South Africa and the rest of Africa. Capital is deployed in a disciplined manner to generate sustainable, risk-adjusted financial returns while delivering measurable developmental impact.



This chart presents the diversification of the unlisted investments portfolio across key sectors. It demonstrates the dual mandate of investing for financial returns while delivering meaningful developmental impact. The largest exposures are to manufacturing (17%) and housing (17%), reflecting the portfolio's contribution to industrialisation and supporting productive capacity while addressing social needs such as housing. The renewable energy exposure (11%) supports the energy transition and resilience, while the financial services exposure (9%) promotes financial inclusion and entrepreneurship. The Fund of Funds allocation (13%) broadens access to private markets assets and supports capital mobilisation.



SUSTAINING VALUE IN 2025/26

During the year under review, with two of the four sub-mandates fully allocated, the PIC secured an additional R16 billion in capital from the GEPE, reinforcing the platform's strategic importance and capacity to scale investments across priority sectors. The UIF continues to approve allocations on an ad hoc basis, supporting inclusive growth, job retention and job creation. Under the Compensation Fund's socially responsible investment mandate, the PIC also strengthened the small and medium enterprise ecosystem.

Infrastructure South Africa

Isibaya has supported industrialisation, localisation and sustainable infrastructure development. During the year:

R1.3 billion was approved for energy, road and water infrastructure linked to a multi-billion rand titanium dioxide pigment plant in the Richards Bay Industrial Development Zone.



R1 billion was committed jointly with Nedbank to the Mokolo-Crocodile River Water Augmentation Project Phase 2A of the Trans-Caledon Tunnel Authority.



These investments, along with other portfolio assets, support water security, energy enablement and environmental compliance.

Direct investments South Africa

The portfolio progressed steadily, with several transactions reaching commitment or financial close during the year. Highlights included the PIC's R815 million commitment as part of a R1.4 billion agricultural transaction involving Zaad Investment Holdings Limited. The transaction supports three principal outcomes: retaining Zaad's intellectual property in South Africa and facilitating the company's delisting, increasing ownership by Black women and contributing to food security.

The Corporation also committed R290 million to TrenStar, a packaging and logistics platform with strong long-term growth prospects.

Mining remains a strategic PIC focus, with increased funding opportunities in critical minerals and related value chains.

Intermediaries South Africa

Within the SME Intermediaries portfolio, a blended-finance transaction approached finalisation during the year. It is intended to deploy concessional funding through a development finance partner to support job-rich initiatives. Isibaya continues to prioritise commercially sustainable strategies that deliver measurable developmental outcomes by expanding access to finance for underserved small and medium enterprises, particularly Black-owned, women-owned and youth-owned businesses. This funding is complemented by technical and business development support.

This mandate also includes the PIC's Multi-Management: Private Markets portfolio and the Early-Stage Fund.

Rest of Africa

During 2025/26, the rest of Africa pillar delivered on its dual mandate of generating financial returns and developmental impact, with steady deployment across infrastructure, private equity and impact-led investments. With the initial capital allocation fully committed, a further allocation was secured during the year, enabling the portfolio to expand intra-African capital flows and strengthen the PIC's presence and diversification across African markets. Partnerships were deepened and catalytic opportunities advanced in response to the widening infrastructure financing gap, the accelerating energy transition and growing demand for digital connectivity.

The outlook remains positive, supported by urbanisation and infrastructure demand, but risks persist, including macroeconomic volatility, regulatory uncertainty and execution complexity.

Outlook and strategic alignment

- The operating environment is expected to remain complex and execution-intensive, requiring disciplined underwriting and strong delivery partnerships to translate capital into measurable outcomes.
- The portfolio will expand investments through scalable, catalytic platforms.
- Increasing exposure to economic and social infrastructure will support growth and inclusion.
- Portfolio resilience will be strengthened through improved governance, ESG integration and active risk management.
- Innovation will support capital mobilisation, project bankability and inclusive growth.

THE ISIBAYA PORTFOLIO HAS DELIVERED MEANINGFUL DEVELOPMENTAL IMPACT SINCE ITS INCEPTION



226 327
JOBS
FACILITATED



101 362 (45%)
MEN



70 986 (31%)
WOMEN



53 979 (24%)
UNDISCLOSED



34 264
AGRICULTURE



12 335
MINING



824
HOUSING



2 026
CONSTRUCTION



4 342
RENEWABLE ENERGY



1 579
EDUCATION



7 354
PROPERTIES



19 265
FINANCIAL SERVICES



755
OIL AND GAS



8 644
MANUFACTURING



602
STUDENT
ACCOMMODATION



8 656
HEALTHCARE



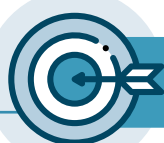
100 914
FUND OF FUNDS



16 694
ICT



8 341
TRANSPORT,
INFRASTRUCTURE
AND LOGISTICS



DRIVING SUSTAINABLE
IMPACT IN 2026/27

- Accelerating deployment into catalytic infrastructure platforms that enable industrialisation, water and energy security and improved environmental outcomes. Partnerships and scalable structures will be used to crowd in capital while strengthening governance and delivery discipline.
- Converting the social infrastructure pipeline into bankable, investable opportunities, with priority given to student accommodation and affordable rental housing. This will require stronger origination channels, co-investment with development finance institutions and innovative funding approaches that expand reach without compromising risk controls.
- Fully deploying Fund III into high-quality assets that deliver developmental outcomes, while strengthening portfolio resilience through enhanced due diligence, ESG integration and active monitoring to ensure that inclusive growth objectives translate into measurable results.

CASE STUDY

Africa50

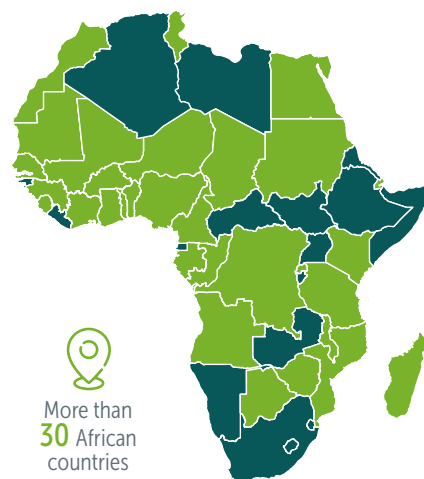
AFRICA⁵⁰

Africa50 is a specialist investor in African infrastructure, developing, de-risking and delivering projects that unlock economic growth. It was jointly established by African governments and the African Development Bank to accelerate project development and financing across the continent.

With deep investment expertise across key infrastructure sectors, Africa50 mobilises African and international capital to deliver sustainable financial returns while creating economy-wide impact.

With shareholders that include more than 30 African countries, central banks and institutional investors, Africa50 deploys risk capital to originate and structure early-stage projects and bring them to bankability. It also provides equity and quasi-equity capital to projects and platforms, typically through significant minority stakes alongside partners.

The PIC, on behalf of the GEPF, invested US\$40 million in Africa50. The investment provides exposure to energy, transport and digital infrastructure and supports the PIC's strategy of expanding high-impact investment across the rest of Africa.



The PIC, on behalf of the GEPF, invested **US\$40 million** in Africa50.

PROVIDES
EXPOSURE
TO:



Energy



Transport



Digital infrastructure

CASE STUDY

Zaad Holdings



Zaad Holdings is a leading agricultural investment holding company, focused on hybrid seeds and crop-protection solutions for emerging markets.

The company gives farmers access to inputs that improve yields and strengthen food systems. Its research and development capabilities generate intellectual property across crop protection and hybrid seeds, including row crops, vegetables and pastures. These capabilities are integrated with processing and distribution to reach 30 African countries. The group's seed and crop protection portfolio includes:

SEEDS



Sunflowers



Maize



Wheat



Aubergines



Onions



Tomatoes



Carrots



Soy



Beans



CROP PROTECTION



Herbicides



Pesticides



Fungicides



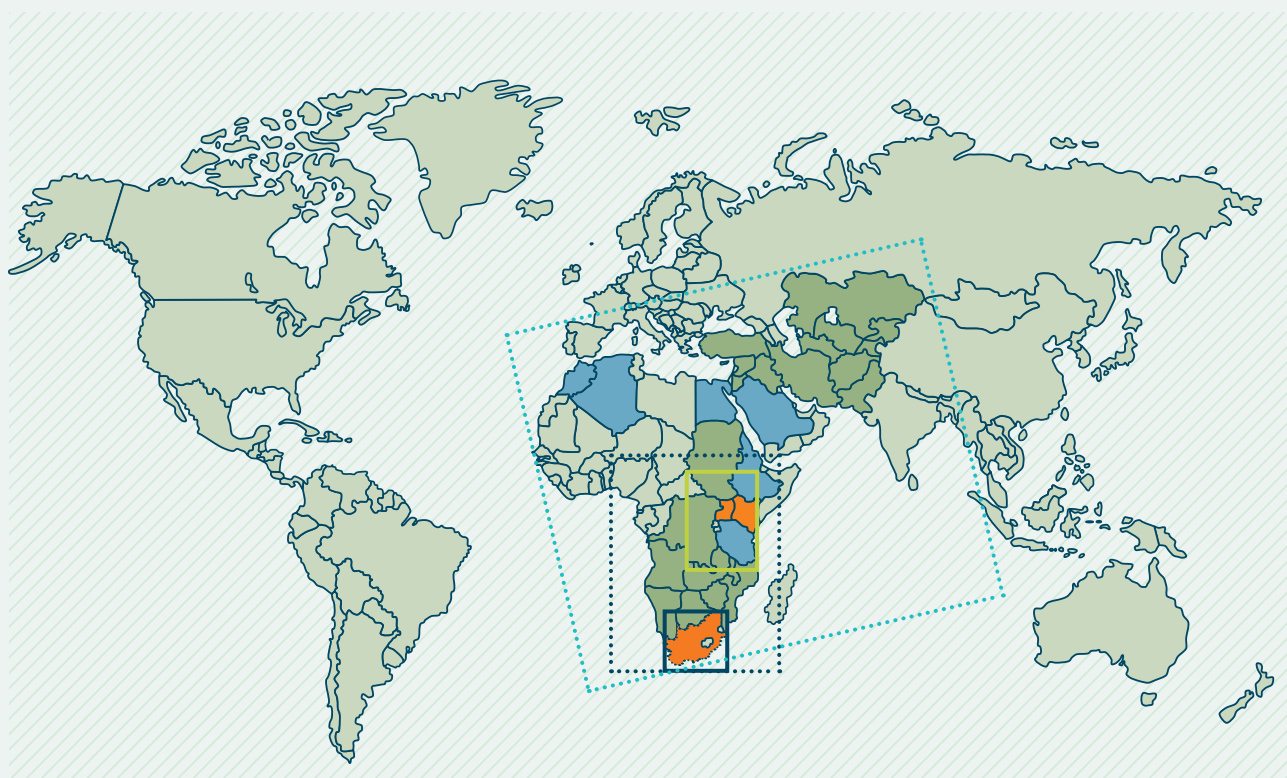
Adjuvants





Zaad's distribution network connects suppliers with more than 100 000 commercial farmers and smallholder farmers through direct and indirect channels.

The PIC's investment in Zaad demonstrates how institutional capital can catalyse transformation and food security while generating commercial value. The transaction introduces ownership by women into a key agricultural asset, advancing economic empowerment and sector transformation. It also supports African farmers' access to world-class agricultural inputs, while retaining intellectual property in South Africa. The investment therefore contributes to the continent's long-term growth and resilience.



■ Key sales market and Headquarters
 ■ Key sales market
 ■ Minor sales market
 — Agricol and Hygroteck
 Bakers Brothers
 FarmAg
 — EA Seed

MULTI-MANAGEMENT: PRIVATE MARKETS

THE MULTI-MANAGEMENT PRIVATE MARKETS STRATEGY INVESTS IN:



INFRASTRUCTURE



PRIVATE CREDIT



REAL ESTATE



PRIVATE EQUITY

opportunities across South Africa and the rest of Africa.

Through a core-satellite approach that combines active and passive portfolio management, the strategy is built on alpha-generation, diversification, impact and transformation. The PIC will continue to advance transformation in South Africa and across the African continent.

This investment platform provides clients with access to third-party managers across jurisdictions, asset classes, sectors and maturity levels. It is a catalyst for the development of the private equity industry, while embedding transformation and governance considerations into investment selection and decision-making. Client mandates remain central, ensuring that capital deployment supports both performance outcomes and structural transformation.



Multi-Management:
Private Markets committed approximately R10 billion to 18 funds during the four years to the end of March 2026, with the following highlights:



Capital committed to two women-owned and women-managed private equity funds in South Africa.



Incubation of a new fund manager in the real estate sector.



Diversification of unlisted investments through a commitment to a fund manager in North Africa.



R6 billion disbursed since inception of the 2022 unlisted mandate.

±R10 billion > 18 funds > four years



SUSTAINING VALUE IN 2025/26

During the period under review, Multi-Management: Private Markets concluded two landmark investments on behalf of the Government Employees Pension Fund (GEPF), in companies with a crucial role in energy security and future technologies: the Africa Rainbow Energy Fund and Solcon Capital Fund I. Both are majority black-owned, at 81.90% and 92.42% respectively, reinforcing the PIC's commitment to transformation and inclusive participation.




The Africa Rainbow Energy Fund

The Africa Rainbow Energy Fund invests across the renewable energy value chain, including wind, solar, biomass and energy storage, with exposure to commercial and industrial energy solutions and the Renewable Energy Independent Power Producer Procurement Programme (REIPPPP). This investment expands the PIC's renewable energy portfolio to R5 billion in invested capital, underscoring its role in supporting South Africa's energy transition, clean energy development and decarbonisation.

81.90% Black-owned




Solcon Capital Fund I

Solcon Capital Fund I focuses on technology, media and telecommunications, with an emphasis on artificial intelligence, big data, cybersecurity, space technologies and the Internet of Things (IoT). Portfolio companies include undersea fibre optic and related communication infrastructure businesses. In line with South Africa's Digital Transformation Infrastructure Roadmap, this investment supports universal access to the internet, digital skills development and a supportive environment for digital investment and innovation.

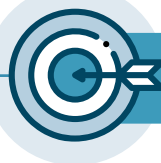
92.42% Black-owned



Together, these investments demonstrate how innovation can support inclusive growth by combining financial returns with transformation, clean energy and digital inclusion, thereby advancing long-term value creation for clients, stakeholders and society.

FUTURE OUTLOOK AND STRATEGIC ALIGNMENT

The PIC's focus in the short- to medium-term will continue to be underpinned by strategic pillars of investing in financial inclusion, small and medium enterprises (SMEs) and women-owned businesses.



DRIVING SUSTAINABLE IMPACT IN 2026/27

Transformation, ESG considerations and impact objectives are embedded in the investment process to deliver both financial returns and measurable societal outcomes. A significant proportion of the advanced pipeline for the 2026/27 financial year comprises fund managers with substantial women ownership and representation within investment teams.

UNLISTED PROPERTIES

The unlisted property portfolio comprises directly and indirectly held assets. The PIC manages these assets on behalf of the GEPE, the UIF and the CC. During the year under review, the unlisted property portfolio had a market value of R64.5 billion, reflecting its strategic importance in the PIC's asset allocation and overall portfolio composition. This portfolio provides long-term participation in directly held assets, equity stakes in companies and development assets across South Africa and selected Rest-of-Africa markets.

Through its unlisted real estate division, the PIC adopts an integrated approach that embeds sustainability into every investment.

PROPERTIES ARE DEVELOPED AND MANAGED TO:



Expand access to affordable, quality real estate in underserved markets.



Create jobs during construction and operations, supporting livelihoods across communities.



Advance transformation through inclusive ownership structures and B-BBEE participation.

Promote resilience by embedding ESG principles into design, construction and management.

SUSTAINING VALUE IN 2025/26

The portfolio continues to benefit from a strong base of established income-producing assets such as Pareto, the V&A Waterfront and the Attacq Waterfall Investment Company. In addition, non-traditional real estate sector and developmental investments support future growth, diversification and long-term social impact.

The PIC continues to balance financial returns, portfolio resilience and developmental outcomes through active asset management, selective capital allocation and disciplined oversight of strategic investments. This integrated approach ensures that unlisted property remains both a resilient asset class and a catalyst for inclusive economic participation. The top five indirect holdings, which account for 83% of the indirectly held portfolio, provide exposure to large scale, strategically located platforms and precincts. These holdings are characterised by strong fundamentals, institutional quality properties and diversified income streams.

The top five directly held assets comprise office and retail investments, including the Deloitte Building in Midrand, Central Square in Menlyn Maine, Oceans Umhlanga Retail in KwaZulu-Natal, Vangate Mall, Western Cape and Riverwalk Office Park, Pretoria. These assets provide greater operational influence and asset management flexibility in strategically located nodes.

The concentration in established core holdings, complemented by direct ownership in select assets, realises the PIC's investment strategy of preserving capital, sustaining resilient cash flows, enhancing sector and geographic diversification and positioning the portfolio for long-term financial and developmental returns.



THE TOP FIVE DIRECTLY HELD ASSETS

Deloitte Building in Midrand

Central Square in Menlyn Maine, Oceans

Umhlanga Retail in KwaZulu-Natal

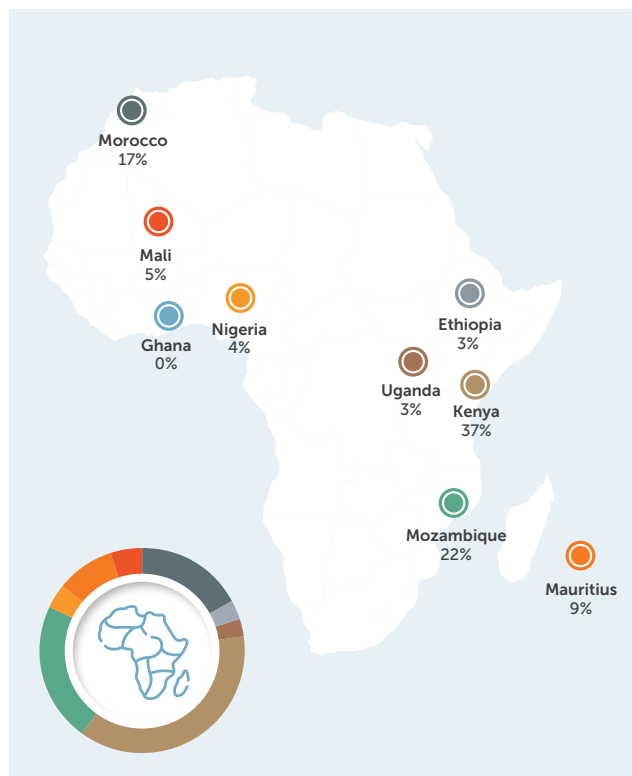
Vangate Mall, Western Cape

Riverwalk Office Park, Pretoria

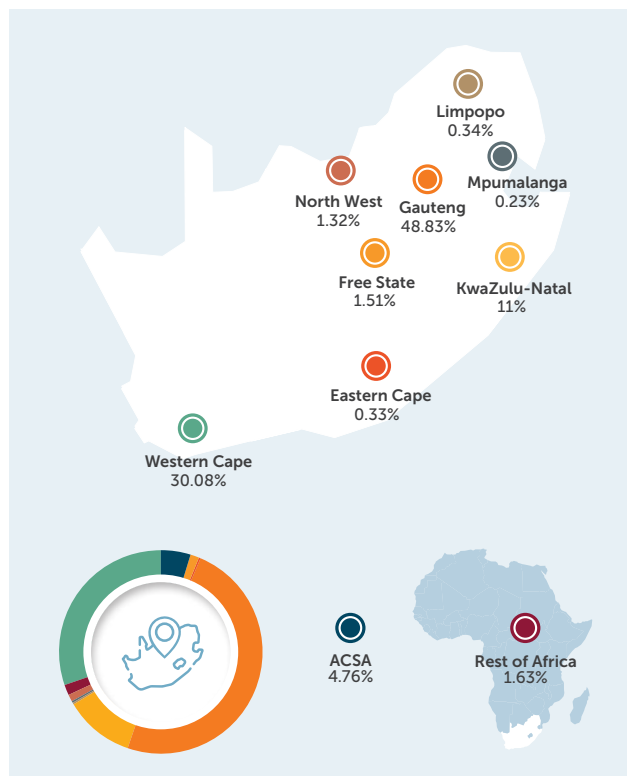
Portfolio at a glance



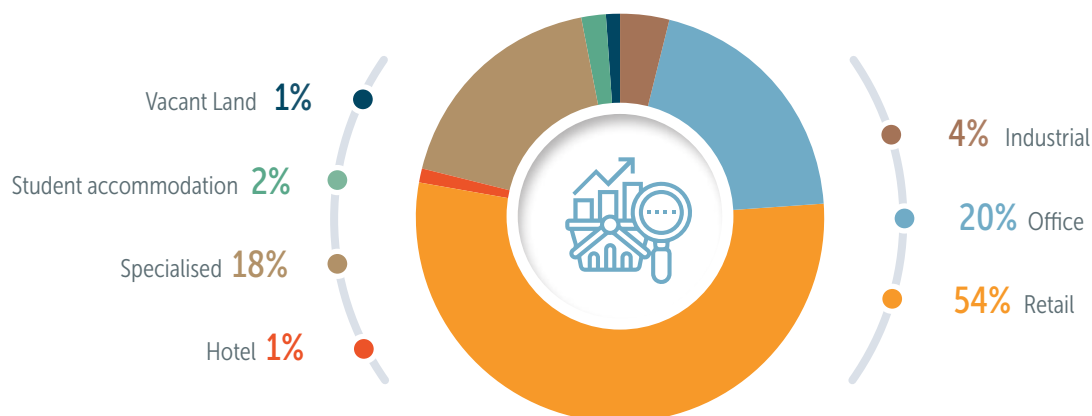
REST OF AFRICA GEOGRAPHICAL SPLIT (R2.2 BILLION)



GEOGRAPHICAL SPLIT BY MARKET VALUE



SECTOR SPLIT BY MARKET VALUE

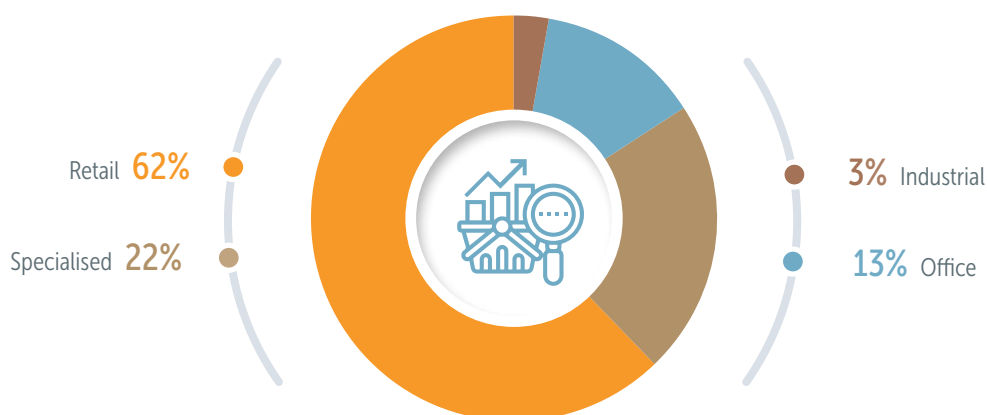


INDIRECTLY HELD PROPERTIES AT A GLANCE

Portfolio at a glance

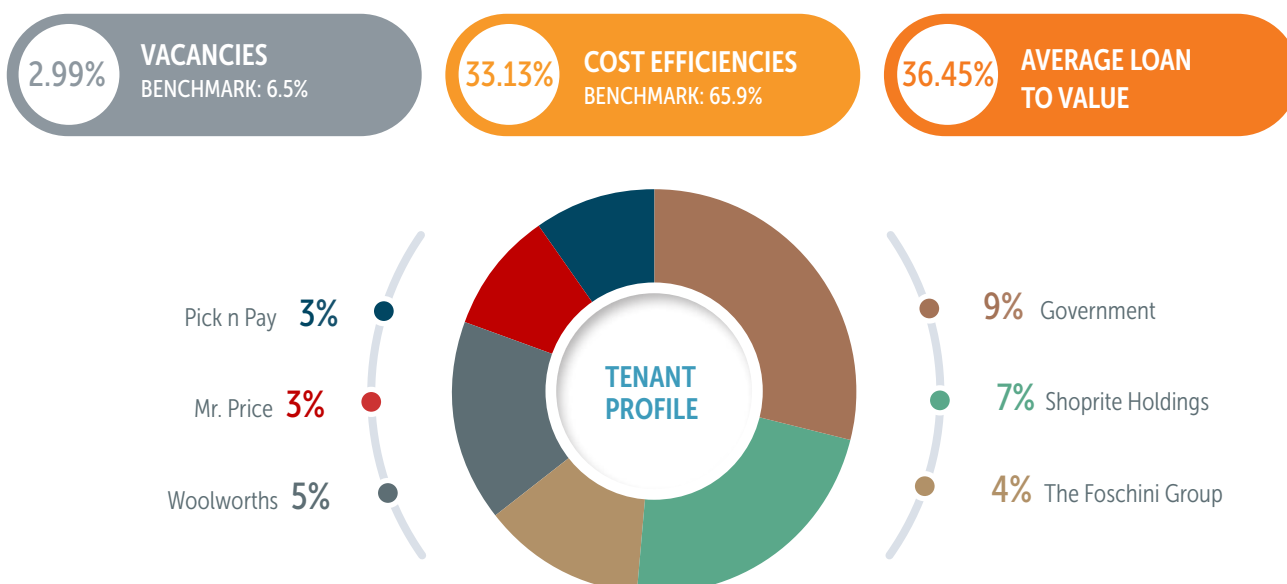


PORTFOLIO COMPOSITION



- **Airports Company South Africa (ACSA):** Four awards at the 2025 Skytrax World Airport Awards.
- **Century City:** B-BBEE funding to facilitate its acquisition of a 20% undivided share in the same precinct.
- **V&A:** Innovation award for its desalination plant at the 2025 South African Property Owners Association Property Awards.

PERFORMANCE OVERVIEW

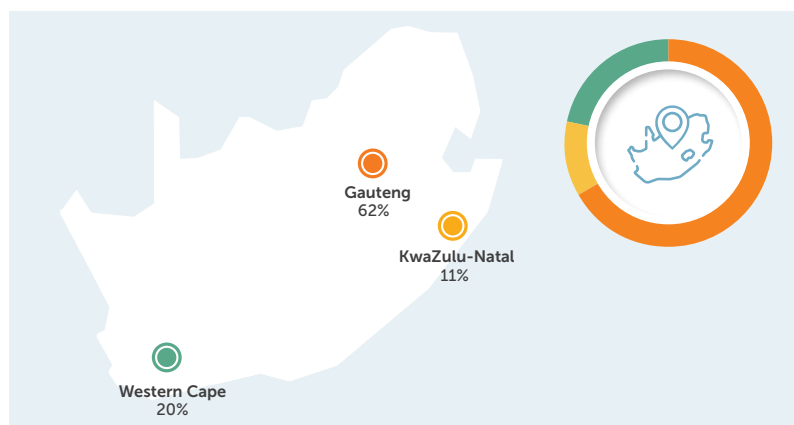


DIRECTLY HELD SUMMARY

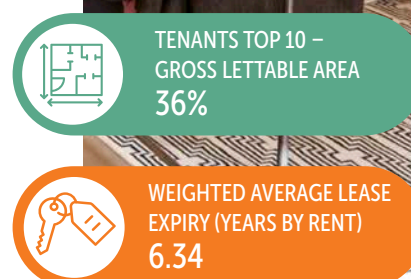
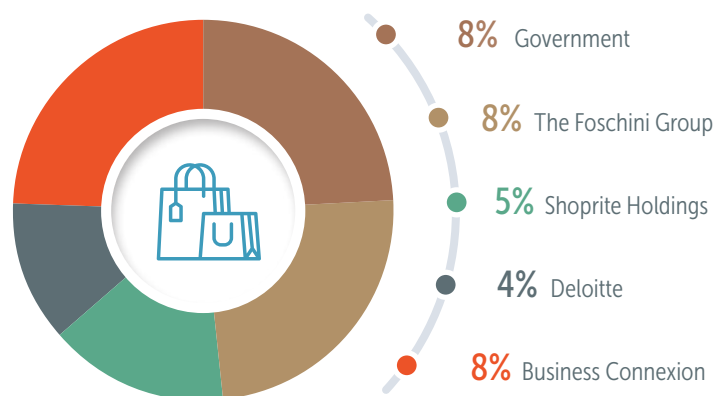
Portfolio at a glance



TOP GEOGRAPHIC EXPOSURES



TENANT PROFILE (DIRECTLY HELD)



TOP FIVE DIRECTLY HELD AND TOP FIVE INDIRECTLY HELD EXPOSURES

Directly held properties	Value (R'mil)	Indirectly held properties	Value (R'mil)
Deloitte Building	R1 562	Pareto	R16 257
Central Square	R1 347	Victoria and Alfred Waterfront	R12 305
Oceans Umhlanga Retail	R873	BVI (Pareto)	R3 121
Vangate Mall	R693	Airports Company South Africa (ACSA)	R3 075
Riverwalk Office Park	R665	Attacq Waterfall Investment Company	R2 969
TOTAL	R5 140	TOTAL	R37 727
% OF TOTAL DIRECTLY HELD PORTFOLIO	28%	% OF TOTAL INDIRECTLY HELD PORTFOLIO	83%

FUTURE OUTLOOK AND STRATEGIC ALIGNMENT

The PIC will continue to channel its diverse mandate into initiatives that develop communities and broaden economic participation. Priority areas include township retail and affordable housing, where investments are expected to deliver resilience and meaningful social impact.

Exposure to smart city precincts will be prioritised, with opportunities sought to drive sectoral diversification and long-term value creation. By achieving presence across all nine provinces, the Corporation will see that real estate investments harness economic activity, both in financial and social terms.



DRIVING SUSTAINABLE IMPACT IN 2026/27

- ◉ Investment in township and rural economy in South Africa.
- ◉ Investment in infrastructure assets.
- ◉ Partnerships with strong operators to roll out developments in affordable housing and student accommodation.
- ◉ Continued sector transformation.

CASE STUDY

REImagine retail infrastructure funding



PIC COMMITMENT

R500 million allocated to the REImagine Social Impact Retail Fund, a purpose-driven real-asset investment in South African township, rural and peri-urban retail infrastructure.

The commitment illustrates the role of long-term institutional capital in supporting commercially resilient assets, while improving access to essential goods and services in historically underserved communities where limited formal retail infrastructure has constrained local economic activity and service delivery.

Investment rationale

Township and rural retail markets often demonstrate resilient consumer demand yet remain underrepresented in institutional property portfolios. By deploying capital into these markets, the fund formalises retail infrastructure, retains consumer spending in local economies and improves access to groceries, pharmacies, banking, fuel and other essential services.



EXPANDED ACCESS:

The portfolio comprises **16 assets across seven provinces**, including 13 operational assets, two assets under construction and one strategic landholding.



RETAIL INFRASTRUCTURE:

Operational assets provide about **69 265 m² of gross lettable area** across underserved catchments.



ENTERPRISE PARTICIPATION:

The portfolio supported **123** small and medium enterprises, with related expenditure of about **R15.3 million**.



JOB CREATION:

The fund supported **852 direct jobs** through retail subcontracting and construction, including **326 employment opportunities**.



INCLUSIVE OWNERSHIP:

The tenant base includes local entrepreneurs, black-owned retailers, regional chains and national anchors, balancing community participation with commercial resilience.

The fund's portfolio demonstrates how retail assets can be platforms for broader local economic participation. In communities including eMvelo, Ekuphumleni, Ganyesa, Lesedi, Madadeni, eMkhondo, Thembokwezi, Dukathole and Kopano, REImagine has enhanced access to formal retail services while creating opportunities for local suppliers, tenants and workers.

LESEDI RETAIL CENTRE, GAUTENG:

Situated near Vosloorus, this development transformed an ageing structure into a modern convenience retail centre. The asset improves access to daily services for surrounding communities and demonstrates the fund's ability to reposition assets while integrating ESG into development and operations.

GANYESA SHOPPING CENTRE, NORTH WEST:

Ganyesa serves a predominantly rural catchment, alleviating the need for residents to travel to larger towns for essential retail services. Initial occupancy was positive and supports a clear case for local employment and enterprise participation.

DUKATHOLE CENTRE, EASTERN CAPE:

As a redevelopment asset, Dukathole, reflects the fund's value-creation approach through refurbishment, tenant repositioning and improved service access. Redevelopment activity generated procurement and employment opportunities for local vendors and workers, with fuller operational reporting expected in future cycles.

CASE STUDY

Inclusive township retail and economic participation central to this development

Central City is a small regional shopping centre in Mabopane, Pretoria, with a gross lettable area of 49 275 m².

Anchored by Shoprite and Boxer, it is an important retail node for nearby communities, offering convenient access to groceries, household goods and financial services.

Acquired from the Community Property Company, a fund owned by Futuregrowth under Old Mutual, Central City is part of PIC's strategy to assemble a township and rural retail portfolio under the directly held portfolio.

Together with Temba City in Hammanskraal, Ga-Rankuwa City and Thembisa Plaza, Central City strengthens exposure to established township retail assets that combine defensive trading characteristics with measurable social and economic impact.

Investment rationale

Central City demonstrates how well-located township retail centres can advance inclusive economic growth. It ensures retention and circulation of household expenditure in the local economy, supports local enterprise participation and creates a platform for employment, services and community engagement.



ESSENTIAL RETAIL ACCESS:

By offering affordable necessities, Shoprite and Boxer draw **consistent** footfall.



LOCAL EMPLOYMENT:

At least **85%** of **people employed** at the centre are drawn from the **local community**, reinforcing its contribution to household income and skills development.



ENTERPRISE DEVELOPMENT:

Local and empowered companies provide key operational services, including security, cleaning, electrical maintenance, plumbing and facilities management.



INCLUSIVE PROCUREMENT:

Besides electricity, rates and taxes, the largest cost drivers are security, cleaning and facilities management, all of which are delivered by **100% local service providers**.



COMMUNITY PARTNERSHIP:

The centre **maintains relationships with local leadership**, including the ward councillor, business community, taxi associations, informal traders and residents. This has created a strong sense of shared ownership between the centre and the community. This was demonstrated during the July 2022 unrest. At that time, residents helped protect the centre, signalling that Central City is not just a commercial asset, but a vehicle for community livelihoods, services and local enterprise.



MODERNISATION:

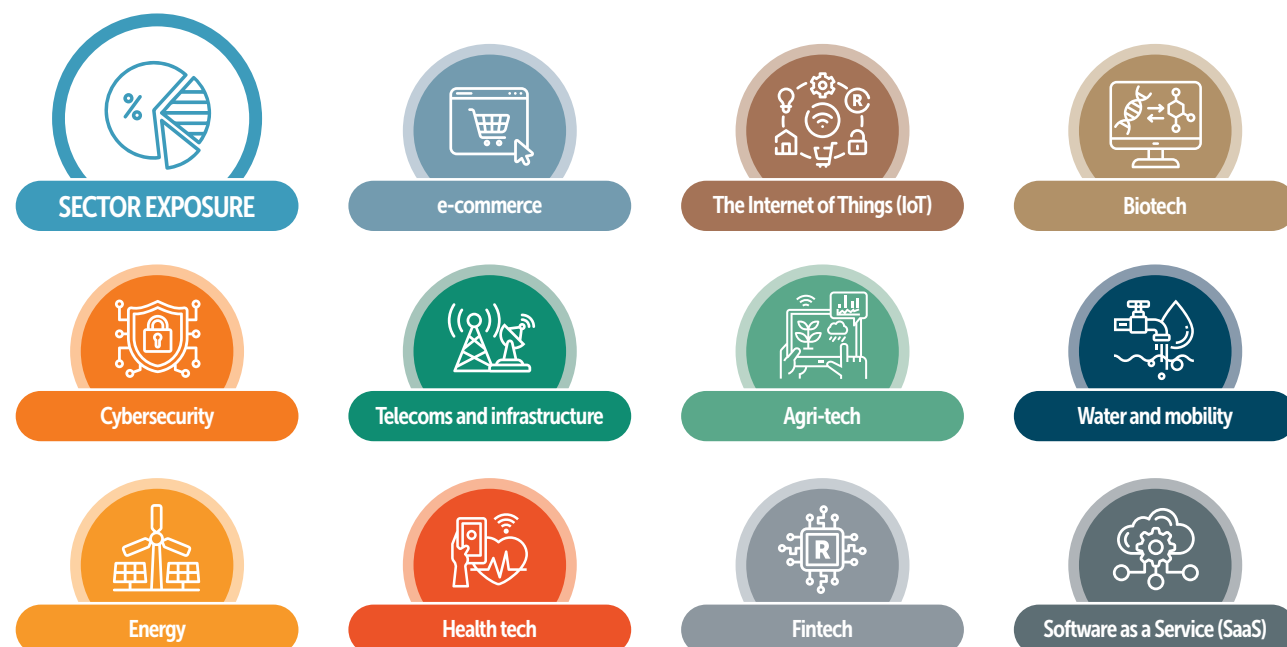
The centre will be **modernised and services upgraded**. Natural light, green initiatives, the inclusion of entertainment spaces such as play areas and restaurants will be developed.

PIC EARLY-STAGE FUND

The PIC's Early-Stage Fund expands access to risk capital, supports innovation and entrepreneurship, and enables the development of new industries. By deploying institutional capital into the early-stage and venture capital market, the fund contributes to job creation, particularly for youth and women. The aim is to generate sustainable financial returns and crowd-in additional investors.

Its investments focus on accelerating South Africa's transition toward the Fifth Industrial Revolution (5IR), while delivering economic and social value alongside competitive financial performance. These outcomes create value across financial, human and social capital, positioning the fund as a catalyst for inclusive growth.

The Early-Stage Fund tracks development, transformation and broader ecosystem outcomes such as enhanced governance, follow on funding and the progression of other emerging fund managers. Supporting more than 45 small, medium and micro enterprises (SMMEs) and start-ups, the initiative strengthens investment readiness among beneficiaries and explores partnerships with co-investors.



The portfolio supports South African businesses primarily, with selective exposure to broader African markets through fund manager mandates, enhancing diversification and access to high growth opportunities.



Since its inception in 2023, the fund has approved R2.3 billion across 10 transactions, excluding a R1 billion allocation to Climate Fund Managers. Among the 10 transactions concluded, the fund allocated R1.2 billion to fund investments, reflecting the distinction between core venture capital allocations and strategic climate commitments. Catalytic capital is expected to attract up to R4 billion from other limited partners, totalling R5.2 billion. Having contributed 21.1% of total capital raised, the PIC continues to play a catalytic role as a cornerstone investor.

The fund has committed approximately R900 million to businesses that are majority-owned and managed by women. On average, fund managers supported by the PIC are 80% black owned, with 68% black representation across management teams. Of the 10 transactions, six support businesses with a majority women ownership and management structure, including two funds led by first time women managers, reflecting strong support for emerging managers and inclusive innovation in early stage investing.

The fund is an anchor investor in five fund managers in the portfolio, namely IDF Capital, Edgegrowth Ventures, Digital Africa Ventures, Mamor Capital and Climate Fund Managers. By acting as a first mover, the PIC supports ecosystem development, facilitates additional capital inflows from co-investors and charts a path towards sustainable value creation in the early stage market.

SUSTAINING VALUE IN 2025/26

During the year under review, the Early-Stage Fund strengthened its origination and deployment capability, ensuring catalytic capital was channelled effectively to address structural funding gaps, crowd-in investors and broaden access in the early-stage market.

In 2025/26, the fund approved R750 million across two investments, exceeding the client target of R700 million by 7%. Approved transactions recorded average black ownership of 89%, black representation in management of 70% and women in management of 29%, surpassing key PIC Transformation Charter thresholds. These investments are expected to deliver attractive risk-adjusted returns while advancing transformation objectives. Approved transactions have progressed to legal contracting and disbursement, with capital released only once conditions precedent are met and deployed over time in line with agreed milestones.

Fundraising commenced in 2024/25 and remains ongoing, with a target of securing an additional R3 billion for early-stage investments. In 2025/26, R1.3 billion was raised, including R600 million committed for receipt in three equal annual tranches, ensuring mobilisation of capital for high potential businesses.



Highlights of the portfolio to date

The Glynt Group, previously known as Tractor Media Holdings Pty Ltd (an investment through Hlayisani Capital), declared and **paid a dividend to all investors.**

RapidDeploy, a portfolio company of Fireball Fund I through its investment in HAVAIC Fund 2, was acquired by Motorola Solutions in a landmark transaction. The initial investment in RapidDeploy was made in 2022 and yielded an **internal rate of return (IRR) of more than 30%.**

Hearing health pioneers hearX (a portfolio company of Fireball Fund I) and Eargo merged and created LXE Hearing. Patient Square Capital (a healthcare investment firm) supported this new company by **investing an additional US\$100 million.**

TRANSFORMATION OBJECTIVES



89%
ownership



70%
representation in management

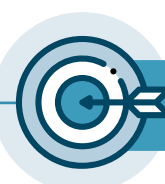


29%
women in management

FUTURE OUTLOOK AND STRATEGIC ALIGNMENT

The fund continues to engage existing and prospective stakeholders and investment partners, offering a comprehensive suite of financial and non-financial solutions to support investee growth and ecosystem development.

- **Dedicated capital access:** Expanding funding for entrepreneurs, particularly those previously disadvantaged.
- **Disciplined investment:** Strong governance and active partnerships ensuring responsible deployment of catalytic capital.
- **Pipeline strengthening:** Continued focus on building a robust pipeline of investable opportunities.
- **Inclusive resilience:** Contributing to a more inclusive and resilient economy through ecosystem development.



DRIVING SUSTAINABLE IMPACT IN 2026/27

- Climate change mitigation and the advancement of a resilient green economy.
- Development of critical minerals and enabling a just energy transition.
- Scaling technology and technology-enabled enterprises to drive innovation, productivity and competitiveness.
- Supporting inclusive growth in township and rural economies through improved access to capital.

CASE STUDY

The PIC, on behalf of the Government Employees Pension Fund (GEPF), through its investment in Climate Fund Managers and SA-H2 Fund, supports the development of: **Hive Hydrogen**, a green ammonia project located in Coega Special Economic Zone (SEZ), Eastern Cape, and **Green eFuels Producers (GeFP)**, a green methanol project at Vaal Special Economic Zone in Gauteng.

Hive Hydrogen (green ammonia, Coega SEZ)



The project is expected to produce green ammonia for domestic use and export, contributing to lower-carbon fuel alternatives. It will also support job creation during both construction and operational phases and contribute to economic activity in the province.

The project benefits from key structural advantages that will enable least-cost green ammonia production, including a strong renewable energy portfolio and world-class port, grid and associated infrastructure that significantly reduces capital expenditure requirements compared to similar projects globally. Hive has secured rights to high-quality renewable energy assets in the Western Cape and Northern Cape. This energy will be wheeled through the Eskom transmission network and the Nelson Mandela Bay municipal distribution network.

The investment supports the development of South Africa's green hydrogen economy and aligns with the PIC's strategy to catalyse early-stage infrastructure in energy transition sectors. It also demonstrates how concessional and blended capital can advance large-scale projects towards bankability.

Hive expects a final investment decision in the first quarter of 2027 and financial close in the third quarter.

FORECASTED IMPACT:



10 060
Jobs



1 000 000
tpa of green
ammonia produced



2 600 000
tCO₂ eq/year
emissions avoided

THIS PROJECT IS EXPECTED TO CREATE:



1.2GW
solar



2.4GW
wind



1.2GW
electrolysis



4 500m³/
day desalination
plant infrastructure
capacity

CASE STUDY

GeFP2 (green methanol, Vaal SEZ)

The GeFP project is South Africa's pioneering green fuel initiative, producing about 15 000tpa of green methanol (53% e-methanol produced using green hydrogen and 47% bio-methanol from biogenic waste streams).

The project uses 90 000tpa of sewage sludge from Sebokeng Wastewater Treatment Works, converting it into low-carbon methanol and returning ~50,000m³/year of treated water for local reuse.

The sponsor, GeFP, was established in 2023 and is developing the green methanol corridor programme with a German-based technology consortium led by FEV Group.

The project contributes to the development of green fuels value chains, including green methanol as a lower-carbon alternative fuel for industrial and transport applications. It will support industrial activity in the Vaal region and contribute to job creation across the project value chain.

The investment aligns with the PIC's focus on enabling energy transition and supporting industrial diversification. It also contributes to developing a domestic pipeline of green hydrogen derivatives for both local and export markets.

GeFP expects to reach a final investment decision in the second quarter of 2027 and achieve financial close in the third quarter.

THE PROJECT CAPACITY WILL DELIVER:

50MW
solar



60MW
wind



10MW
electrolysis



90 000tpa
sludge capacity



CASE STUDY



Impulse Biomedical



The PIC, on behalf of the Department of Science, Technology and Innovation, has invested in Impulse Biomedical, a South African medical technology company developing affordable healthcare devices.

Impulse Biomedical is approximately 78% black-owned and was co-founded by Giancarlo Beukes and Gokul Nair. The company's vision is to improve the lives of 250 million people through accessible healthcare technologies.

The PIC's investment supports the company's growth and commercialisation strategy, including product development, regulatory approvals and local and international expansion.

Impulse Biomedical is developing medical devices to improve treatment for conditions such as asthma and severe allergic reactions. It focuses on local manufacturing and the development of proprietary intellectual property, supporting access to healthcare solutions and contributing to the domestic innovation ecosystem.

The investment aligns with the PIC's mandate to support innovation-led growth and the commercialisation of locally developed technologies. It also supports national development priorities for healthcare access, industrialisation and knowledge-based economic growth.



PART 06 | ESG AND SUSTAINABILITY PERFORMANCE

EMBEDDING ESG PRINCIPLES TO DRIVE LONG-TERM VALUE AND POSITIVE IMPACT



06

The PIC integrates environmental, social and governance elements across its investment activities to manage risk, protect long-term value and drive measurable outcomes for clients, communities and the environment.

SUSTAINABLE INVESTING

The PIC's sustainable investing approach is anchored in its long-term mandate and commitment to inclusive growth. Long-term value creation cannot be achieved through short-term solutions or at the expense of future generations.

Therefore, the PIC integrates environmental, social and governance (ESG) factors into every investment decision, interconnecting risk management and opportunity capture. Climate considerations are embedded across operations, investments and market engagement. Together, these considerations inform stakeholder engagement, strengthen transparency and support alignment with global best practice.

Well-run companies with sound ESG practices are generally more resilient and better positioned to deliver sustainable returns. The PIC ESG matrix combines international and local standards, with engagement aimed at assessing qualitative and quantitative performance.

The PIC's sustainable investing approach is informed by rigorous macroeconomic and bottom-up research, risk management and ESG analysis. Each investment is assessed for financial returns and ESG performance, recognising that poor ESG practices may create long-term risks, even when short-term returns appear attractive. ESG-integrated investing protects value, strengthens governance and advances developmental outcomes in line with the PIC's vision of innovating for inclusive growth.

CLIMATE CHANGE FRAMEWORK

Climate risk is integrated into the decision-making processes, while market leadership is reinforced through stewardship, science-based approaches, national commitments and proactive capital allocation promote resilience, credible transition pathways and sustainable finance practices.

The Climate Change Framework guides the PIC's approach to managing risk.

This framework supports resilient long-term returns, contributes to South Africa's developmental priorities and advances a just transition.

THE APPROACH SPANS THREE AREAS:



CORPORATE OPERATIONS:

Decarbonising the PIC footprint.



ASSETS UNDER MANAGEMENT:

Integrating climate action into investments and stewardship.

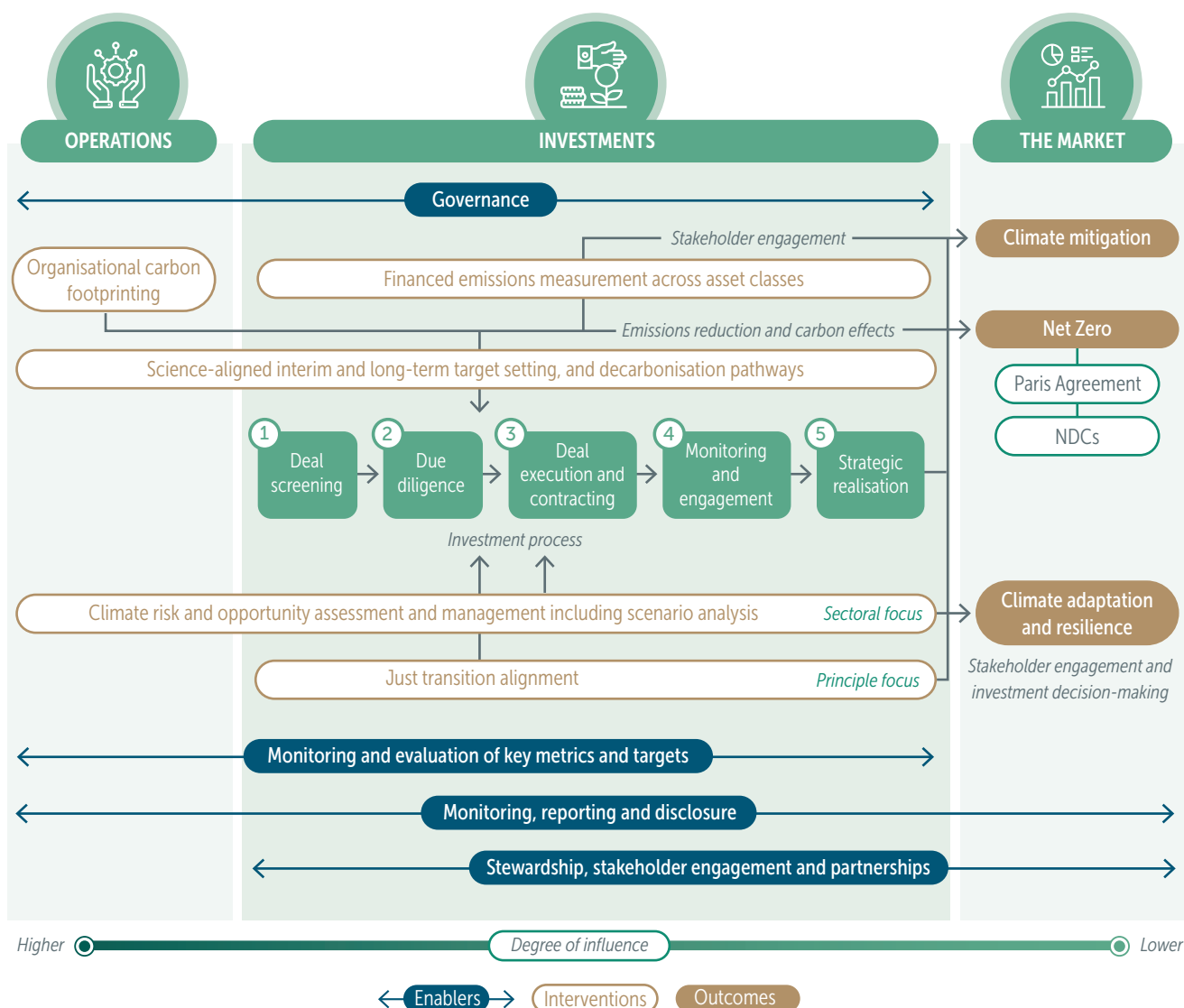


MARKET ENGAGEMENT:

Shaping sustainable finance practices across South Africa.



CLIMATE CHANGE FRAMEWORK



During 2025/26, the PIC assessed climate risks and opportunities across priority sectors, applying internationally aligned scenarios¹. Broadly, under a net-zero (1.5°C) pathway, transition risks are most pronounced due to stronger climate policy, rising carbon prices and declining demand for carbon-intensive activities. However, this scenario also presents the greatest investment opportunities through renewable energy, green infrastructure, climate finance and the development of lower-carbon value chains. Under a moderate (~2°C) pathway, transition and physical risks are more balanced, requiring portfolios to manage both ongoing decarbonisation pressures and increasing adaptation needs. Under a high-temperature (3.5°C to 4°C) pathway, physical risks dominate, with more frequent and severe climate impacts affecting infrastructure, operations, supply chains and long-term asset values, while opportunities shift towards resilience and adaptation investments.

1. Three Network for Greening Financial System/ Intergovernmental Panel on Climate Change -aligned scenarios applied. Transition climate risks and opportunities modelled quantitatively using the network's carbon pricing data and International Energy Agency demand forecasts. Physical climate risks and opportunities assessed using World Resources Institute Water Risk Atlas, Climate Analytics Impact Explorer and Intergovernmental Panel on Climate Change Worldwide Governance Indicators Interactive Atlas. Near term (five years), medium term (10 years), long-term (15 years+)

The detailed outputs and insights underpinning these scenario outcomes support more informed PIC portfolio construction, investment due diligence, stewardship and capital allocation decisions.

The PIC further embedded climate considerations across investments, stewardship and operations, while strengthening its climate-related governance, risk management and disclosures in alignment with IFRS S2.

KEY STRIDES INCLUDED



CLIMATE TRANSITION

Strengthened the approach to managing the shift to a lower-carbon economy.



ENGAGEMENT

Deepened dialogue with investee companies on credible transition planning.



LOW-CARBON ASSETS

Continued investing in projects that support the transition.



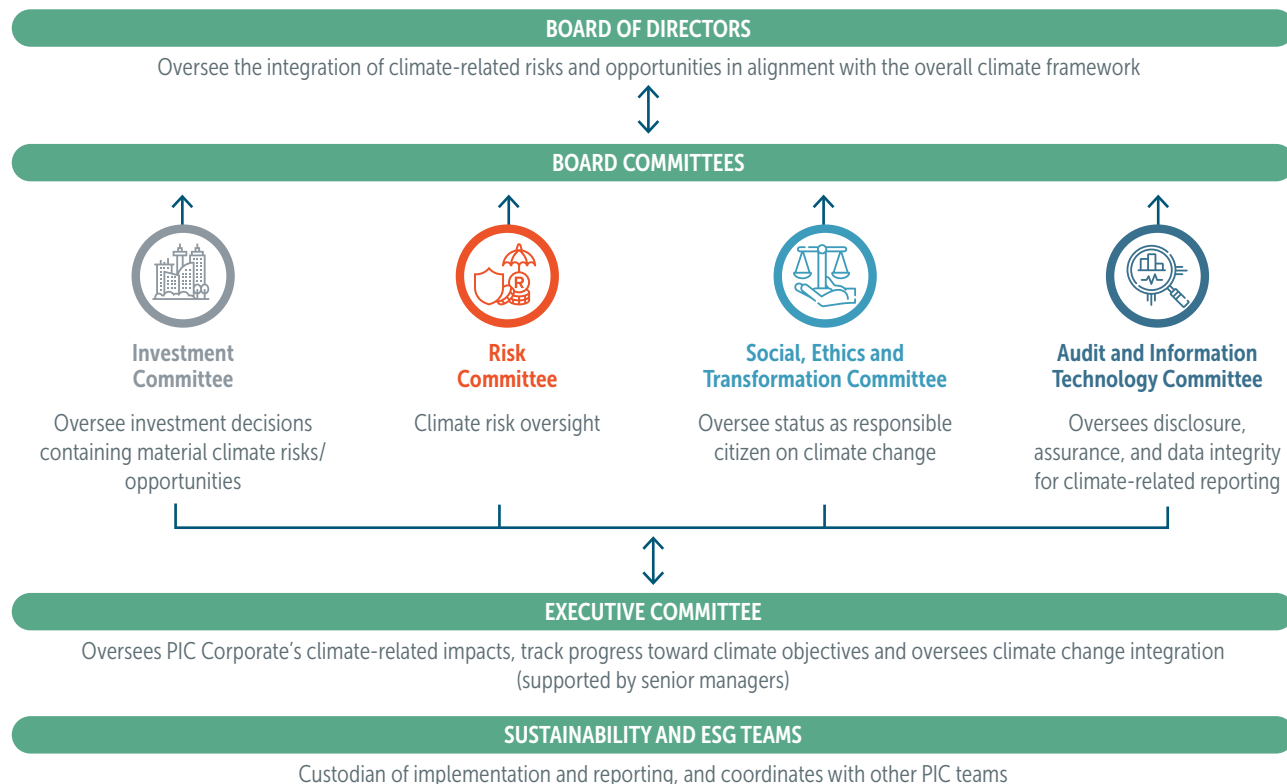
RISK ANALYTICS

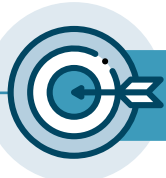
Built internal capacity for climate risk assessment and disclosure.

CLIMATE GOVERNANCE

The diagram below illustrates how ESG responsibilities flow through the governance structure, from Board oversight to executive accountability and operational coordination.

Governance Structure and Decision-Making Framework





STRENGTHENING ESG GOVERNANCE IN 2025/26

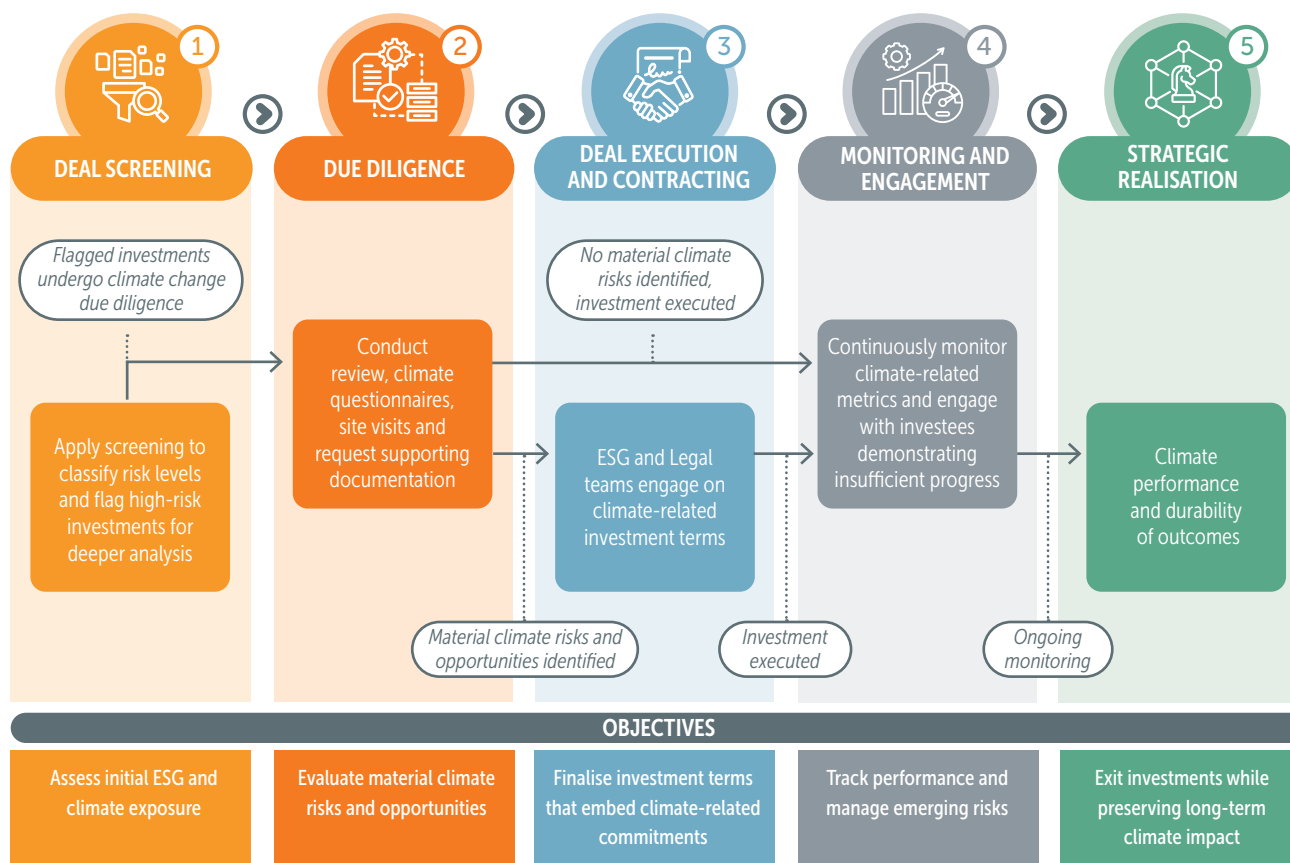
During the year, the following governance enhancements were implemented:

- **Governance architecture:** Formalised climate oversight in committee terms of reference.
- **Board and committee training:** Delivered dedicated climate change training to directors and committee members.
- **External expertise:** Engaged specialist service providers to facilitate training.

CLIMATE RISK MANAGEMENT

Climate risks and opportunities are factored in across the five stages of the investment cycle.

Climate change integration in the investment process



Stewardship and engagement

The PIC prioritises enhanced monitoring and management in sectors with the greatest portfolio exposure, carbon intensity and regulatory risk, notably oil and gas, energy, mining and manufacturing. Sectors materially affected by climate change receive ongoing engagement and stewardship.

Engagements focus on six dimensions of transition credibility and climate preparedness.



Just transition

A transition to a low-carbon economy will inevitably disrupt workforces in South Africa's carbon-intensive sectors under a range of plausible climate pathways. This underscores the importance of just transition considerations in managing climate risks and opportunities, particularly in long-term investments. The PIC seeks a fair, inclusive and well-managed transition that addresses impacts on workers, communities and the economy.

The PIC assesses whether investments contribute to adaptation, environmental restoration or transition outcomes by advancing low-carbon pathways. Outcomes are driven primarily through investment stewardship, including engagement, due diligence and investment conditions, and by encouraging material investees in high-impact sectors to adopt time-bound, measurable workforce transition indicators.



INVESTEES ENGAGEMENT

Targeted engagement with investees in energy, mining and manufacturing on transition planning and workforce commitments.



MONITORING

Monitoring the extent to which high-carbon investees are developing credible just transition plans, supported by structured reporting and oversight.



JUST TRANSITION-ALIGNED INVESTMENTS

Directing investment towards just transition initiatives, including renewable energy, skills development and economic diversification in transitioning communities.

CLIMATE PERFORMANCE AND RESILIENCE

The PIC discloses climate-related performance annually in its Integrated Annual Report². Phased improvements in data coverage and quality based on systems maturity help to improve the completeness of climate-related disclosures. Data is reported in line with the Greenhouse Gas Protocol Corporate Standard, using the operational control approach.

Emission category	2023/24 Emissions (tCO ₂ e)	2024/25 Emissions (tCO ₂ e)	Difference (%)
Scope 1	522	296	-43%
Fugitive emissions	182	240	32%
Mobile combustion	3	2	-37%
Stationary combustion	337	54	-84%
Scope 2³	2 213*	2 506	13%
Electricity (location-based)	2 213	2 506	13%
Scope 3	1 464	1 262	-14%
Category 1: Purchased goods and services	3	9	238%
Category 2: Capital goods	-	267	-
Category 3: Fuel and energy-related activities	280	240	-14%
Category 5: Waste generation in operations	35	39	11%
Category 6: Business travel	1 146	500	-56%
Category 15: Investments	-	207	-
Total⁴	4 198	4 064	-3%

2. Greenhouse gas emissions are reported one financial year in arrears to allow for the collection of complete activity data, the application of quality assurance processes, and the finalisation of the annual emissions inventory.

3. Scope 2 emissions for 2023/24 are restated to incorporate central air-conditioning loads, resulting in a more complete representation of electricity consumption across operations.

4. The PIC refined the measurement basis for three emission sources to improve the accuracy and granularity of underlying activity data: mobile combustion, Category 1 paper consumption and Category 6 own-vehicle business travel.



ENERGY AND WATER CONSUMPTION:



WATER CONSUMPTION
598.49 kL



ENERGY CONSUMPTION
2 765.82 MWh

The PIC expanded its reporting boundary to include Category 15 financed emissions, specifically the scopes 1 and 2 emissions linked to the PIC corporate's investments in Harith Fund Managers (Pty) Ltd and the South African Small and Medium Enterprise Fund. The reported financed emissions reflect the investments included within the organisational reporting boundary for the corporate greenhouse gas inventory.

Overall emissions decreased by approximately 3% year on year, supported by reductions in Scope 1 and Scope 3 emissions, partially offset by an increase in Scope 2 emissions:

- Scope 1 emissions declined, driven by substantially lower diesel consumption as reduced electricity disruptions lessened reliance on generators.
- Scope 2 emissions rose by 13%, reflecting higher electricity consumption linked to increased operational activity and greater headcount.
- Scope 3 emissions fell by 14%, due primarily to reduced business travel, particularly flights, as travel remained constrained during the year.

Decarbonisation targets for scopes 1 and 2 emissions have been set, aligned with the Science Based Targets initiative Corporate Net-zero Standard and using the absolute contraction method.

DECARBONISATION TARGETS



58.8% absolute reduction in scopes 1 and 2 vs 2024/25 baseline.



90% absolute reduction in scopes 1 and 2, residual emissions neutralised through high-integrity carbon removals.

Decarbonisation levers include renewable energy uptake, fleet transition and efficiency improvements across facilities. These will increase renewable energy use, with carbon offsetting applied only as a last resort.

The corporate decarbonisation pathway to net zero by 2050 allows for residual emissions of no more than 10% of baseline scopes 1 and 2 emissions to be neutralised through higher-integrity carbon removals. The pathway is, therefore, anchored in direct emissions reductions, with removals reserved for unavoidable residual emissions.

Climate risks facing PIC Corporate

PRIORITY PHYSICAL RISKS



- Increasing temperatures, driving higher cooling demand and exacerbating pressure on water resources.
- Escalating energy demand and associated electricity costs resulting from increased cooling requirements.
- Aggravated municipal water supply constraints, with the potential for higher water tariffs during prolonged drought conditions.

PRIORITY TRANSITION RISKS



- Potential increases in electricity costs driven by carbon pricing.
- Increased compliance costs arising from evolving climate-related regulation.

RESPONSE MEASURES



- Integrating climate-related risks into business continuity planning.
- Implementing energy and water efficiency initiatives to reduce resource consumption.
- Leveraging the sustainability features of the Green Star-certified office environment.
- Maintaining flexible working arrangements to support business continuity during climate disruptions.

LISTED ESG INVESTMENT PORTFOLIO PERFORMANCE

ESG factors are material drivers of value across all time horizons. ESG considerations are factored into investment decisions and ownership practices as a core element of the PIC's fiduciary duties and integrated thinking.

During the review period, integration was primarily through active ownership — systematic proxy voting, engagements with investee companies and targeted escalation where ESG risks could affect portfolio resilience.

A double materiality lens identifies and prioritises ESG matters, aligning stakeholder impact with financial sustainability.

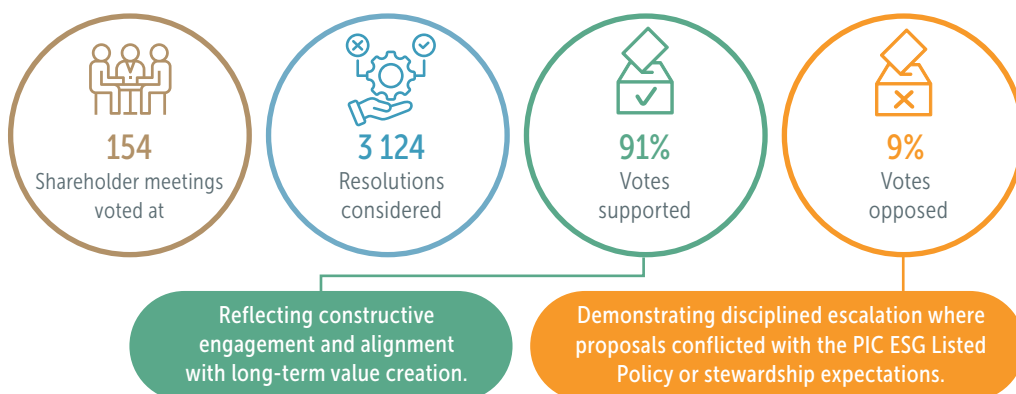
The assessment considers the impact of investee activities on society, the economy and the environment as well as sustainability risks and opportunities that may influence long-term financial performance.

Across the reporting period, governance remained the most material issue from both impact and financial risk perspectives, followed by transformation and diversity, environmental sustainability and social issues such as product safety, labour practices and human rights. These priorities are reviewed regularly and inform the PIC's stewardship focus.

ACTIVE OWNERSHIP: PROXY VOTING OUTCOMES

The Corporation exercised its voting rights at all shareholder meetings during the review period. Proxy voting was a key accountability mechanism, complementing engagement and escalating concerns where material ESG risks were not addressed.

ACTIVE OWNERSHIP: PROXY VOTING OUTCOMES

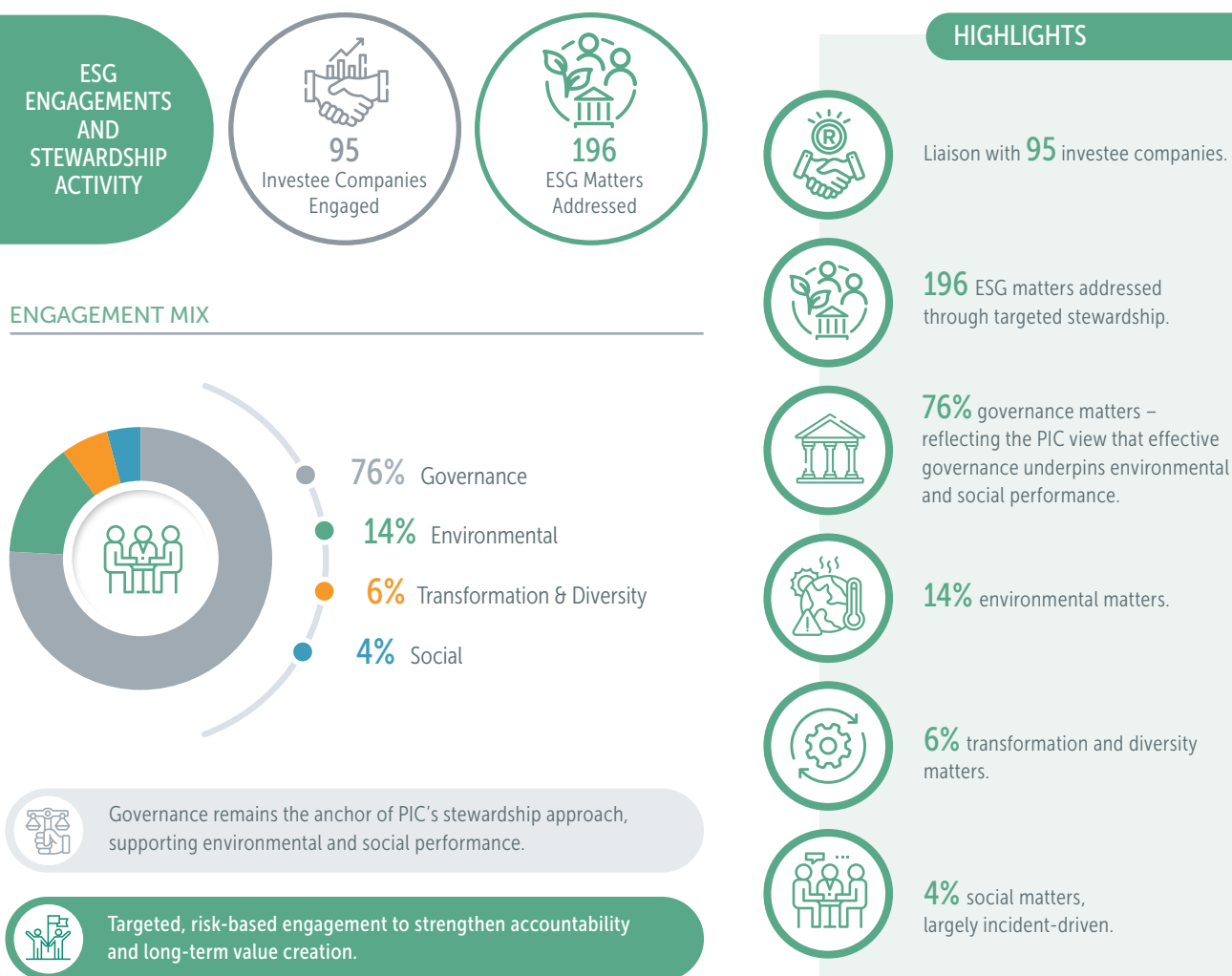


KEY DRIVERS OF VOTES AGAINST RESOLUTIONS:



ESG ENGAGEMENTS AND STEWARDSHIP ACTIVITIES

Engagement with investee companies remained central to the PIC's stewardship approach and sought to influence outcomes where material risks or opportunities were identified. Engagements included interactions with boards and executives, written correspondence and follow-up, particularly where proxy voting outcomes signalled unresolved concerns.



Engagement intensity, prioritisation and escalation thresholds were calibrated based on ESG risk, company responsiveness and observed progress. Credible improvements differentiated leaders from laggards. Continued shortcomings informed escalation through further engagement and proxy voting rights.

Engagements by pillar

Pillar	2024/25	2025/26	Directional shift
Governance	69%	76%	⬆️ Increased focus driven by remuneration, Board tenure and oversight concerns.
Environmental	10%	14%	⬆️ Growth aligned to Climate Change Act and IFRS Standard 2 readiness.
Social	10%	4%	⬆️ More selective, incident and risk-driven.
Transformation and diversity	11%	6%	⬆️ Embedded more directly into governance and remuneration engagements.

KEY ESG THEMES AND OUTCOMES

GOVERNANCE AND BOARD EFFECTIVENESS



Interactions addressed Board composition, independence, succession planning, conflicts of interest and ethical leadership. Recurrent concerns included long-serving directors exceeding independence thresholds, weak succession planning and inadequate oversight of complex transactions.

Escalation included voting against re-elections and audit committee appointments, while discussions with Board chairs reinforced fiduciary duties, accountability and conflict management. Governance quality remains a leading indicator of long-term performance.

REMUNERATION ALIGNMENT



The PIC challenged remuneration structures lacking transparent performance targets, relying on weak metrics or failing to integrate ESG and return-based measures. Alignment was emphasised across executive pay, shareholder value and sustainable outcomes.

TRANSFORMATION, DIVERSITY AND INCLUSION



The PIC prioritised transformation through Board and executive diversity, succession pipelines and B-BBEE outcomes. Progress was noted in gender representation at board and executive levels. Gaps remain in senior management diversity in certain sectors.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE CHANGE



The focus areas were climate strategy, decarbonisation pathways, energy transition risks and disclosure alignment with the recommendations of the Task Force on Climate-related Financial Disclosures.

High-impact sectors were pressed for credible transition plans, interim targets and governance oversight of climate risks.

SOCIAL ISSUES AND HUMAN RIGHTS



Issues covered included product safety, labour practices, health and safety incidents and human rights concerns. Interventions followed incidents with reputational or operational implications and sought assurance on remedial actions, controls and stakeholder protections.

ESG OUTCOMES AND IMPACT SIGNALS



BOARD AND GOVERNANCE PRACTICES

Enhanced scrutiny of independence, tenure and succession planning.



REMUNERATION ALIGNMENT

Increased engagement on disclosure quality, key performance indicator stretch and incentive alignment.



TRANSFORMATION AND DIVERSITY

Incremental progress in Board and executive gender and representation of historically disadvantaged individuals.



CLIMATE GOVERNANCE AND DISCLOSURE

Improved alignment with climate-related disclosure frameworks and transition planning.

The PIC's focus on measurable stewardship outcomes, supports integrated performance assessment and strengthens the link between ESG activities, risk management and long-term value creation.

Active ownership and ESG stewardship

The PIC's active ownership is enabled primarily through governance capital – reflecting the view that effective governance underpins environmental, social and financial performance – and supports value creation and protection across financial, human, social and relationship and natural capitals.

STEWARDSHIP ACTIVITIES ALSO STRENGTHEN:



FINANCIAL CAPITAL

Protecting long-term value through disciplined capital allocation oversight and remuneration alignment.



HUMAN CAPITAL AND SOCIAL AND RELATIONSHIP CAPITAL

Reinforced through engagements on leadership quality, diversity, workforce considerations and transparent relationships with investee companies.



NATURAL CAPITAL

Addressed through engagements that recognise climate change as a material long-term financial risk.

Active ownership by PIC-appointed external public markets asset managers

In addition to PIC’s stewardship, active ownership in the listed portfolio is conducted by external public markets asset managers with discretionary equity mandates. The organisation monitors and oversees these activities to ensure alignment with ESG expectations, stewardship principles and long-term value creation objectives.

THIS SECTION DETAILS EXTERNAL
MANAGER STEWARDSHIP FROM
1 APRIL 2025 TO 31 MARCH 2026



26
External
Managers



22
Domestic



4
Offshore

Mandate Coverage: Equity mandates only

PROXY VOTING
ACTIVITY –
DOMESTIC EXTERNAL
MANAGERS



1 204
Votes cast at
shareholder
meetings



26 317
Resolutions
considered



87%
of resolutions
supported



13%
Votes opposed

Domestic external managers participated
strongly in proxy voting.

Voting outcomes reflected an independent but
predominantly supportive stance.

This reinforces proxy voting as a
key mechanism for accountability
and escalation, particularly where
material ESG concerns persist.



Votes against management were in sectors with
elevated governance and sustainability risks, notably:



Mining



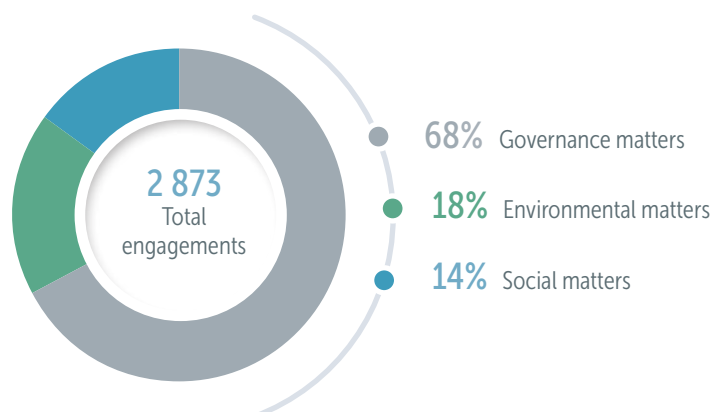
Consumer goods



Consumer services

Engagement activity - domestic external managers

External manager engagement remained strongly governance-led, consistent with the PIC's stewardship priorities.



The most engaged sectors included mining, consumer goods and properties. This reflects a risk-based engagement approach targeting sectors with high ESG exposure and potential impact on long-term portfolio performance.

Global external managers

Offshore external managers demonstrated significant voting and engagement activity across global markets.



24 739

Votes cast on shareholder resolutions.

While proxy voting frameworks differ across jurisdictions, stewardship activities were broadly aligned with PIC expectations, focusing on:

- Board composition, independence and effectiveness.
- Executive remuneration and incentive alignment.
- Climate transition strategy and environmental disclosure.
- Human capital management, data privacy and social impacts.

Engagement focus across global managers

- Governance remained a primary focus across most managers.
- Certain managers emphasised environmental themes, including climate transition and decarbonisation.
- Social engagements were targeted and issue-specific, particularly on human capital and stakeholder risks.

Oversight, monitoring and alignment

Oversight of external manager stewardship is ongoing through the review of proxy voting records and rationales.

The inclusion of external manager stewardship outcomes provides a holistic view of active ownership across the public markets portfolio.

CASE STUDY

STEWARDSHIP IMPACT CASE STUDIES

The case studies below are drawn from the PIC's internal stewardship monitoring and the Public Markets Managers Active Ownership Report. Without mentioning company names, they demonstrate measurable impact, escalation discipline and the link between stewardship activity and outcomes.



Strengthening Board independence and succession (domestic – mining sector)

CONTEXT AND ESG RISK



The company had heightened governance risk due to long-serving directors exceeding independence thresholds, limited succession disclosure and weak Board refreshment practices. These issues were material, given the sector's elevated operational, safety and environmental risk profile.

STEWARDSHIP ACTION



- External asset managers, under the PIC oversight, voted against certain director re-elections and Audit and Information Technology Committee appointments.
- Governance-focused engagements were undertaken, consistent with governance representing ~68% of domestic external manager engagements.

OUTCOME AND IMPACT SIGNAL



- The company committed to reviewing board composition and independence criteria.
- Enhanced succession planning disclosure was provided in subsequent reporting.

VALUE CREATION LENS



Improved Board independence and succession planning strengthen oversight, reduce governance risk, and support long-term value preservation in a capital intensive sector.

CASE STUDY

Remuneration alignment and ESG metrics (global – consumer-facing sector)

CONTEXT AND ESG RISK



The company's remuneration structures lacked transparency on performance targets and the linkages between executive incentives, ESG outcomes and long-term value creation were unclear. This represented material governance and social risk given the company's reputational exposure and stakeholder scrutiny.

STEWARDSHIP ACTION



- Global external managers voted against remuneration-related resolutions where disclosure and alignment were insufficient.
- Engagements focused on remuneration design, disclosure of performance metrics and incorporation of ESG measures.

OUTCOME AND IMPACT SIGNAL



- The company committed to refining remuneration disclosures and clarifying performance metrics.
- These disclosures reflected improved transparency and clearer linkage between incentives and strategic objectives.

VALUE CREATION LENS



Better-aligned remuneration frameworks support responsible executive behaviour, mitigate reputational risk and reinforce sustainable performance outcomes over the medium- to long-term.

UNLISTED ESG INVESTMENT PORTFOLIO PERFORMANCE

The PIC's Transformation Charter set stringent, progressive and ambitious targets across its corporate operations and AuM. Through investments, the PIC seeks to broaden ownership and management participation by black women, people living with disabilities and youth, while enhancing diversity across all employment levels, particularly leadership.

The PIC's enhanced recognition categories of black persons will be applied, as will the values espoused in the UNGC's seven women's empowerment principles.

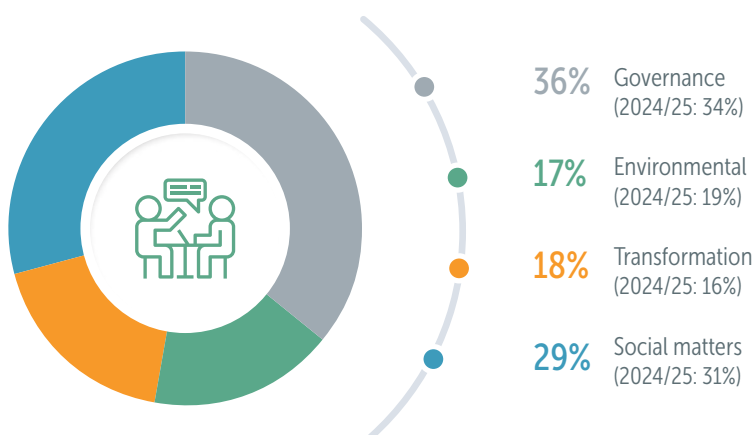
Besides financial returns, investments must sustain and create jobs and expand infrastructure and social services.



UNLISTED INVESTMENTS ENGAGEMENTS AND PROXY VOTING

Engagements by Pillar 2025/26

The team engaged in 289 ESG matters (2024/25: 315). Data from 77 investee companies, compared with 73 in the previous year, excluding those in business rescue, liquidation or litigation, show that governance accounted for 36% (2024/25: 34%), environment 17% (2024/25: 19%), social matters 29% (2024/25: 31%) and transformation 18% (2024/25: 16%).



The team engaged in **289** ESG matters (2024/25: 315).

Voting Record Period: 1 April 2025 To 31 March 2026

The PIC's responsible investing includes:

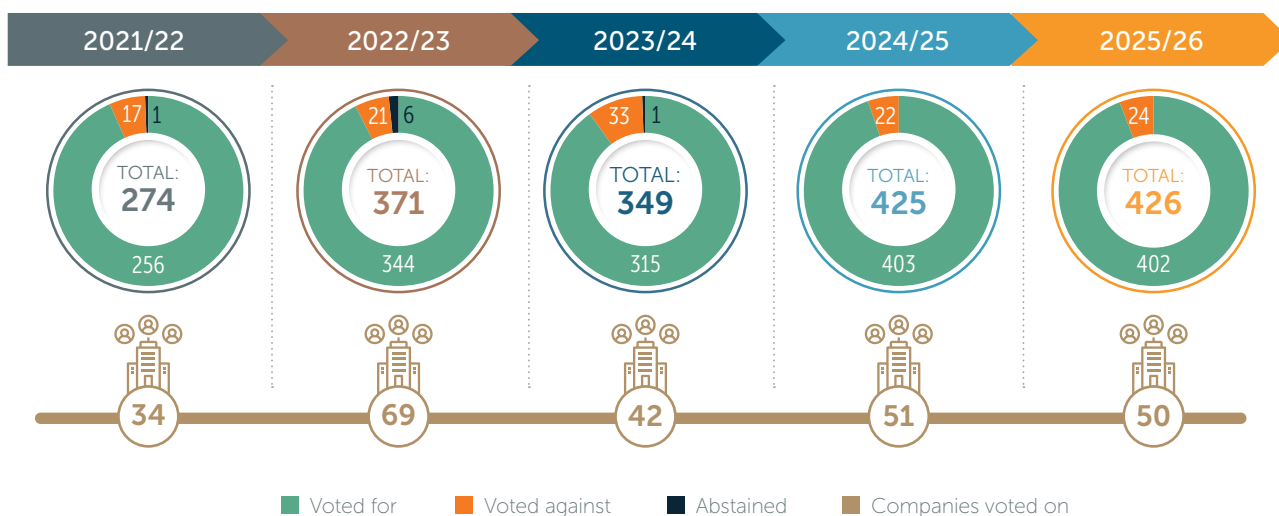
- Exercising voting rights;
- Engaging with investee companies;
- Conducting ESG quality reviews; and
- Influencing the ESG landscape through shareholder activism.



The PIC votes at all company meetings.

During the year under review, the PIC voted on **426** resolutions compared to 425 resolutions in 2024/25 at 50 companies (2024/25: 51 companies).

Proxy voting trends:

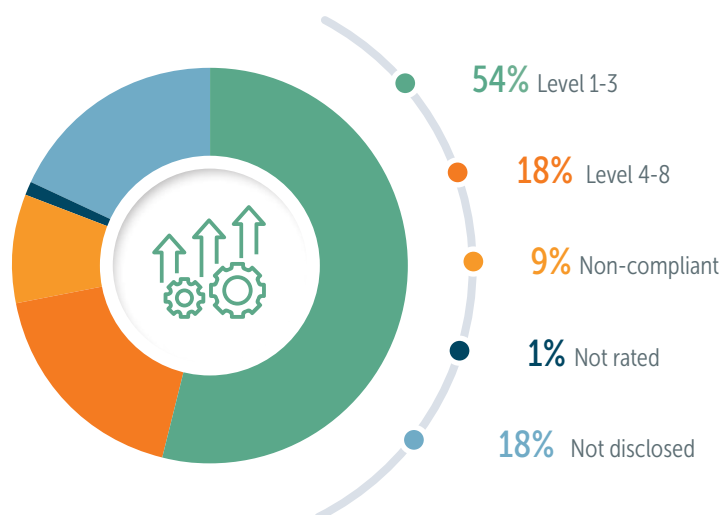


Transformation Performance

The PIC Transformation Charter targets cover funding, ownership, management representation, black women, people living with disabilities, youth and diversity. Targets exceed the minimum requirements of legislation and B-BBEE codes.

While legacy transactions can make it challenging to amend contractual obligations, investee companies must develop three- or five-year transformation plans. B-BBEE ratings, which range from levels 8 to 1, provide regular insight into company progress. In line with client mandates, the PIC encourages lower-rated companies to achieve at least a level 3 rating.

The results below reflect the B-BBEE performance of companies during the year under review:



54% of unlisted investments for 2025/26* rated between levels 1 and 3. 1% are not rated and must be verified

*B-BBEE certificates are valid for 2025/26 and some are already in their 2026/27 period.



EMPLOYMENT OPPORTUNITIES



Through its investments since inception, the PIC, on behalf of clients, has facilitated **226 327 jobs** across the following sectors, compared to **200 556**.



Jobs facilitated
226 327



100 914
Fund of Funds



34 264
Agriculture



12 335
Mining



Jobs occupied by women
70 986 (31%)
(2024/25: 58 395)



Jobs occupied by men
101 362 (45%)
(2024/25: 92 308)



Jobs not disaggregated
53 979 (24%)
(2024/25: 39 555)



GOVERNANCE, ETHICS AND INCLUSIVE FINANCE

Should investees not uphold ethical conduct, sound corporate governance and legal and regulatory compliance, the PIC may intervene, insist on corrective action or disengage.

The portfolio's recent social outcomes include:



Expanding access to finance for small and medium enterprises and underserved market segments.



Supporting employment creation and skills development across investee platforms.



Providing exposure to regional financial platforms in the rest of Africa for diversification and long-term system stability.

Performance by sector was as follows:

AGRICULTURE



34 264
Jobs facilitated
(2024/25: 28 413)

The PIC's support for the agriculture, forestry and fisheries sectors aligns with sustainable resource use, economic growth, job creation, food security and rural development. Investments in farms, processing plants, food production facilities and abattoirs span the agricultural value chain. They strengthen production and processing capacity and support local economies, particularly rural economies, through employment, economic activity and food security.

In 2025/26, these investments facilitated 34 264 jobs, compared with 28 413 in the previous year.

Investees' remuneration compliance is monitored against national minimum wage and sectoral determinations.

The agriculture strategy focuses on:

- Employment opportunities, from farming to processing and distribution, to reduce rural unemployment and poverty.
- Education and training to enable residents to participate in agriculture.
- Empowerment of local communities to participate in decision-making, reaping the benefits of opportunities and sector growth.
- Investment in critical infrastructure such as roads, irrigation systems and storage facilities to enhance agricultural productivity and market access for rural farmers.
- Environmentally sustainable farming practices and resilience-building measures to mitigate the impact of climate change and other challenges.
- Adding value to agricultural products through processing and packaging and facilitating access to domestic and international markets.

A PIC investment has initiated three trusts for previously marginalised farmworkers and employees and one for emerging farmers. Each trust has at least a 10% equity stake. Access to ownership and decision-making fosters greater economic participation.

CASE STUDY

This case study from a PIC investee demonstrates the importance of empowering women.

Advancing women's participation in agriculture

According to the World Food Programme (2025), about 80% of the world's food is the product of small-scale farming. Women comprise about 43% of this labour in developing countries, yet produce 20% to 30% less than male farmers.



Removing the barriers experienced by women smallholder farmers could boost agricultural output and decrease global hunger by **17%**.

One investment, Export Trading Commodities Group, has addressed this by:



Enhancing, through training, the skill set and investment readiness of economically active women cooperatives.



Identifying structures and systems that determine women's positions in society, their barriers and socio-cultural dynamics, mapping out how projects can determine best practices and empower women.



Identifying and selecting financial institutions and other stakeholders to improve access to finance and other services for women-led businesses.

Addressing climate-risk impacts

Agriculture has been affected by floods, droughts and wildfires. The PIC's investments, such as Daybreak Foods, Southern Farms and Lona Group have introduced water-smart strategies. Investees such as the Africa Food Security Fund have implemented climate hazard mapping to track heavy rainfall to ensure employees exercise caution when travelling to work and ensure that assets are safely stored away. One such investee, AFGRI, has allocated an agronomist to each farm owner to advise on climate change, soil health and crop diversification. Alzu Group and others have installed solar panels to reduce greenhouse gas emissions.

Disaster preparedness through early warning and emergency response mechanisms will be a core focus in the year to come, as will investment in research and development to cultivate climate-resilient crop varieties, pest and disease management strategies and climate-smart agricultural technologies.



EDUCATION



The PIC supports social impact initiatives that improve the quality of education. **SDG 4** (Quality Education) confirms the crucial role of education in sustainable development, poverty eradication, social inclusion and economic prosperity. It recognises education as a fundamental human right and a key driver of progress across all other SDGs.

The PIC provided more than R665.1 million in loans to students from disadvantaged backgrounds to access higher education and pursue academic goals.



R665.1 million
loans paid to students from
disadvantaged backgrounds.



1 579
Jobs were facilitated
(2024/25: 1 815).

Schools and Education Investment Impact Fund South Africa (SEIIFSA)

The Schools and Education Investment Impact Fund South Africa (SEIIFSA) made notable progress over the past year, including an increase in the number of black professionals, importantly black women, among school teaching staff.

SEIIFSA's investment not only enhances black professionals' career prospects but strengthens the quality of education delivery. The BEE contribution promotes entrepreneurship, enterprise development and wealth creation within black communities, contributing to inclusive economic growth and empowerment.



More than **R260 000** was spent on
black management and staff training,
with a further **R18.5 million** on
BEE wealth creation.

FINANCIAL SERVICES



This sector is central to the PIC's mandate of long-term investment stewardship, financial system stability and inclusive economic participation. Investments in this sector are governed by the organisation's responsible investment principles, which require robust governance standards, ethical conduct and the integration of ESG considerations into investment decision-making and monitoring.

During 2025/26, the sector remained resilient, supported by prudent regulation, strong capital adequacy, improved asset quality and digital transformation. The PIC's diversified

financial services portfolio spans banking, development finance, fintech, mortgage and asset finance platforms, with performance benefitting from lower impairments, higher non-interest income and improved conditions relative to 2024/25.



The sector comprises 12 active investee entities, with exposure in fintech, banking, developmental finance, investment services, asset finance, mortgage finance and small and medium enterprise (SME) finance.

Accomplishments
during the year:



19 265
Jobs facilitated
(2024/25: 21 295).



-2 030
Decline due largely to Bayport Group's disposal of certain South American operations.

ENERGY



To date, the PIC has supported energy projects with a capacity of more than 3 600MW, 3 375MW of which is renewable: wind (1 080MW), photovoltaic (1 726MW) and concentrated solar power (569MW), enough to supply 1.2 million average-sized homes⁵. The organisation's support has not only lowered pressure on the grid, but has delivered meaningful social impact in the areas around power plants.

These social initiatives range from bursaries and internships to early childhood development and school-building projects.



3 375MW
Renewable
energy
generated



1 080MW
Wind



1 726MW
Photovoltaic



569MW
Solar power

4 342
Jobs
facilitated



355
Jobs facilitated
in coal and gas

5. 1MW can supply around 650 average homes. Source - https://www.eskom.co.za/wp-content/uploads/2021/03/GI_0097WhatIsMegawatt.pdf

HOUSING



As housing is a constitutionally protected right, the National Development Plan promotes mixed-income housing, well-located urban development, spatial integration and improved access to municipal services. Provincial and municipal inclusionary housing frameworks, particularly in metropolitan areas, seek to increase affordable housing within larger mixed-use and mixed-income developments.

Housing demand remains significant, with the Department of Human Settlements reporting in March 2026 that 3.4 million households were registered for government housing assistance. Current sector estimates based on census household data place the national housing shortfall at between 2.1 million and 2.4 million units.

From the 2024/25 to the 2029/30 financial years, the government plans to deliver 230 000 fully subsidised housing units and 314 000 serviced sites.

The PIC provides alternatives for households that do not qualify for fully subsidised housing, cannot access traditional mortgage finance or wish to live closer to employment, education and transport nodes.

Over the past decade, the PIC has partnered with asset managers, commercial banks and development finance institutions to support inner-city residential rental developments and enable property entrepreneurs to scale their projects. Despite this progress, the supply of affordable residential properties remains inadequate, particularly for lower-income households.



11 SUSTAINABLE CITIES AND COMMUNITIES

824

Jobs facilitated.



Government plans to deliver **230 000** fully subsidised housing units.



OIL AND GAS



The PIC has three investments in the oil and gas sector that support energy security, economic activity and employment.

These include funding provided to the Sunrise Energy LPG import terminal at the Port of Saldanha. The terminal has an annual capacity of approximately 210 000 tonnes and supports access to LPG in the Western Cape and other provinces. Sunrise Energy also contributes to local socio-economic development by providing cooking equipment to vulnerable households and community organisations.

Collectively, the PIC's oil and gas investments facilitated 755 jobs during the reporting period. Most of these jobs were at TotalEnergies Marketing South Africa, where the PIC has exposure through debt funding provided to Tosaco Energies. The portfolio supports infrastructure and employment across the LPG, petroleum distribution and fuel retail value chains.



MULTI-MANAGEMENT PRIVATE MARKETS (FUND OF FUNDS)

Through its Fund of Funds programme, the PIC invests as a limited partner in private-market funds across different sectors and jurisdictions. The PIC may also co-invest directly in selected portfolio companies alongside these funds.

During 2025/26, the PIC invested in Old Mutual Private Equity Fund V, Sanlam Private Equity Mid-Market Fund I and the Sanari 3S Growth Fund, with ESG considerations incorporated into fund selection and investment monitoring. Sanari Capital is a women-founded and women-led private equity firm investing in scalable South African and African growth companies.



The Fund of Funds investments facilitated
100 914 jobs during 2025/26.

STUDENT ACCOMMODATION

Through three investments, the PIC invested in 17 008 student beds, including those under management and refurbishment, across Gauteng, the Western Cape, KwaZulu-Natal, Limpopo and the Eastern Cape.

The portfolio supports the provision of safe, affordable and well-located accommodation that creates an environment conducive to learning and student wellbeing. It also promotes employment, black ownership and management participation within the property sector.

During 2025/26, these investments facilitated 602 jobs, compared with 1 400 in 2024/25. The decrease was mainly due to several developments moving from the construction phase, where employment is temporary and project-based, to the operational phase.



602 Jobs facilitated
(2024/25: 1 400).

MANUFACTURING

Stats SA's Quarterly Labour Force Survey for Q1 2026 indicates that manufacturing employment increased by approximately 38 000 jobs quarter-on-quarter, equivalent to a 2.5% rise, despite a broader national employment decline of 345 000 jobs over the same period.

In 2025/26, 8 644 jobs were facilitated (2024/25: 2 963) across the PIC's investments, the increase resulting from the inclusion of Heineken and Capevin in the portfolio, which reported around 5 000 and 300 jobs respectively.



8 644
Jobs facilitated
(2024/25: 2 963).

HEALTHCARE

The PIC's healthcare investments support the expansion of healthcare infrastructure and access to quality medical services across South Africa.

Through direct and indirect investments, the PIC is invested in 45 hospitals and medical centres and three clinics, collectively providing more than 1 330 beds. These investments also promote staff development, operational resilience and community-focused initiatives.

During 2025/26, the PIC's healthcare investments facilitated 8 656 jobs, compared with 8 226 jobs in 2024/25.



45
Hospitals and
medical centres



3
Clinics



1 330
Beds across
South Africa



8 656
Jobs facilitated
(2024/25: 8 226)

EARLY-STAGE FUNDING

The PIC supports venture-capital growth through its Early-Stage Fund, which provides exposure to innovative, high-potential businesses through direct and indirect investment channels.

During 2025/26, the PIC approved three indirect investments aimed at supporting innovation-led growth, enterprise development and job creation. The investments also strengthen partnerships with local fund managers and entrepreneurs while expanding the pipeline of scalable businesses.



INFORMATION AND COMMUNICATIONS TECHNOLOGY

The PIC's investments in the information and communications technology sector support digital infrastructure development, improved connectivity and employment creation.

During the year under review, the PIC's ICT investees facilitated 16 694 employment opportunities across digital infrastructure development, network expansion and technology-enabled services.



16 694
Jobs facilitated.



PROPERTIES

The PIC's property portfolio integrates ESG considerations throughout the investment lifecycle and prioritises income-resilient assets that support inclusive economic development. These include community retail, mixed-use developments, affordable and social housing, and strategically located commercial properties.

During 2025/26, the PIC invested R500 million in Divercity Urban Property Group and R1.63 billion in Century City Property Investment Trust. These investments support urban regeneration, spatial transformation, township-linked development and improved access to economic opportunities.

The portfolio also promotes small and medium enterprise participation, energy and water resilience, and access to essential services in underserved communities. During the year, the PIC's property investments facilitated 7 354 jobs, an increase of 1 401 from 5 953 jobs in 2024/25.



7 354

Property jobs facilitated
(2024/25: 5 953).



1 401

Year-on-year
change.



R500 million

Divercity Urban Property Group.

R1.63 billion

Century City Property Investment Trust.



ROAD INFRASTRUCTURE, TRANSPORT AND LOGISTICS

The PIC is invested in seven road infrastructure, transport and logistics assets that support the movement of people and goods, national trade routes and regional connectivity.

Key investments include the N3 Toll Concession, Bakwena Platinum Corridor Concession and N4 TRAC. These assets support major freight and passenger corridors connecting Gauteng with KwaZulu-Natal, Limpopo, North West, Botswana, Mozambique and the Port of Maputo. The PIC also has indirect exposure to certain infrastructure assets through the African Infrastructure Investment Fund.

The portfolio includes RTT Holdings, which provides logistics, distribution, courier and last-mile delivery services, and Lanseria International Airport, which supports domestic, regional and international connectivity.

During 2025/26, the PIC's investments in the sector facilitated 8 341 jobs, compared with 9 088 jobs in 2024/25. The decrease was mainly due to restructuring and non-core asset disposals at RTT Holdings, as well as cyclical employment changes across the toll-concession investments.



8 341 Jobs facilitated
(2024/25: 9 088).



CONSTRUCTION

Construction contributes slightly more than 2% to the national gross domestic product and employs 1.36 million people, making it one of the country's largest employers. Infrastructure investment remains below the National Development Plan 10% of gross domestic product target - with priorities including energy, transport, water and sanitation - despite renewed government efforts to crowd in private-sector participation and accelerate delivery.

The sector showed signs of recovery during 2025 and into 2026, although unevenly. The latest infrastructure and market data point to modest growth in construction, improved tender pipelines and greater emphasis on public-private partnerships. Infrastructure South Africa's 2025/26 Construction Book identifies R238 billion in funded projects in the pipeline, while the 2026 medium-term budget framework cites infrastructure expenditure of nearly R1.1 trillion. In the first quarter of 2026, construction gross value added increased to R98.2 billion from R98 billion in the previous quarter. Building completions had risen, building-material sales were higher and employment gains were noted. However, the sector remains constrained by weak building-plan approvals, high construction costs, funding delays and uneven public-sector execution.

The PIC's investment in construction facilitated 2 026 jobs during the review period.



2 026 construction jobs facilitated.



Construction contributes **±2%** of national gross domestic product.



1.36 million people employed – making it one of the country's largest employers.

MINING AND BENEFICIATION

Through its unlisted investments portfolio, the PIC has invested on behalf of its clients in seven mining initiatives. These investments facilitated 12 335 jobs during 2025/26, compared with 18 738 jobs in 2024/25.

During the year, the PIC committed R1.35 billion to early-stage mining opportunities focused on strategic minerals and commodities aligned with the Just Energy Transition. The funding targets projects that have progressed beyond initial exploration, from the post-scoping stage to bankable feasibility.



12 335 Jobs facilitated (2024/25: 18 738).





CORPORATE SOCIAL INVESTMENT

Inclusive economic growth cannot be achieved without sustainable social development. The PIC uses its Corporate Social Investment (CSI) programme to deliver measurable outcomes by addressing key social and development challenges in South Africa.



At the core of the programme is responsible corporate citizenship, aligned with the objectives of the National Development Plan (NDP) 2030, the United Nations Sustainable Development Goals (SDGs) and King V™ principles of ethical and responsible leadership.

The programme prioritises long-term interventions that support sustained outcomes and expand opportunities for future generations.

THE PROGRAMME COMPRISES THREE STRATEGIC PILLARS:

Education and skills development

Education plays a central role in addressing poverty and inequality. The PIC's interventions support access to quality education, strengthen foundational learning and promote science, technology, engineering and mathematics (STEM) education, improve school infrastructure and support skills development. Support is prioritised for learners and young people in underserved and rural communities.

Socio-economic development

The PIC supports programmes that improve living conditions in vulnerable communities by addressing poverty, food insecurity, gender-based violence, youth development, health and wellbeing. These initiatives support inclusion, dignity and equal access to opportunities.

Agriculture, conservation and the environment

The PIC supports environmental management, responsible resource use, climate resilience and improved access to essential services. These efforts contribute to stronger and more resilient communities.

During the year under review, the PIC maintained its focus on delivering social and development outcomes.



SCOPE AND BOUNDARY



What about the boys

The PIC supported the 'What About the Boys' programme, which addresses factors contributing to gender-based violence. This is done by engaging adolescent boys in discussions on masculinity, accountability, respect, consent and emotional wellbeing.

The programme reached learners in the Free State, Eastern Cape, North West and Mpumalanga.



Sustainable Development Goals supported



Primestars mathematics and science programme

Primestars eduCate provides Grade 12 learners in under-resourced communities with curriculum-aligned mathematics and physical sciences revision support. The programme combines classroom engagement, printed learning materials, digital resources and specialised tutoring to improve learner performance and strengthen South Africa's future science, technology, engineering and mathematics talent pipeline.

The programme reached learners in Limpopo, the Free State, Northern Cape and North West provinces.



Sustainable Development Goals supported



Early childhood development infrastructure programme

The PIC approved funding for the construction of two early childhood development centres in the Winnie Madikizela-Mandela Local Municipality, Eastern Cape. The project is implemented by Impande Yotshani. The centres provide safe learning facilities, sanitation infrastructure, water access, educational resources and play areas for young children in a historically underserved district.



Sustainable Development Goals supported



Mandela Day: Fighting hunger through volunteerism

In partnership with Rise Against Hunger Africa, PIC employees packaged nutritious meals for vulnerable children across South Africa on Mandela Day. A total of 16 129 meals were packed for early childhood development centres, supporting food security in disadvantaged communities.



Sustainable Development Goals supported





Mina Foundation menstrual health initiative

In partnership with the Mina Foundation and Gift of the Givers, the PIC supported menstrual health and hygiene education for learners in Limpopo. The programme provided menstrual cups, hygiene packs and workshops to reduce absenteeism and support continued school attendance among adolescent girls.

The boys were not forgotten. They attended a life-orientation workshop and received a toiletry pack comprising soap, socks, toothbrushes, toothpaste, a face towel, and a journal.

In total, 1 867 learners received care packages.



Sustainable Development Goals supported



3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



5 GENDER EQUALITY



6 CLEAN WATER AND SANITATION



10 REDUCED INEQUALITIES

CREATING SUSTAINABLE COMMUNITY IMPACT

The PIC continues to support initiatives that address social challenges and advance community development.

The PIC's investments in education, health, food security, gender equality and infrastructure support national development priorities and the SDGs.



CASE STUDY



Restoring dignity and safety through sanitation infrastructure

Access to safe sanitation remains one of the most fundamental, yet most unevenly distributed, basic services across South Africa's education system. For learners at Zakhele Primary School in KwaVuma, KwaZulu-Natal, inadequate sanitation infrastructure had become a daily threat to their health, safety and dignity. Ageing pit latrines posed a significant risk, with a learner injured after falling into a damaged facility in September 2025.

To improve learner safety and wellbeing, the PIC replaced the unsafe latrines with modern, sustainable sanitation infrastructure that delivers lasting impact.

The project delivered 18 ablution facilities, benefiting approximately 250 learners and seven teachers. The facilities include separate ablutions for girls and boys, Grade R learner-friendly toilets, facilities for learners with disabilities, educator ablutions, handwashing stations, water-saving technology, backup water supply systems and maintenance provisions.

Pit latrines were demolished and sealed, the asbestos roof was removed, and the septic system was replaced. Durable vandal-resistant equipment suitable for rural areas was installed. Temporary sanitation facilities were provided throughout construction.

The project improved learner safety, attendance and the overall learning environment.



Through projects such as this, the PIC reinforces its commitment to initiatives that address systemic barriers to education while creating measurable and sustainable community impact.



SDG alignment



PART 07 | OPERATIONAL EXCELLENCE

BUILDING RESILIENCE THROUGH PEOPLE, SYSTEMS AND EFFICIENCY



07

Operational excellence enables the PIC to execute its investment mandate efficiently, responsibly and with greater agility. By strengthening its people, processes, technology and control environment, the Corporation is building the institutional capability required to improve decision-making, enhance service delivery and sustain long-term value for its clients and beneficiaries.

HUMAN CAPITAL

The PIC's success depends not only on financial capital, but on the strength, integrity and capability of its people. Human Capital is central to the PIC's ability to create, preserve and sustain long-term value.

The organisation recognises that innovation is fundamentally people-driven. Human Capital enables innovation by fostering the skills, culture and leadership needed to adapt to changing markets, evolving client needs, increasing regulatory complexity and the delivery of sustainable investment outcomes for stakeholders.

The PIC's Human Capital strategy ensures that investment stewardship responsibilities are carried out by skilled, ethical and engaged employees.

THE STRATEGY SUPPORTS:

- Strong governance and ethical leadership;
- Organisational resilience and continuity;
- Attraction, development and retention of scarce and specialist skills;
- Transformation, diversity and inclusion; and
- A high performance, values-based culture.

Human Capital considerations are integrated into business planning, risk management and decision-making.



KEY ACHIEVEMENTS AND HIGHLIGHTS 2025/26



55% of the workforce is women.



45.8% of senior and top management employees are women.



Revamped the Employee Value Proposition to create reciprocal value by meeting employee needs while enabling sustainable business performance and long-term value creation.



Regrettable loss terminations (resignations) remained low at **6%**.



The employee engagement survey was conducted during the reporting period. As the survey concluded in April 2026, the results will be analysed and reported in the 2026/27 Integrated Annual Report.



Focused on improving internal controls and risk management practices.



Updated policies to ensure continued relevance and effectiveness.

BUILDING INSTITUTIONAL CAPABILITY AND STRATEGIC DELIVERY

TO BUILD INSTITUTIONAL CAPABILITY AND SUPPORT DELIVERY OF THE PIC'S MANDATE,
THE PIC FOCUSES ON THE FOLLOWING:



WORKFORCE CAPABILITY

Intellectual capital is advanced through:

- Recruitment of scarce skills.
- Learning pathways aligned to strategic priorities.
- Continuous professional development and certification.



LEADERSHIP AND SUCCESSION

- Development of a robust leadership pipeline that supports ethical and purpose-driven leadership.
- Enhanced succession planning.



CULTURE AND ETHICS

- Accountability and integrity.
- Performance excellence.
- Collaboration and innovation.

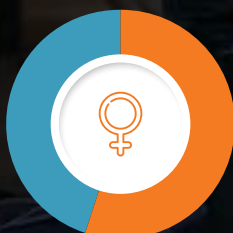
KEY METRICS



WORKFORCE COMPOSITION

443

Number of employees



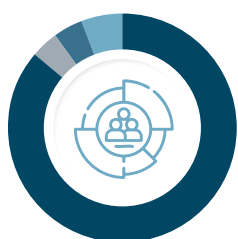
DEMOGRAPHICS

The PIC workforce is diverse across occupational levels and business units. At 443, the PIC workforce includes 27 graduates on the PICeeds graduate programme and two employees from the South African Institute of Chartered Accountants programme.

Headcount at 31 March 2026

Occupational Level	Male				Women				Foreign National		Grand Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	Male	Women	
Top management	1	0	0	1	2	0	0	0	0	0	4
Senior management	47	7	4	9	50	6	2	3	9	3	140
Middle management	67	1	3	5	92	4	8	4	2	1	187
Junior management	24	1	1	0	40	1	1	2	0	0	70
Semi-skilled	17	0	1	0	24	0	0	0	0	0	42
Grand total	156	9	9	15	210	10	11	9	11	3	443

Employee demographics:



85.3%
Africans

4.3%
Coloureds

5%
Indians

5.4%
Whites



55%
Women

45%
Men

Ninety-five percent of the workforce is Black (African, Coloured and Indian), with women comprising 55%. People with disabilities represent 2.7%.

Employment equity targets are monitored as part of the PIC's people-governance and transformation framework and are cascaded across business units to ensure accountability for diversity and inclusivity. Furthermore, this aligns with the ethical and effective leadership envisaged by the applicable King V™ code and supports the development of equitable and inclusive human capital.



WORKFORCE MOVEMENTS

Seventy-four vacancies were filled during the year, with 38 new employees joining the company and 36 employees promoted. This reflects a healthy mix of internal mobility and external talent recruitment. There were 37 terminations during the reporting period, which includes resignations, the expiry of fixed-term contracts, retirement and one mutual separation. Sadly, three employees passed away during the financial year.

SKILLS AND TALENT DEVELOPMENT

Investment in employee development is continuous and aligned with developments in the sector. During the year under review, more than R18 million was invested in training, graduate development and bursaries for unemployed youth. Employee development accounted for R7.4 million, with 98% of the workforce participating in development interventions. Eighty employees were supported through bursaries to study at recognised higher education institutions. During the financial year, one employee obtained a doctorate qualification through the bursary programme, contributing to advanced expertise and long-term intellectual capital. To build sustainable talent pipelines in scarce skills, digital transformation is prioritised in collaboration with the Information Technology and Learning and Development divisions.



Two graduates were appointed internally and two secured employment externally, representing an absorption rate of 13% as at 31 March 2026. The external placements demonstrate the programme's contribution to enhancing graduate employability beyond the PIC.

EMPLOYEE HEALTH AND WELLNESS

Employee health and wellness are integral to sustainable performance, productivity and organisational effectiveness. An organisation-wide mental health assessment was conducted, with emphasis on preventive and proactive interventions to enhance employees' ability to identify and manage mental-health challenges. Employees and their dependants continue to have access to the PIC employee assistance programme services.

OUTLOOK AND STRATEGIC ALIGNMENT

The focus in 2026/27 will be on four strategic pillars:

- ⦿ **Winning talent and workforce agility:** Build a future-ready workforce, reduce time-to-fill and strengthen succession for crucial roles.
- ⦿ **Capability and leadership excellence:** Accelerate skills for digital, commercial and regulatory priorities and uplift leadership effectiveness.
- ⦿ **Engagement, wellbeing and inclusive culture:** Increase employee advocacy, reduce attrition and instil corporate stewardship as a performance lever.
- ⦿ **Digital human resources and operational efficiency:** Modernise human resources technology, streamline processes and elevate data-driven decision-making, thereby reducing risks and audit findings.

REMUNERATION PHILOSOPHY AND PRACTICES

The Remuneration Policy provides a balanced framework of rewards and benefits to attract, retain and motivate employees. To ensure the policy and remuneration practices remain relevant and competitive, they are regularly benchmarked against industry standards. Compliance with King V™ and shareholder directives are considered.

The remuneration approach is fair, equitable and transparent.

Employees are rewarded and recognised for their contributions to the organisation's growth and performance.

The company's remuneration philosophy is to target compensation at the market median (50th percentile). Variable pay components are offered through short-term incentives for all qualifying employees and long-term incentives for selected individuals. These incentives drive retention, reward line-of-sight contributions and support the business's long-term growth and sustainability objectives.

Guaranteed pay

The guaranteed pay is based on total cost to company and includes employer contributions to the pension fund, medical aid and other statutory deductions such as the Unemployment Insurance Fund. Employees may structure their packages, including a 13th cheque. The guaranteed package is reviewed annually in April, considering company performance, affordability and market movements.

Variable pay

The variable pay consists of short- and long-term incentives aimed at driving performance. The short-term incentive rewards employees for contributing to the company's performance. The long-term incentive supports talent retention and the achievement of the shareholder's long-term growth strategy and plans. The payment of variable pay is governed by the remuneration policy and is dependent on the organisation having met its financial and operational performance targets. The key performance indicators measure key financial and operational indicators, as well as individual performance achievement, to qualify.

Variable pay is reviewed to maintain an attractive employee value proposition.

Benefits

Apart from pension fund, medical aid and group life benefits, employees and their dependants have access to funeral cover. Employees benefit from preferential rates with PIC's corporate banker. Moreover, employees are beneficiaries of generous leave provisions, which encourage work-life balance and support employee health and wellbeing.

Recognition

The PIC recognises long-term service. In this regard, the PIC rewards uninterrupted service from five to more than 40 years at intervals of five years.



Employee remuneration outcomes for the year ended 31 March 2026

Measure	Guaranteed package only	Total cost to company, including short-term and long-term incentives (where applicable)
Median	R1 106 230.03	R1 264 745.61
Average	R1 349 932.20	R1 713 540.41
Disclosed pay ratio	13:13	18:34
Top 5%	R3 446 899.20	R4 814 876.60
Bottom 5 %	R262 500	R262 500
Min	R164 885	R195 531.48
Max	R10 378 368	R11 787 141.26



INFORMATION COMMUNICATION TECHNOLOGY

Technology has evolved from a support function to a strategic driver of competitiveness, productivity and long-term sustainability in the financial sector. At the PIC, sustained investment in information technology has supported innovation-led digitisation and automation of core processes, strengthened governance and improved operational efficiency.

During the year under review, the PIC advanced its digital and information technology strategy, positioning technology as an enabler of growth, operational efficiency, resilience and inclusive outcomes. This progress was evidenced through the introduction of a bimodal (dual track) digital strategy focused on automating and digitising internal operations and introducing a digital investments platform with inclusive asset classes.

SUSTAINING VALUE IN 2025/26

The PIC retired its costly, euro-denominated, commercial off-the-shelf system for the Isibaya business and replaced it with internally developed digital solutions. The new platforms are more flexible, better aligned to business requirements and more cost-effective to design, build and operate. This transition reduced dependency on international vendors, while strengthening local capability.

By investing in home-grown digital platforms, the PIC enhanced its intellectual capital through innovation, built human capital by developing local expertise and reinforced social capital by embedding inclusive, locally

relevant solutions. The decision reduced long-term costs and improved adaptability, supporting alignment between technology investment, the organisation's mandate and stakeholder expectations.

Simultaneously, the PIC scaled up the use of artificial intelligence (AI) to enhance efficiency and decision-making. It was also embedded into internally developed solutions and used to create new digital products and capabilities. AI also supports data analysis, process automation and decision-making, enabling greater operational efficiency while strengthening risk management and governance. Information security capabilities were strengthened through the practical, value-driven adoption of artificial intelligence aligned with business outcomes.

AI and data related projects are governed through a forum led by the Chief Risk Officer, ensuring that innovation is implemented responsibly, ethically and in compliance with regulatory and risk management requirements. This governance framework enables innovation while maintaining adequate risk management and stakeholder confidence.



OPERATIONAL EFFICIENCY THROUGH AUTOMATION AND DIGITISATION

Automation of the Isibaya investment lifecycle

Having retired its off-the-shelf system, the Corporation stepped up automation of crucial business processes across the Isibaya value chain and related regulatory and client-facing functions. These interventions resolved operational bottlenecks, bolstered control environments and shortened turnaround times.

INTERVENTIONS INCLUDED:



Fund application system enabling structured, digital submissions and automated screening. Applicants can now track progress through the approval process, improving transparency and responsiveness.



Annual financial statements portal enabling investees to submit financial statements and supporting documents securely. Integration of automated validation into PIC systems reduces manual follow-ups and data recapture, ensuring authorised stakeholders can access accurate data timeously.



Collateral management automation enabling digitised collateral tracking, monitoring, alerting and reporting. Improved visibility, accuracy and control significantly reduce the operational risk associated with inadequate collateral.



Loan management system enhancement aligning the system with complex loan processes through automated tracking of loan terms, repayments, covenants and reporting. These enhancements strengthen governance and portfolio oversight. Automation of the due diligence process.

Automation of risk management

The PIC strengthened its risk management capabilities by upgrading the performance management system and migrating it to the cloud. This improved management reporting and data analysis, while enhancing data reliability, reporting efficiency and alignment between performance indicators and digital strategy objectives.

The PIC also automated key compliance and due diligence processes, including politically exposed persons screening, anti-money-laundering controls, 'know your client' processes and declaration of interest management in investment meetings.

As these process automations mature, the PIC expects to achieve improved consistency, timeliness, and traceability of compliance activities, reduced reliance on manual checks, and an enhanced ability to manage regulatory obligations proactively.

The PIC invested in a graduate development programme to address scarce digital skills and establish a long-term recruitment pipeline. Graduates are being trained and embedded across disciplines, supporting internal development and ensuring that solutions are delivered using local skills. This retains institutional knowledge and contributes to the South African digital economy, strengthening human capital and supporting inclusive participation.



Information security remains robust, underpinned by continued investment in automation for cyber-resilience, awareness programmes and regulatory alignment. These initiatives support safe and ethical digitisation and reinforce stakeholder trust.

Comprehensive self-assurance testing continued to verify the Corporation's cyber-resilience, reducing exposure to cyber threats and ensuring compliance with regulatory requirements.

GOVERNANCE, RISK AND RESILIENCE

The PIC strengthened information technology governance through a comprehensive review of decision-making forums, ensuring clear segregation of responsibilities across line management, assurance partners, management committees and the Board. This structure reinforced accountability and transparency, enabling effective control and informed oversight.

Outlook and strategic alignment

The PIC will advance its digital journey by:

- Unlocking innovative new ways of working while scaling automation for internal processes, improving efficiency and resilience.
- Improving client engagement models to strengthen relationships and responsiveness, reinforcing legitimacy and stakeholder trust.
- Maturing data and analytics capabilities to enhance insight driven decision-making and align performance indicators with strategic objectives.
- Placing people at the centre of innovation through digital training that supports sustainable value creation, empowers investment teams and contributes to long-term asset growth.
- Introducing digital platforms to broaden access to diverse asset classes and support asset growth aspirations.
- Continuing its bimodal digital approach to balance operational efficiency with innovation to deliver integrated value across the capitals.



DRIVING SUSTAINABLE IMPACT IN 2026/27

- Accelerate automation priorities in the digital blueprint, complete the remaining phases of Isibaya automation and realise continuous improvements from implemented solutions.
- Automate priority reports and enable stakeholder engagement portals, strengthening transparency, responsiveness and operational efficiency.
- Invest in digital knowledge to support automation of the digital blueprint for improved efficiency.

CASE STUDY

Innovation Forum heralds a culture of disciplined ideas

Innovation is set to become a permanent feature at the PIC. To give effect to this objective, the PIC launched the Innovation Forum during the financial year to ensure a more structured, accountable and value-driven approach to innovation.

Underpinned by strong governance and aligned with strategic priorities, it is positioned to deliver measurable outcomes for clients, beneficiaries and the South African economy.

Following the establishment of the Innovation Forum, internal stakeholders were invited to submit innovative ideas that would improve the PIC's operational effectiveness and strategic delivery. Twenty-six innovation submissions from employees in investment management, listed investments, unlisted investments and the corporate services divisions demonstrated interest and engagement, cross-functional thinking and a growing culture of internal entrepreneurship. The top 10 ideas – spanning investment innovation, digital capability, operational efficiency, risk management and new product opportunities – were shortlisted and presented at the Innovation Forum launch.

On evaluation, the top five ideas were selected for further development, refinement and referral to the PIC Executive Committee (EXCO). These ideas were deemed to be strategically aligned with the Corporation's long-term objectives, implementable, capable of improving returns or efficiency, and were compliant with governance and risk requirements.

The Innovation Forum provides executive oversight across the full innovation lifecycle – from idea intake and prioritisation to pilot testing, monitoring and potential scaling.



26 Innovation submissions from employees



The **top five** ideas were selected for further development, refinement and referral to the PIC Executive Committee (EXCO)



The initiative reflects the PIC's drive to build an organisation in which employees are encouraged to identify opportunities, ideas are tested rigorously, and innovation advances investment capability, operational effectiveness and the PIC's social mandate. In so doing, a sustainable pipeline of ideas can be developed and scaled to sustain long-term value creation.

PART 08 | GOVERNANCE AND OVERSIGHT

ENSURING ACCOUNTABILITY, COMPLIANCE AND ALIGNMENT WITH KING V™ OUTCOMES

08

Effective governance enables the PIC to fulfil its fiduciary responsibilities with integrity, transparency and accountability. Through clearly defined roles, robust oversight and disciplined decision-making, the Board and its committees safeguard stakeholder interests, strengthen institutional resilience and support sustainable long-term value creation.

GOVERNANCE AT THE PIC

Robust corporate governance is more than compliance; it is a strategic driver that supports the PIC's fiduciary duties, financial performance and stakeholder trust. The PIC prioritises transparency, accountability, efficiency and effectiveness. Shared accountability between the Board and executives is paramount to ensure governance keeps pace with an evolving macroeconomic environment.

A balanced approach to governance, strategic planning and resource allocation supports accountability to stakeholders and alignment with long-term value creation. Effective deployment of financial, human, intellectual, natural, manufactured and social capitals enables the Board to drive the PIC's dual mandate and to create, protect and preserve sustainable value for clients, beneficiaries and society.

As PIC investment approaches modernise through data and advanced technology, the Corporation drives meaningful impact and supports the development of critical infrastructure, while promoting greater economic participation.

GOVERNANCE FRAMEWORK AND KING V™ ALIGNMENT

The PIC has initiated work to align with the King V™ Report on Corporate Governance, with progress to be reported in the 2026/27 financial year.

Guided by its governance framework and Board-established standing committees, the PIC's strategic policies, terms of reference and internal controls are regularly reviewed to align with regulatory changes and global best practices.

Through its stakeholder-inclusive approach, the Board ensures that its oversight supports South Africa's corporate governance requirements. By continually monitoring organisational conduct, risk management, compliance and financial sustainability, the Board ensures the Corporation entrenches effective governance and transformation within its own structures and across its broader investment portfolio.

The PIC's governance approach expands beyond traditional risk containment to formally embed double materiality into decision-making.

THE BOARD RECOGNISES THAT EFFECTIVE GOVERNANCE MUST MANAGE BOTH:



FINANCIAL STEWARDSHIP (OUTSIDE-IN)

Oversight of risk management, financial compliance and capital allocation to safeguard and grow the portfolio against market volatility.



IMPACT GOVERNANCE (INSIDE-OUT)

Directing and monitoring how the PIC's investment strategies affect South Africa's socio-economic landscape, specifically infrastructure development, job creation and transformation.



ETHICAL CULTURE

Integrity, fairness and accountability in all decisions.



EFFECTIVE CONTROL

Robust oversight, risk management and disciplined governance.



LEGITIMACY

Transparency and stakeholder trust in governance credibility.



SUSTAINABLE VALUE CREATION

Responsible use of capitals to deliver long-term societal and economic impact.

STATUTORY FRAMEWORK AND BOARD RESPONSIBILITIES

The duties and responsibilities of the Board, both collectively and as individuals, are determined by the Companies Act, PIC Act, Public Finance Management Act (PFMA), the PIC's Memorandum of Incorporation (MoI) and common law.

As a licensed financial services provider under the Financial Advisory and Intermediary Services Act and custodian of significant public sector assets, the PIC conducts its business with prudence, diligence, integrity and transparency. Corporate governance is embedded across the entire asset management lifecycle, from due diligence and efficient allocation of funds to rigorous post-investment monitoring and stewardship of investee companies. Through these practices, the PIC seeks to safeguard and contribute to the long-term wellbeing of employees, pensioners and beneficiaries.

EXTERNAL OVERSIGHT AND SHAREHOLDER ACCOUNTABILITY

As a state-owned entity, the PIC is subject to rigorous external oversight by Parliament and the Executive Authority:



PARLIAMENTARY OVERSIGHT

The Standing Committee on Public Accounts (SCOPA) reviews the PIC's annual financial statements and the Auditor-General of South Africa (AGSA) audit reports to evaluate financial performance and ethical conduct. Non-financial performance, service delivery and performance against key performance indicators (KPIs) included in corporate plans are overseen by the Standing Committee on Finance (SCOF) in the National Assembly and the Select Committee on Finance in the National Council of Provinces.



MINISTER OF FINANCE

As the Executive Authority and the shareholder representative, the Minister of Finance appoints Board members and concludes an annual shareholder compact with the PIC. The Minister ensures that the PIC's annual performance plan and corporate plan remain aligned with its mandate and national priorities.

CONFLICT-OF-INTEREST MANAGEMENT AND ETHICS

Ethical culture

As a custodian of public funds, the PIC is committed to maintaining the highest standards of competency, ethics and integrity. The Board and employees are legally and ethically obligated to act responsibly, exercise strict prudence over client assets and manage conflicts of interest decisively.

This commitment is operationalised through a robust suite of governance frameworks, including the Board-approved Compliance Framework and Manual, the Code of Conduct, the Code of Ethics and the Conflict-of-Interest Management Policy. Collectively, these frameworks establish mandatory procedures for identifying, declaring, avoiding and resolving actual, potential or perceived conflicts, guarding against directors' personal interests taking precedence over those of the Corporation. Similarly, the Companies Act and the Board Charter stipulate that directors may not participate in any decision or action that prioritises their interests over those of the organisation.

While the responsibility for promoting an ethical culture spans the entire organisation, primary oversight and coordination rests with the PIC's Ethics Office. To ensure its operational independence, this office is overseen by the Chief Executive Officer (CEO) and has direct, independent access to the Board through the Chairperson of the Social, Ethics and Transformation Committee (SETCO).

STAKEHOLDER MANAGEMENT

Stakeholder management is a cornerstone of the PIC's business model, as stakeholders are central to its long-term sustainability and legitimacy. The Board has adopted a stakeholder-inclusive approach that considers the organisation in its economic, social and environmental context.

The Board further endorses fairness, accountability, responsibility, transparency, integrity and competence in all dealings with stakeholders to the extent that these align with the legislation governing the PIC.

Recognising good corporate governance and effective communication are essential to delivering the PIC's mandate and protecting its brand, reputation and relationships, the Board has delegated oversight of stakeholder engagement to SETCO.

Guided by its Stakeholder Management Framework, the Corporation engaged regularly with stakeholders throughout the year under review. Detailed information on engagements with listed and unlisted investee companies is in the environmental, social and governance (ESG) section on pages 121 to 148.

Through these practices, the Board demonstrates that stakeholder inclusivity is not only a compliance requirement but a strategic enabler of legitimacy, trust and sustainable value creation.

EXTERNAL AUDIT AND ASSURANCE

The Board, as the Accounting Authority in terms of the PFMA, prepares annual financial statements and submits these to the shareholder within two months of year-end. In line with the Companies Act, an auditor is appointed to perform the external audit.

At the 2024/25 annual general meeting (AGM), the shareholder confirmed the reappointment of AGSA for the year ending 31 March 2026. The Audit and Information Technology Committee (A&ITC), in terms of the Companies Act, oversees AGSA's role, including terms of engagement, fees and effectiveness. AGSA's work complements the work of PIC's internal assurance providers. The committee also monitors auditor independence. AGSA attends all meetings and presents the final audit report and findings to the Board.



Details of AGSA's work are included in the A&ITC report on pages 04 to 07 of the annual financial statements.

CORPORATE PERFORMANCE AND REPORTING

On recommendation of the Human Resources and Remuneration Committee (HRRC), the Board annually evaluates corporate performance and executive directors, approving performance scores. The CEO evaluates other executives as part of the employee performance review process.

The Board considers the outcomes of the short-term and long-term incentive schemes and recommends awards to the shareholder for approval. The Board also approved the 2026/27 scorecard, to be assessed in 2027/28, based on KPIs agreed in the shareholder's compact and corporate plan. Objectives include financial sustainability, delivery against client expectations, ethical behaviour and leadership, transformation, ESG integration, staff turnover, retention of critical skills and the impact of skills development. Progress against the scorecard is monitored through quarterly management reports, which provide detailed analyses of financial and operational performance, budget variances, activities and KPI outcomes.

The Board is satisfied that it complied with its annual workplan-aligned duties and responsibilities during the reporting period.



THE PIC BOARD

The Board is the Accounting Authority and is responsible for controlling and managing the business and affairs of the PIC, reporting directly to the Minister of Finance. To execute its fiduciary duties and achieve good corporate governance outcomes efficiently, the Board is empowered by the PIC Act to establish standing and ad hoc committees to assist it in discharging its responsibilities.

Board members are appointed by the Minister of Finance, in consultation with Cabinet. Appointments are based on individuals' skills, qualifications and experience. Each committee operates under Board-approved terms of reference, which outline its delegated authority, scope and responsibilities. From time to time, the Board establishes committees for specific time-bound projects.

THE DIAGRAM BELOW OUTLINES THE PIC'S GOVERNANCE FRAMEWORK AND COMMITTEE STRUCTURE:



Company Secretary

The Company Secretary is accountable to the Board, through the Chairperson, and ensures that the Board and its committees function properly, maintain regulatory compliance and receive guidance on directors' statutory duties. Details of the Company Secretary's qualifications and experience are provided on page 23 of this report.

Executive management

In line with the PIC Act and Mol, the day-to-day management of the Corporation is delegated to the executive management team, led by the CEO. This team includes the Chief Financial Officer, Chief Information Officer, Chief Technology Officer, Chief Risk Officer and Chief Operating Officer. Executive management executes its duties within defined limits of authority, excluding all matters expressly reserved for the Board and its committees.

Changes to the Board

Patrick Dlamini was appointed CEO of the PIC on 1 July 2025, following a rigorous seven-month global search initiated by the PIC Board and finalised by Cabinet.

The terms of several Board members ended during the year under review. The previous Board served from 1 November 2021 to 31 October 2024. To ensure continuity, the Minister of Finance extended the Board's term until the appointment of new directors was finalised.

The Board was appointed with effect from 15 September 2025. As of 31 March 2026, the Board comprised 11 Non-Executive Directors and two Executive Directors.

Non-Executive Directors

End of term: 14 September 2025

- Ntombifuthi Mtoba (*Deputy Chairperson*)
- Barbara Watson
- Prof Bonke Dumisa
- Tryphosa Ramano
- Beverley Bouwer
- Walter Hlase
- Lufuno Mulaudzi

Executive Directors	Date of appointment
Abel Sithole*	1 August 2021
Patrick Dlamini	1 July 2025
Batandwa Damoyi	1 April 2024
Kabelo Rikhotso**	15 February 2023

*Member's term expired on 30 June 2025.

**Member resigned from the Board on 28 February 2026.

Non-Executive Directors	Date Resigned
David Masondo, <i>Chairperson</i>	23 July 2026
Mugwena Maluleke, <i>Deputy Chairperson</i>	23 July 2026
Nosiphiwo Balfour	15 July 2026
Matimba Shiburi	24 July 2026
Lerato Makwetla	21 July 2026
Stephen Boikanyo	23 July 2026
Lindy Bodewig	21 July 2026
Dorothy Kobe	21 July 2026
Rethabile Nkosi	15 July 2026
Mpumelo Maseko	21 July 2026
Lindiwe Motshwane	23 July 2026

The Directors in office at the date of this report are as follows:

Mr Seiso Mohai (*Chairperson*) (*Non-Executive Director*)
Ms Patience Nqeto (*Deputy Chairperson*) (*Non-Executive Director*)
Mr Itani Mafune (*Non-Executive Director*)
Ms Vivien McMenamin (*Non-Executive Director*)
Ms Lebogang Mokgabudi (*Non-Executive Director*)
Ms Moipone Ramoipone (*Non-Executive Director*)
Ms Bajabulile Tshabalala (*Non-Executive Director*)
Mr Patrick Dlamini (*Chief Executive Officer*) (*Executive Director*)
Ms Batandwa Damoyi (*Chief Financial Officer*) (*Executive Director*)

Non-Executive Directors were appointed on 30 July 2026.

Chairperson

The Board acknowledges the recommended practice from corporate governance frameworks to appoint an independent Non-Executive Director as Chairperson. During the reporting period, the Chairperson of the Board, Dr David Masondo, being the Deputy Minister of Finance, is not an independent director. His appointment is in accordance with the PIC Act. The roles and responsibilities of the Chairperson are documented in the Board Charter and are separate from those of the CEO.

Board roles, responsibilities and strategic execution

THE BOARD PERFORMS THREE PRINCIPAL ROLES:



DIRECTION

Steers the strategic direction of the PIC.



CONTROL

Monitors the management of the Corporation and ensures accountability through transparent reporting and disclosure.



SUPPORT AND ADVICE:

Provides an advisory role to management.

To achieve long-term organisation-wide performance, the Board continuously monitors management's execution against mutually reinforcing strategic drivers that support medium-term goals and ensure that investment performance is underpinned by a resilient business model.

The PIC has identified the following strategic drivers to achieve organisation-wide performance, which are cascaded in line with policies:



Enhancing financial sustainability through optimised operations and cost containment, while ensuring adequate organisational capacitation by employing a focused, inspired and highly competent workforce.



Strengthening compliance frameworks, embedding enterprise-wide risk management practices and maintaining a good rating on the corporate governance matrix.



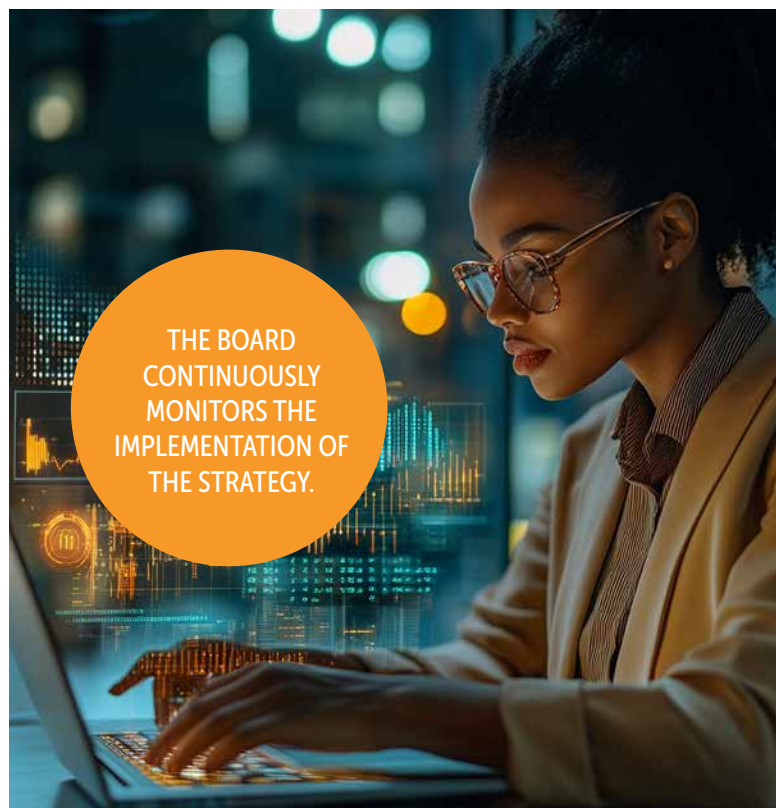
Improving and optimising operations through advanced information technology systems and enhanced digital capabilities.



Meeting client benchmark portfolio returns and money-multiple targets while strictly complying with defined client risk parameters.



Advancing diversity, transformation and socioeconomic impact through listed and unlisted investment activities.



Ethical
Culture



Effective
Control



Legitimacy



Sustainable
Value
Creation



Sustaining value in 2025/26

Guided by its fiduciary mandate and best practice outcomes, the Board ensured that governance oversight actively preserved and enhanced value during the year under review. Beyond routine deliberations, the Board's actions reinforced transparency, accountability and stakeholder trust:

- **Strategy review:** Ensured PIC strategy and structure are fit for purpose.
- **Strengthening governance structures:** Revised frameworks and mandates for agility and ethical oversight.
- **Transparent reporting:** Approved key reports and statements, providing credible disclosures.
- **Strategic alignment:** Endorsed the shareholder compact and corporate plan, embedding sustainability into strategic priorities.
- **Leadership continuity:** Appointed a new CEO and monitored succession.
- **Employee relations oversight:** Considered matters to reinforce ethical culture and accountability.
- **Organisational resilience:** Reviewed structure and filled critical vacancies.
- **Ethical remuneration:** Recommended the revised Remuneration Policy, aligned with fairness and performance to the shareholder for approval.
- **Stakeholder accountability:** Convened the AGM and reinforced legitimacy and trust.
- **Performance oversight:** Received mandate progress reports, ensuring disciplined execution.

Through these actions, the Board demonstrated that governance is not a compliance exercise but a strategic enabler of sustainable value creation for clients, beneficiaries and broader society.

Outlook and strategic alignment



In 2026/27, the Board will continue to exercise disciplined oversight while working alongside executive management, ensuring that governance remains a strategic enabler of sustainable value creation. Guided by integrated thinking, Board priorities reinforce ethical leadership, stakeholder accountability and resilience across all capitals.

Through these forward-looking priorities, the Board demonstrates its commitment to applying corporate governance principles, showing how governance oversight integrates strategy, risk, performance and sustainability.

This approach ensures that the PIC continues to preserve and enhance value for clients, beneficiaries and South African society, while preparing the institution to accelerate impact in 2026/27 and beyond.



KEY FOCUSES INCLUDE:

STREAMLINING AND AUTOMATING INVESTMENT PROCESSES

The Board will oversee digital transformation initiatives to enhance efficiency, transparency and risk control, ensuring that innovation is anchored in robust governance.



MONITORING ADHERENCE OF CLIENT MANDATES

Ensuring disciplined execution against defined risk parameters and performance benchmarks, reinforcing stakeholder trust.



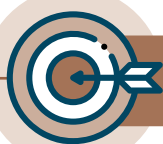
COST CONTAINMENT AND PIC SUSTAINABILITY

Governance oversight of operational efficiency and financial resilience to safeguard long-term sustainability.



PERFORMANCE MANAGEMENT SYSTEM

Strengthening accountability by monitoring performance against key performance indicators, ensuring alignment with strategic drivers and corporate governance outcomes.



DRIVING SUSTAINABLE IMPACT IN 2026/27

In 2026/27, the Board will accelerate impact by embedding ethical leadership and integrated governance into every aspect of oversight. This approach ensures that transformation, innovation and stakeholder accountability are pursued without compromising long-term value creation.

KEY COMMITMENTS INCLUDE:



WORKPLACE CULTURE ALIGNMENT

Setting the direction and tone for a workplace culture aligned with the PIC's purpose, values, strategy and mandate.



ANTI-CORRUPTION OVERSIGHT

Supporting a risk-based anti-bribery and -corruption programme to safeguard institutional integrity.



ETHICAL DECISION-MAKING

Promoting ethical, responsible and lawful decision-making.



CONFLICT OF INTEREST MANAGEMENT

Declaring and managing actual, potential or perceived conflicts of interest.



INCLUSIVE ACCOUNTABILITY

Fostering an inclusive workplace in which the PIC holds itself to account for performance and ethical conduct.



SUSTAINABLE VALUE CREATION

Creating lasting social, environmental and economic value while ensuring returns for clients are not compromised.

BOARD PROCESSES

Board composition and appointments

The PIC Board composition comprises non-executive members and executive members. The PIC Act requires that the Minister designate the Deputy Minister of Finance, or any other deputy minister in the economic cluster, in consultation with Cabinet, as Chairperson of the PIC Board. The CEO or a person of similar designation shall be one of the Executive Directors.

The appointment of the Chairperson is designated by the Minister of Finance in terms of the PIC Act, with formal notification provided. The Deputy Minister of Finance, Dr David Masondo, was appointed Chairperson of the Board.

For executive directors, the Minister submits memoranda to Cabinet. Once approved, these executives are confirmed as directors and the Board is formally informed. Patrick Dlamini, CEO and Batandwa Damoyi, CFO, are Executive Directors in accordance with the PIC Mol.

During the year under review, the PIC Board revised the PIC organisational structure by dividing the CIO role, creating three distinct CIO positions: CIO of Listed Investments, CIO of Unlisted Investments and CIO of Properties and Infrastructure, in line with the Mpati Commission recommendations. The revised PIC organisational structure enhances efficiency, strengthens accountability and prevents over-concentration of power.

For Non-Executive Directors, the Minister requested nominations from trade unions and the Government Employees Pension Fund in line with Section 6(2)(b) of the PIC Act. Additional nominations were invited through advertisements in newspapers and the Government Gazette and from former PIC Board members. National Treasury selected its own representative.

Skills, knowledge and experience

The Board is satisfied that it maintains an appropriate balance between Executive Directors and Non-Executive Directors, with a suitable mix of knowledge, skills, experience and independence. Diversity strengthens governance outcomes by supporting robust debate at Board and committee level, enhancing quality of decisions and reinforcing separation of responsibilities so that no individual has unfettered power.

The Board supplements its skills and experience with input from management and external subject-matter advisers, ensuring that its oversight remains informed, independent and aligned with best practice.

Board induction and development

On joining the PIC Board, directors participate in a comprehensive induction programme tailored to their backgrounds and the committee responsibilities. Newly appointed directors also complete a skills-analysis form, enabling the Company Secretary to design targeted training and development programmes for individual directors and for the Board.

Directors may seek guidance from the Company Secretary, internal legal counsel or independent external advisers at the organisation's expense on any matter relating to the PIC and their duties. This ensures that Board members remain well equipped to discharge their responsibilities effectively and in line with governance best practice.

Evaluating Board performance

Board evaluations assess how effectively directors discharge their roles and whether they act in the best interests of the PIC, thereby promoting the highest standards of corporate governance. Board, director and committee evaluations take place every second year, overseen by the Directors' Affairs Committee (DAC). The next Board evaluation is scheduled for 2026/27.

The skills of individual directors and the collective capabilities of the Board will be externally evaluated in November 2026.

Delegation of authority

During the year, the Board reviewed its charter and approved revised terms of reference for all committees. These updates ensure focused oversight and alignment with the delegation of authority, Companies Act amendments and corporate governance frameworks.

Board and committee meeting attendance

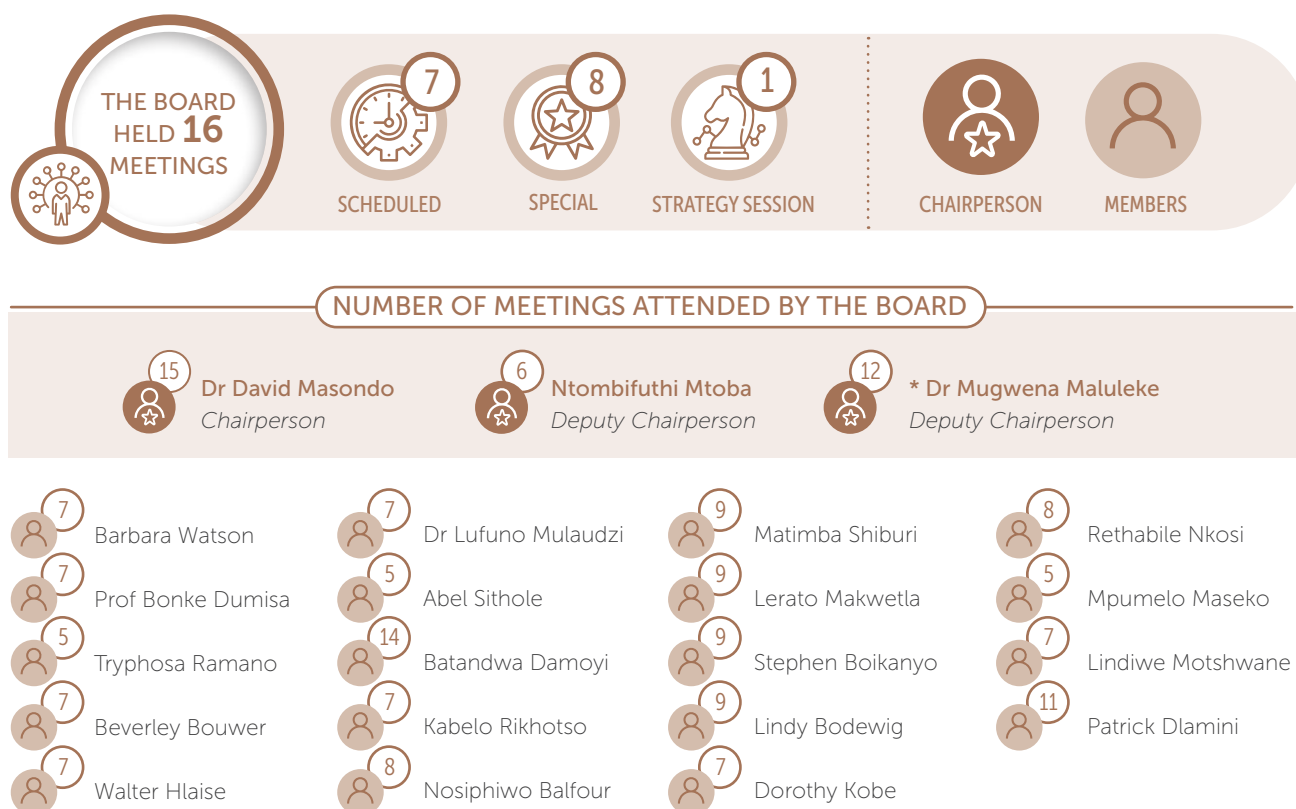
Board and committee meetings are scheduled annually in line with the key financial reporting dates, the Board Charter and committee terms of reference.

Each committee establishes an annual workplan to ensure that all responsibilities in its terms of reference are addressed.

Additional meetings may be convened with approval from the Board or committee Chairperson, or at the request of members; the Board Chairperson or - in the case of the Audit and Information Technology Committee - external or internal auditors, subject to approval by the committee Chairperson. All members must receive fair and reasonable notice of such a meeting.

Meeting attendance

The Board ordinarily meets six times in a financial year and biannually with the boards of its major clients. The meetings include a Board strategy session and attendance at the AGM.



*Appointed Deputy Chairperson from 10 October 2025.

The Board Chairperson and the Chairpersons of each committee are responsible for the effective running of their meetings and must ensure that all directors/committee members contribute fully and constructively.

For all Board and committee meetings, a quorum is achieved when most members are present in person or participate through teleconference, video conferencing or virtual platforms. However, a quorum cannot be established unless the Non-Executive Directors form the majority.

BOARD COMMITTEES

The Board delegates certain roles and responsibilities to individual directors and to standing or ad hoc committees and sub-committees. These are formally recorded in the Board Charter and the terms of reference for each committee.

Following benchmarking, governance structure changes were implemented to enhance decision-making efficiency, eliminate duplication of efforts, streamline investment processes and reduce Board fee costs. The Information, Communication and Technology Governance Committee was merged with the Audit Committee to form the A&ITC. The Group Investment Committee was dissolved. The Investment Committee - Unlisted Property Investments (IC-UPI) and the Investment Committee - Unlisted Investments (IC-IU) were consolidated into the Investment Committee – Unlisted Investments and Unlisted Properties (IC-UI&UPI) effective October 2025.

The Board and committees were chaired by Non-Executive Directors, reinforcing independence and accountability. Details of composition, meeting attendance and activities for the reporting period are detailed on the proceeding pages.



Audit and Information Technology Committee

The A&ITC combines financial oversight with technology and information governance, ensuring that both assurance and innovation are anchored in disciplined governance.

The committee was established as a statutory committee and is responsible for providing oversight of internal financial controls and accounting systems, internal and external audit, annual financial statements and the integrated annual report.

Additional focuses include ensuring that the PIC's technology and systems support the achievement of strategic objectives and competitiveness. The committee assists the Board in overseeing the development and implementation of the Information Technology Governance Charter, policies and processes that enhance organisational performance and sustainability.

GOVERNANCE OUTCOMES ALIGNED WITH BEST PRACTICE PRINCIPLES ARE DEMONSTRATED BY THE A&ITC THROUGH



Transparency and accountability in financial reporting and information use.



Robust internal controls, risk management, compliance and cyber resilience.



Stakeholder confidence through independent non executive oversight.



Financial assurance with technology innovation to support safe capital deployment, resilient systems and long-term competitiveness.

The committee's purpose, role and key activities during the reporting period are detailed on pages 04 to 07 of the annual financial report.

Composition and meeting attendance summary

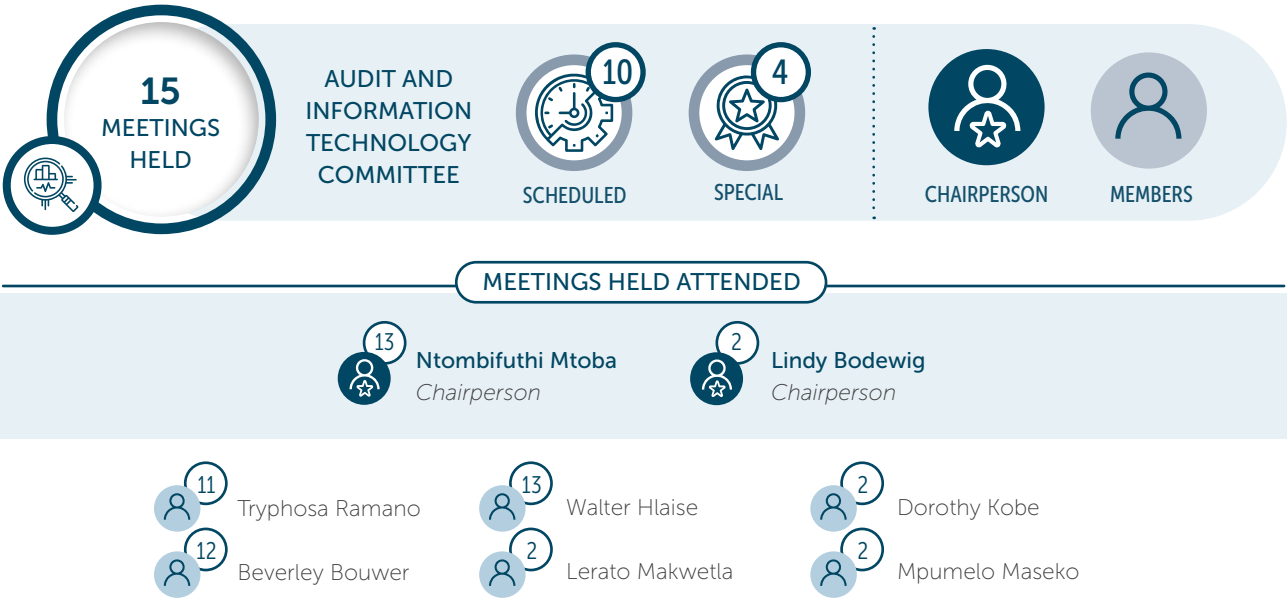
Members of the A&ITC are appointed at the AGM by the shareholder. In line with the Companies Act and the Mol, all three members must be both non-executive and independent directors.



FURTHER REQUIREMENTS INCLUDE:

- Chairperson appointment from among their ranks.
- Majority members financially literate, with at least one having recent and relevant financial experience.
- At least one member serving concurrently on the Risk Committee.
- Board Chairperson not eligible for membership.

The committee meets at least eight times per year including:





Social, Ethics and Transformation Committee

SETCO ensures that the PIC remains a responsible corporate citizen by overseeing ethics, sustainable development and stakeholder relationships.

GOVERNANCE OUTCOMES ALIGNED WITH CORPORATE GOVERNANCE FRAMEWORKS ARE DEMONSTRATED BY



SETCO embedding integrity and accountability in organisational practices.



Strengthening transparency and stakeholder trust through quarterly and annual reporting.

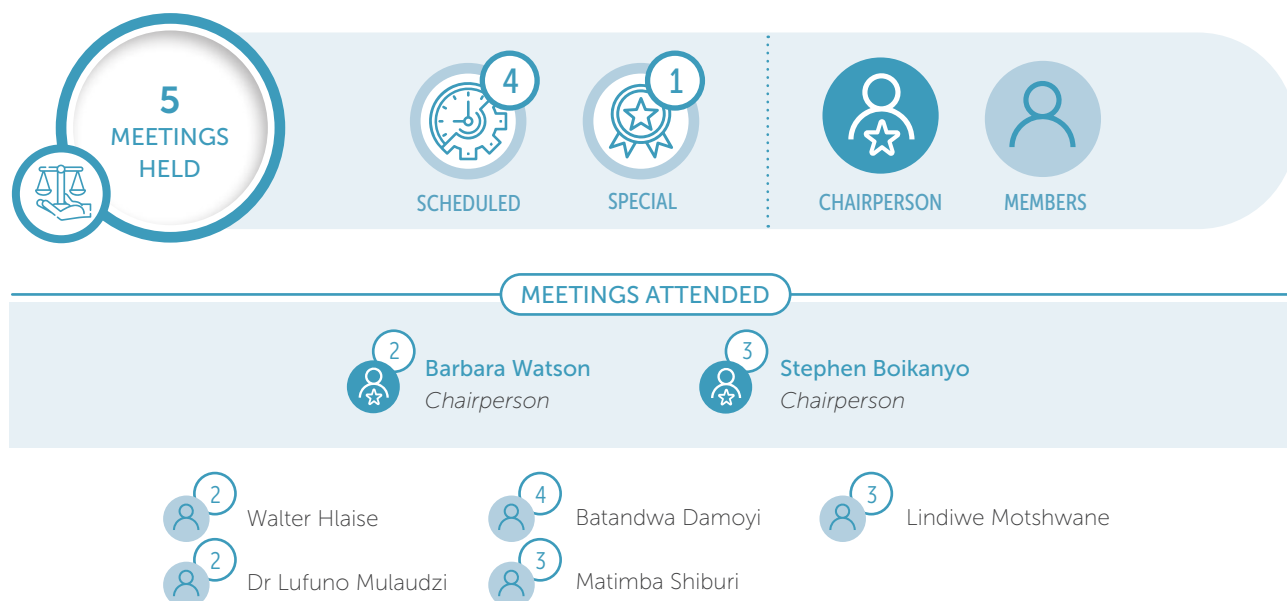


Ensuring diverse voices are considered in decision-making through oversight of stakeholder relationships.

SETCO was established in terms of the Companies Act and, as a statutory committee, reports quarterly (or as required) to the Board and annually to the shareholder at the AGM. SETCO's purpose, role and key activities during the reporting period are detailed on page 190 of this report.

Composition and meeting attendance:

- SETCO has at least five members, including both Non-Executive Directors and Executive Directors, with most being non-executive.
- A Non-Executive Director is Chairperson.
- Members must collectively have sufficient qualifications, capacity, knowledge and experience.
- The Board Chairperson may serve as a member but not its Chairperson.
- The committee meets quarterly but more frequently, if required.





Directors' Affairs Committee

DAC ensures that Board composition, director evaluation and nomination processes are transparent, credible and aligned with governance best practice.

GOVERNANCE OUTCOMES ALIGNED WITH CORPORATE GOVERNANCE FRAMEWORKS ARE DEMONSTRATED BY



DAC through reinforcing integrity, fairness and accountability in leadership.



Ensuring the Board balance of skills, independence and capacity.



Strengthening stakeholder confidence through transparent nomination and benchmarking.



Supporting long-term stability, resilience and value creation by aligning director qualifications with strategic objectives.

DAC was established in terms of the Companies Act. It assists the Board with oversight of corporate governance, director evaluation and remuneration and the nomination of directors for appointment to investee company boards. It ensures that nomination is transparent and that qualified individuals are identified for appointment to the PIC Board or investee company boards.

Composition and meeting attendance:

- Membership previously comprised the Board Chairperson, committee Chairpersons and an Executive Director. Following a benchmarking exercise, membership was revised to include the Board Chairperson, the HRRC Chairperson and an Executive Director.
- The Board Chairperson is DAC Chairperson.
- Members must collectively possess qualifications, capacity, knowledge and experience.
- The committee meets at least quarterly but more frequently if need be.



MEETINGS ATTENDED



Dr David Masondo
Chairperson



Ntombifuthi Mtoba



Beverley Bouwer



Dr Mugwena Maluleke



Abel Sithole



Tryphosa Ramano



Barbara Watson



Walter Hlaise



Patrick Dlamini



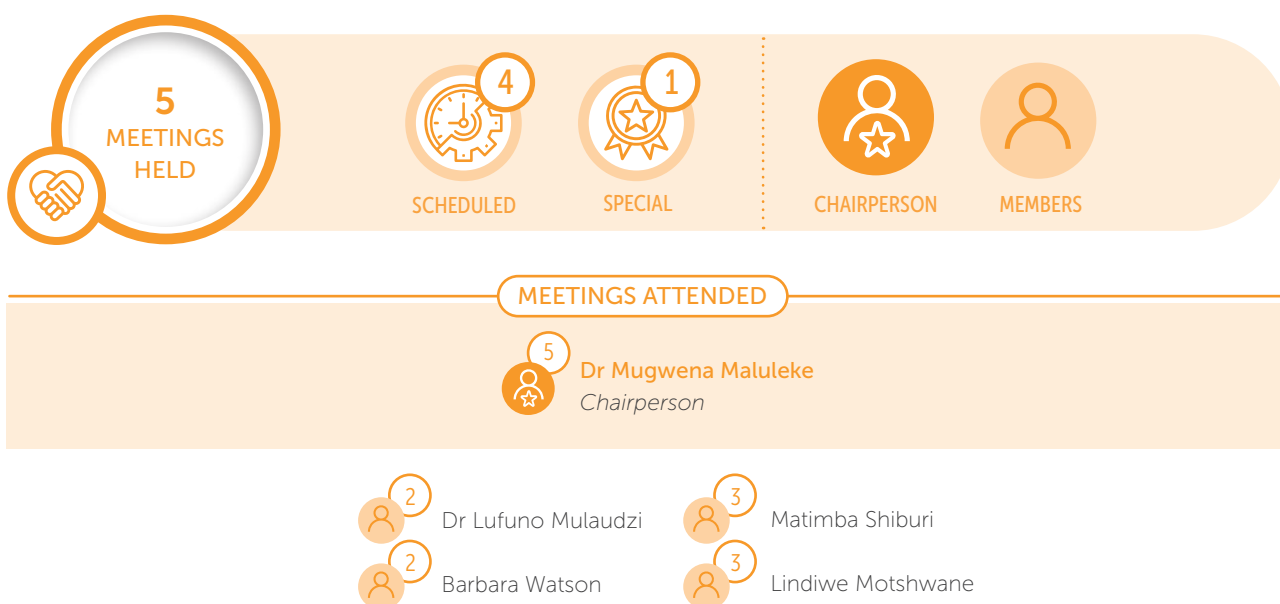
Human Resources and Remuneration Committee

The Human Resources and Remuneration Committee (HRRC) ensures that the PIC's human resources strategy and remuneration governance are aligned with ethical standards, stakeholder expectations and long-term value creation.

The HRRC was established in terms of the Companies Act. The committee assists the Board in overseeing the development and implementation of the Board-adopted human resources strategy and the governance of remuneration, including the establishment of a remuneration policy and setting remuneration principles and parameters.

Composition and meeting attendance:

- The HRRC comprises at least three members, all Non-Executive Directors.
- The Board Chairperson may serve as a member of the committee, but not as Chairperson.
- A Non-Executive Director is appointed as HRRC Chairperson.
- Members must collectively have sufficient qualifications, knowledge and experience.
- The committee meets at least four times a financial year but more frequently if need be.





Risk Committee

The Risk Committee ensures that the PIC's enterprise wide risk management practices are robust, forward-looking and aligned with strategic objectives.

The committee was established in terms of the Companies Act to assist the Board with oversight of risk exposures and strategy. It oversees and approves enterprise-wide risk management practices.

Composition and meeting attendance:

- The Risk Committee has at least two members, all Non-Executive Directors.
- At least one committee member shall be a member of the Audit and Information Technology Committee.
- The Board Chairperson is not eligible to be a committee member.
- The Board shall appoint a Non-Executive Director as Risk Committee Chairperson.
- Members must have sufficient qualifications, knowledge and experience.
- The committee meets at least four times a financial year but more frequently if need be.



CHAIRPERSON



MEMBERS

MEETINGS ATTENDED



Beverley Bouwer
Chairperson



Nosiphiwo Balfour
Chairperson



Ntombifuthi Mtoba



Prof Bonke Dumisa



Lerato Makwetla



Mpumelo Maseko



Walter Hlaise



Batandwa Damoyi



Rethabile Nkosi



Patrick Dlamini



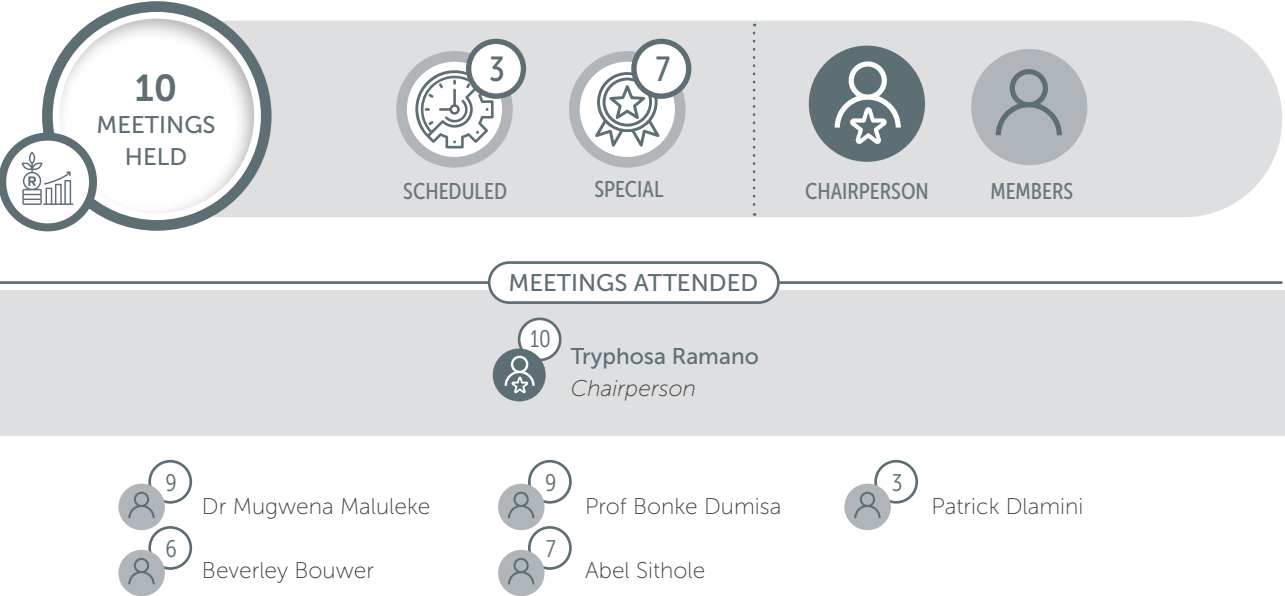
Group Investment Committee

The Group Investment Committee (GIC) assisted the Board with statutory duties and oversight responsibilities for investment activities.

The investment sub-committees were accountable to the Board through GIC, ensuring coordinated governance of investment decisions.

Composition and meeting attendance:

- GIC had at least three members, consisting of Non-Executive Directors and Executive Directors, most having been Non-Executive Directors.
- The Board appointed a Non-Executive Director as GIC Chairperson.
- GIC members had sufficient qualifications, capacity, knowledge and experience.
- GIC met at least six times a financial year but more frequently if necessary.



The GIC was dissolved in October 2025.



Investment Committee - Unlisted Investments

The IC-IU assisted the Board with its statutory duties and oversight responsibilities for investment activities.

Composition and meeting attendance:

- IC-IU had at least three members, consisting of Non-Executive Directors and Executive Directors, most of whom were Non-Executive Directors.
- The Board appointed a Non-Executive Director as IC-IU Chairperson.
- IC-IU members had sufficient qualifications, capacity, knowledge and experience.
- IC-IU met at least eight times a financial year but more frequently if necessary.



Investment Committee - Unlisted Property Investments

The IC-UPI assisted the Board in its statutory duties and oversight responsibilities for investment activities.

Composition and meeting attendance:

- IC-UPI had at least three members, consisting of Non-Executive Directors and Executive Directors, most of whom were Non-Executive Directors.
- The Board appointed a Non-Executive Director as IC-UPI Chairperson.
- IC-UPI members had sufficient qualifications, capacity, knowledge and experience.
- IC-UPI met at least eight times a financial year but more frequently if necessary.





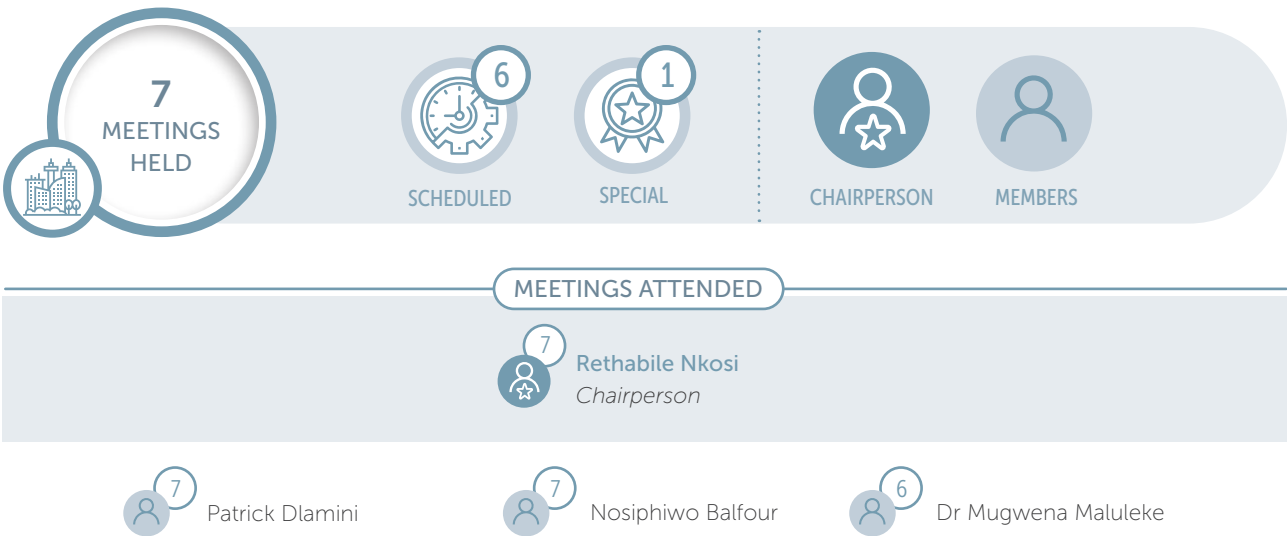
Investment Committee – Unlisted Investments and Unlisted Properties Investments

The IC-UI and IC-UPI were consolidated into the Investment Committee–Unlisted Investments and Unlisted Properties, effective October 2025.

This committee assists the Board in its statutory duties and oversight responsibilities for unlisted investments and unlisted properties investments. It provides governance over investment mandates and ensures alignment with the Board adopted investment strategy.

Composition and meeting attendance:

- The committee has at least three members, including both Non-Executive and Executive Directors, with most being Non-Executive.
- A Non-Executive Director was appointed Chairperson.
- Members must have sufficient qualifications, capacity, knowledge and experience.
- The committee meets at least six times per financial year but more frequently if need be.



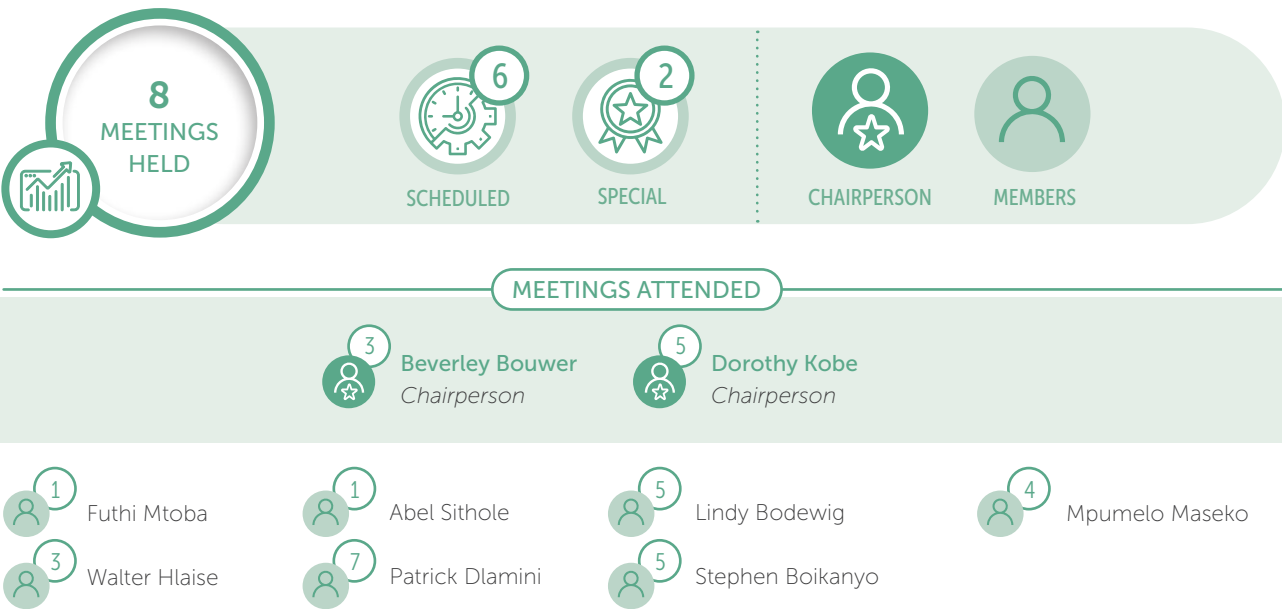


Investment Committee – Listed Investments

The Investment Committee – Listed Investments (IC-LI) assists the Board in its statutory duties and oversight of listed investment activities in line with approved mandates and the Board-adopted investment strategy.

Composition and meeting attendance:

- IC-LI comprises at least five members, including Non-Executive Directors and Executive Directors, most being Non-Executive directors.
- A Non-Executive Director is appointed IC-LI Chairperson.
- Members must collectively possess sufficient qualifications, capacity, knowledge and experience.
- The committee meets at least six times a financial year or more frequently if need be.



GOVERNANCE OUTCOMES ALIGNED WITH CORPORATE GOVERNANCE FRAMEWORKS ARE DEMONSTRATED BY



The consolidated investment committees through reinforcing integrity and accountability in investment decision-making.



Ensuring disciplined oversight of mandates, risk and performance.



Strengthening stakeholder confidence through transparent reporting and independent governance structures.



Deploying capital responsibly to drive long-term competitiveness, infrastructure development and societal impact.

COMPLIANCE GOVERNANCE

Compliance is key to protecting stakeholder interests, upholding the PIC's licence to operate and deliver its mandate sustainably. Compliance safeguards assets, reputation and long-term value by ensuring adherence to legal, regulatory and ethical standards. Through more effective compliance processes, the PIC strengthens resilience and protects stakeholder confidence.

Regulatory and conduct risks are proactively identified and managed, enhancing operational efficiency and underpinning sustainable stewardship of the PIC's diverse capitals, notably intellectual and social and relationship capital (by maintaining stakeholder trust). This approach contributes to enduring value creation and mitigates value erosion, supporting informed decision-making and organisational resilience in an ever-evolving regulatory environment.



Governance and compliance are inherently interconnected and responsible for sustainable outcomes.



Governance establishes

strategic direction and ethical foundation for decision-making.



Compliance ensures

organisational actions, behaviours and processes consistently align with applicable laws, policies, investment mandates and regulatory expectations.

Together, they safeguard the integrity of the PIC's business practices and the long-term interests of clients and beneficiaries.

Through its various committees, including the Audit and Information Technology Committee, the Risk Committee and investment governance committees, the Board exercises effective oversight of compliance matters. Regular reporting enables timely consideration of emerging risks, regulatory developments and the effectiveness of control measures, supporting informed oversight and sustainable value protection over the medium- to long-term.

The Compliance division reports directly to the Board through the Audit and Information Technology Committee and administratively to the Chief Executive Officer. Led by the Head: Compliance, the function ensures that compliance initiatives remain aligned to the PIC's strategic objectives, regulatory obligations and evolving stakeholder expectations. This supports prudent risk management, responsible investment and mandate execution.



PILLARS OF THE PIC COMPLIANCE DIVISION



REGULATORY COMPLIANCE

- Monitor and assess compliance with legislation, policies and procedures and report matters to EXCO, the Board and regulators where required.
- Track and report on business units' remediation of compliance findings from compliance audits.
- Oversee compliance with the PIC's FAIS licence conditions, including the preparation and submission of regulatory reports to the Regulators.
- Daily pre- and post-trade monitoring of PIC's holdings in listed equity stocks and collective investment schemes funds and report to relevant stakeholders.



LEGAL COMPLIANCE

- Maintain the PIC's regulatory universe, including identifying, reviewing and risk rating applicable legislations based on its impact on operations.
- Monitor regulatory developments and report changes, risks and compliance implications to business units, management committees and the Board.
- Develop, maintain and oversee compliance risk management plans for legislation, including identifying and recommending controls.
- Provide compliance training and awareness on legislative and policy requirements and develop, implement and maintain compliance policies and procedures.
- Offer ongoing compliance advice and guidance to support informed decision-making across the business.



ANTI-MONEY-LAUNDERING

- Perform and oversee anti-money laundering, counter financing of terrorism and proliferation financing in accordance with the Financial Intelligence Centre Amendment Act No. 1 of 2017 (FICA).
- Assess FICA Know Your Customer documentation for clients, investee companies and beneficial owners, issuing FICA compliance certificates and conducting initial and ongoing risk rating assessments.
- Identify, analyse and report suspicious or unusual transactions and terrorist property to the Financial Intelligence Centre.
- Screen clients, investee companies and beneficial owners against United Nations and other sanctions lists and report matches as required.
- Review, maintain and implement the Risk Management and Compliance Programme, including legislative updates.



MANDATE COMPLIANCE

- Develop and maintain measures to ensure compliance with client mandate requirements.
- Monitor client mandate compliance daily to enable timely identification and remediation of potential breaches.
- Prepare and present mandate compliance reports to management committees and clients.
- Compile AuM reports for submission to the Regulator and provide daily and weekly investment positions to portfolio managers to support decision-making.
- Guide, advise and support the business to implement client mandate requirements.

COMPLIANCE POLICIES, PROCEDURES AND STANDARDS IN PLACE

The Board-approved Compliance Charter and the Compliance Framework, including policies, procedures and standards, guide compliance with regulatory obligations. The policies are reviewed and updated regularly to reflect internal developments and address the changing external regulatory environment and emerging risks.

REGULATORY INSTRUMENTS/LAWS WITH STRATEGIC IMPACT

The PIC's regulatory universe enables it to promote awareness and streamline compliance-risk-management processes.

SUSTAINING VALUE IN 2025/26

- Successful conclusion of the 2025/26 Compliance Annual Plan, ensuring planned initiatives are embedded across the organisation.
- Mandatory compliance training in FAIS, FICA and the FMA is completed by all employees, reinforcing ethical culture through awareness of regulatory obligations and conduct standards.
- Proactive monitoring of regulatory updates, ensuring timely adoption of new laws and regulations and reducing compliance risk.
- Implemented and digitised compliance risk management processes across business operations to enhance good performance, improving operational efficiency and resilience through automation.
- Automated employee personal trading disclosures, streamlining compliance and reducing the risk of insider trading. These advancements are essential for operational excellence and robust governance.
- Development and implementation of the Compliance Connect portal, enhancing compliance communication across the organisation.
- Creating awareness of the shared responsibility for the PIC's mandate through the 'Know your Mandate' campaign.
- Entrenchment of mandate compliance in investments, providing real-time mandate-fit assessment to safeguard client interests.
- Development of automated platforms for FICA's Know Your Customer, politically exposed persons and FAIS platforms, streamlining compliance operations and enabling scalable, efficient oversight.

Engagements with regulatory bodies

The PIC meets regularly with regulators to foster transparent and open relationships.



REGULATIONS THAT AFFECT THE PIC

Public Investment Corporation Act 23 of 2004.

Companies Act 71 of 2008.

Financial Advisory and Intermediary Services Act 37 of 2002.

Public Finance Management Act 1 of 1999.

Financial Intelligence Centre Amendment Act 1 of 2017.

Financial Sector Regulation Act 9 of 2017.

Financial Markets Act 19 of 2012.

Protection of Personal Information Act 4 of 2013.

Preferential Procurement Policy Framework Act 5 of 2000.

Employment Equity Act 55 of 1998.



UPCOMING STRATEGIC IMPACTS

Conduct of Financial Institutions Bill of 2026.

Public Procurement Act, 2024, with new regulations.

Draft Protected Disclosures Bill of 2026.

Draft National Consumer Financial
Education Policy of 2026.

Draft Capital Flow Management
Regulations of 2026.

Draft General Laws (Anti-Money-Laundering and
Combatting Terrorism Financing) Amendment Bill of 2025.

Climate Change Act 22 of 2024.

Employment Equity Amendment Bill of 2026.

OUTLOOK AND STRATEGIC ALIGNMENT

The Compliance division will continue to support resilience, efficiency and governance outcomes by strengthening integrated value creation across the PIC's capitals. Focus areas include:



Continuous digitisation of compliance operations to enhance performance by improving efficiency, scalability and responsiveness in risk-management processes



Support on suspicious transaction awareness and escalation, particularly for complex investments, counterparties or structures, reinforcing vigilance and accountability across business units and investment teams.



Integration of anti-money-laundering and mandate compliance in investment processes, ensuring financial crime and mandate misalignment risks are identified early and mitigated.



Ongoing awareness of compliance as a collective responsibility to deepen stakeholder trust in PIC governance.



DRIVING SUSTAINABLE IMPACT IN 2026/27

In 2026/27, the Compliance division will further support sustainable performance by ensuring that governance and oversight translate into measurable impact across the PIC's capitals.

The emphasis will be on:

- A strong compliance culture that promotes ethical conduct, accountability and adherence to regulatory obligations across all business units.
- Stakeholder engagement and communication to instil confidence in compliance practices and governance outcomes.
- Consistent demonstration of integrity in mandate execution and regulatory compliance to protect the PIC's licence to operate.
- Recalibrating the compliance operating model to be efficient and strategically aligned with organisational priorities.

COMPLIANCE



The Risk Committee is
pleased to present its report
for the financial year ended
31 March 2026.



MS NOSIPHIWO BALFOUR
Chairperson: Risk Committee

RISK COMMITTEE REPORT

Comprising six members with diverse expertise, the committee's composition meets independence requirements of section 94 of the Companies Act and the King V™ Code on Corporate Governance, and provides robust oversight of the PIC's risk profile and institutional resilience. Each member's qualifications and experience are set out in their profiles on pages 18 to 23.

The Risk Committee Chairperson reports to the Board on the committee's activities and the matters discussed at each quarterly meeting, highlighting the status of the risk profile and any key items that the committee believes require action. The Chairperson also provides recommendations for their resolution.

PURPOSE OF THE RISK COMMITTEE

The Risk Committee is independent and does not assume management functions. It supports the Board by reviewing and recommending the PIC's Enterprise Risk Management Framework (ERMF) for Board approval.

THE RISK COMMITTEE ASSISTS THE BOARD WITH:



Ensuring that management has comprehensively identified and assessed the PIC's risks and has established a robust control environment to address them effectively.



Overseeing, together with other Board committees, the full spectrum of strategic, financial, credit, market, liquidity, information technology, regulatory, reputational and emerging risks to safeguard resilience.



Monitoring adherence to client mandates and the regulatory requirements of the FAIS Act, the Public Finance Management Act and the Financial Markets Act through management's quarterly reporting.



Reviewing and reporting quarterly to the Board on the PIC's risk profile to support transparency and informed oversight.



KEY FOCUSES FOR THE REVIEW YEAR

- Reviewed and recommended the Enterprise Risk Management Framework and Risk Appetite Framework for Board approval, ensuring alignment with the PIC's strategic objectives.
- Reviewed and recommended all risk management policies scheduled for review, confirming that they remained fit for purpose.
- Monitored key and emerging risks, ensuring that mitigants were appropriate and responsive.
- Tracked risk appetite each quarter to ensure that the framework guided all assumed risks.
- Considered quarterly reports on market, liquidity, concentration, portfolio attribution and operational risks.
- Assessed and monitored impairments relating to AuM.
- Reviewed mandate compliance quarterly to ensure transactions adhered to approved client mandates.
- Considered legal risk through reports from the Investment and Corporate Legal Departments.
- Received and evaluated reports providing insight into reputational risk.

- Considered and approved the Chief Risk Officer's balanced scorecard.
- Reviewed the effectiveness of the PIC's internal controls and risk management processes, confirming the robustness of processes, systems and the control environment.

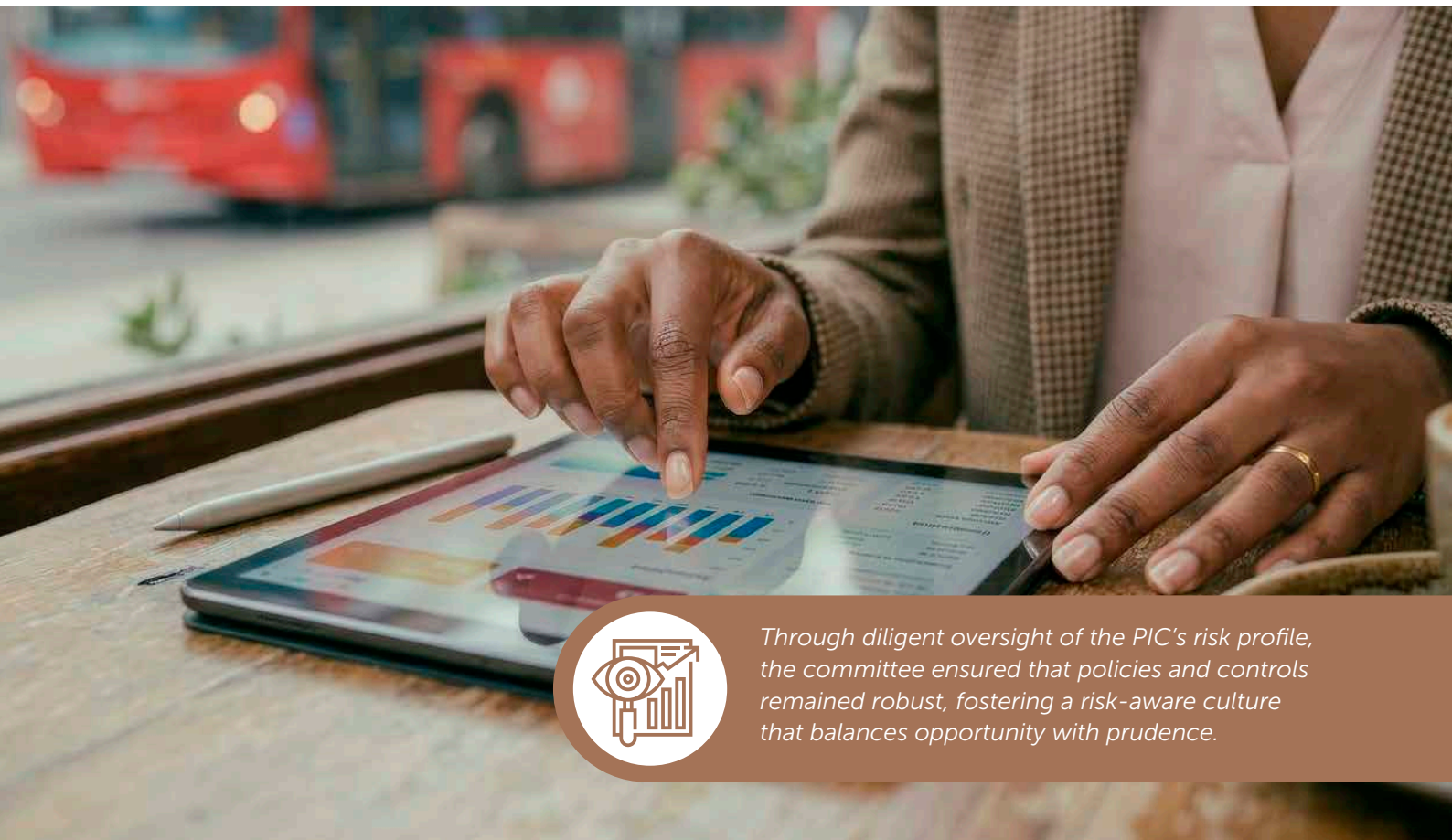
CONCLUSION

Through diligent oversight of the PIC's risk profile, the committee ensured that policies and controls remained robust, fostering a risk-aware culture that balances opportunity with prudence.

The Risk Committee is confident that it has fully discharged the roles and responsibilities set out in its terms of reference. I thank the committee members for their dedication and contribution during the year.

Nosiphiwo Balfour

CHAIRPERSON: RISK COMMITTEE



Through diligent oversight of the PIC's risk profile, the committee ensured that policies and controls remained robust, fostering a risk-aware culture that balances opportunity with prudence.

The committee composition and meeting attendance are contained on page 176.

Each SETCO member's qualifications and experience are set out under their profiles on pages 18 to 23.



MR STEPHEN BOIKANYO
Chairperson: Social, Ethics and Transformation Committee

SOCIAL, ETHICS AND TRANSFORMATION COMMITTEE REPORT

The Social, Ethics and Transformation Committee (SETCO) is pleased to present its report for the financial year ended 31 March 2026. Constituted as a statutory committee in terms of Sections 72(4) to (10), read with Regulation 43, of the Companies Act No. 71 of 2008 (Companies Act), the SETCO operates under a Board-approved mandate.

Following recent amendments to the Companies Act, which emphasise the importance of ethical conduct, social responsibility and stakeholder engagement, the committee reviewed and aligned its terms of reference and workplan accordingly.

GOVERNANCE OUTCOMES ALIGNED WITH KING V™

PRINCIPLES ARE DEMONSTRATED BY THE SETCO THROUGH:



Advancing sustainable value creation by promoting inclusive growth, transformation and responsible corporate citizenship.



Strengthening stakeholder confidence through transparent monitoring and reporting.



Ensuring disciplined oversight of ethics, transformation and stakeholder relationships.



Embedding integrity and accountability in organisational practices.

The PIC remains a responsible corporate citizen, committed to creating long-term value for its clients and positively contributing to South African society.

Through regular engagements with management and robust review processes, the committee ensured that the PIC remains a responsible corporate citizen, committed to creating long-term value for its clients and positively contributing to South African society. The SETCO's oversight and monitoring reinforce transparency, accountability and integrity in all investment decisions, stakeholder interactions and daily operations.

The committee monitors and reviews PIC governance documents and policies for ethics, responsible corporate citizenship, sustainable development, stakeholder relationships, transformation and workplace practices, including safety, health, labour and employment practices. It also oversees ethics and reputational risks referred by Board committees, ensuring transparency, accountability, and integrity across investment decisions and daily operations.

During the year, the SETCO monitored compliance with legislation and best practices, including the United Nations Global Compact, the Organisation for Economic Cooperation and Development recommendations on anti-corruption, the Employment Equity Act (EEA), and the Broad-Based Black Economic Empowerment Act (B-BBEE Act), to reinforce the PIC's role as a responsible corporate citizen, committed to long-term value creation.

KEY FOCUS AREAS FOR 2025/26

Ethics review

THE SETCO'S OVERSIGHT OF ETHICS:



Embeds integrity and accountability in the organisational culture.



Ensure disciplined control through policy reviews, risk assessments and reporting mechanisms.



Reinforces trust and legitimacy via the transparent monitoring of gifts, conflicts of interest and ethical reporting channels.



Advancing sustainable value creation by promoting ethical behaviour, responsible investment practices and proactive management of reputational risk.

The committee's oversight of ethics management is ongoing, ensuring ethics considerations are integrated into business operations, including investment transactions where heightened ethical or reputational risks are identified and reviewed.

During the year under review, the SETCO strengthened ethics governance by assessing high-risk investment transactions, enhancing the ethics framework through targeted policy review and development, and maintaining oversight of key ethics programme elements and reporting mechanisms, to reinforce accountability and compliance.

The committee monitored progress on the Ethics Strategy and Management Plan (2024 to 2027), approved by the Board in December 2024. By year-end, six of the 14 interventions (43%) were on track, with two scheduled for completion in the first quarter of the new financial year. These interventions – spanning training, policy development, reporting mechanisms, leadership initiatives and communication platforms – collectively reinforce transparency, ethical decision-making and the promotion of ethical behaviour across the organisation.



Ethics and reputational risk assessment in investment opportunities

To address ethical and reputational risks proactively, the Investment Committee integrated the Ethics Office into its evaluation of investment opportunities from May 2024. Consequently, referrals to the SETCO of potentially high-reputational-risk investments have increased.

INVESTMENT PORTFOLIOS



Governance process



The Ethics Office has also refined the ethics referral process to incorporate lessons learned, and aligned the process with recent governance changes, ensuring streamlined assessment and effective oversight. Under the updated process, the SETCO receives comprehensive transaction overviews and recommendations, reinforcing transparency, accountability, ethical discipline and reputational risk management.

Policy review

To ensure ongoing compliance and alignment with best practice, PIC policies are continuously monitored and reviewed in response to legislative amendments. The Ethics Office reviews and amends policies and processes and submits them to the SETCO for consideration.

During the year under review, and at the request of the SETCO, the Audit and Information Technology Committee and the Board, the Ethics Office developed the Lifestyle Audit Policy, which was approved in the second quarter of 2025/26.

This policy strengthens the PIC’s ethical governance framework by detecting and deterring integrity-related risks, reinforcing accountability in high-risk roles and demonstrating the Corporation’s commitment to ethical conduct, transparency and proactive management. A policy implementation plan was subsequently developed and progressed through governance processes before receiving Board approval.

Additionally, the following policies, processes and guidelines were reviewed and recommended by the SETCO for approval by the Board, with some being approved by the SETCO:



Reporting of other ethics programme elements

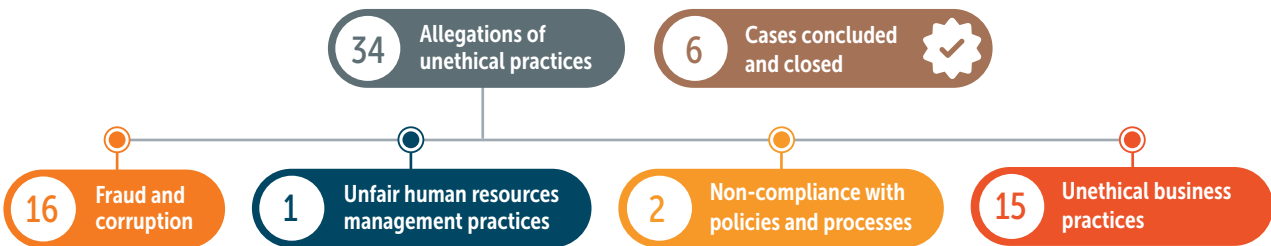
The SETCO oversaw the ethics programme elements. Forty-four gifts were declared, of which 39 were approved. The annual conflict-of-interest declarations process was rolled out on 30 September 2025, with full completion by 31 March 2026.

Ethics reporting channels

The three ethics reporting channels recorded 34 allegations of unethical practices during the reporting period. Six were concluded and closed, with the balance still being investigated at year-end.



NUMBER OF ALLEGATIONS REPORTED



Human capital review

THE SETCO'S OVERSIGHT OF HUMAN CAPITAL:



Embeds fairness, inclusivity and accountability in workforce practices.



Ensuring disciplined monitoring of employment equity, remuneration and skills development.



This reinforces trust and legitimacy through transparent reporting on diversity and transformation.



Advancing sustainable value creation by investing in employee development, graduate pipelines, and inclusive workplace practices.

At the end of the reporting period, the PIC's total workforce remained stable at 443, with a demographic profile that is predominantly black (African 85.3%, Indian 5%, Coloured 4.3% and White employees 5.4%). Gender composition remained unchanged, with women accounting for 55% and males 45%, while representation of persons with disabilities increased marginally to 2.7% (2024/25: 2.5%).

The Corporation invested more than R18 million in skills development initiatives, supporting training programmes, graduate development and bursaries for unemployed youth. A total of 433 employees (97.7% of the workforce) participated

in training, reinforcing the PIC's commitment to continuous skills enhancement. Training ensures employees remain up to date with developments in the asset management and investment industry.

A key pillar of the PIC's talent development strategy, the flagship PICeeds graduate programme, continues to deliver strong outcomes, equipping graduates with critical skills and building a sustainable pipeline of professionals. During the year under review, 27 graduates were inducted, reflecting the programme's effectiveness in talent attraction and development.

PIC'S TOTAL
WORKFORCE



85.3%
African

5.4%
White

5%
Indian

4.3%
Coloured



55%
Women



45%
Male

Stakeholder relationship management

THE SETCO'S OVERSIGHT OF THIS ELEMENT:



Embeds transparency and accountability in stakeholder engagement practices.



Ensuring disciplined monitoring of ESG engagements, media relations and client interactions.



This reinforces trust and credibility through responsive management of reputational risks and stakeholder concerns.



Advancing sustainable value creation by fostering inclusive, long-term relationships with clients, regulators, government, oversight bodies and society.

The PIC's stakeholder base, including clients, investee companies, regulators, the shareholder (government), oversight bodies such as Parliament and the public, reinforces the importance of stakeholder relationship management.

SETCO oversight

The SETCO receives quarterly reports on stakeholder management, including ESG engagements with investee companies, media relations, client relations and other stakeholder meetings and corporate social investment initiatives. Media reports are a key indicator of reputational risk. Stakeholder and reputational risks are referred to the Board for information and oversight.

During the year under review, the SETCO recommended the revised Stakeholder Management Framework to the Board for approval.



For detailed insights into the PIC's stakeholder engagements, please refer to pages 63 to 68 of this report.

Safety, health and environmental review

THE SETCO'S OVERSIGHT OF SAFETY, HEALTH AND ENVIRONMENTAL PRACTICES:



Reinforces a culture of wellbeing, responsibility and environmental stewardship across the organisation.



Ensuring disciplined monitoring of safety, health and environmental risks, compliance with Occupational Health and Safety Act requirements and regular reporting to the Board.



This strengthens trust and legitimacy through transparent disclosure of workplace safety and environmental performance.



Advances sustainable value creation by safeguarding employees, protecting property and minimising environmental impact.

The PIC's Safety, Health and Environmental Policy fosters a strong culture to mitigate work-related accidents and illnesses. The Safety, Health and Environmental Office oversees compliance to ensure the PIC's operations protect the wellbeing of employees, safeguard property and minimise environmental impact.

The office identifies, manages and monitors risks, reporting quarterly to the SETCO. During the year under review, all fire equipment was regularly serviced in line with the annual service plan and training was conducted for existing and new staff to reinforce the importance of a safe working environment.

The PIC's Safety, Health and Environmental Committee ensures the initiation, promotion, maintenance and review of measures to safeguard the health and safety of PIC employees. Constituted in terms of the Occupational Health and Safety Act, the committee assists executive management in continuously considering employee and public safety, health, and environmental impact, while maintaining its independent advisory role distinct from management's operational responsibilities.

No injuries while on duty were reported to the SETCO or other Board committees during 2025/26. Managers, employees and new recruits received training to avoid incidents and ensure a safe workplace.

An evacuation drill was conducted in line with legislation and the PIC's policy.



Fire equipment was regularly serviced.



Training was conducted to reinforce the importance of a safe working environment.



Corporate social investment review

THE SETCO'S OVERSIGHT OF CORPORATE SOCIAL INVESTMENT (CSI)



Embeds responsible corporate citizenship and ethical leadership in the PIC's community initiatives.



Ensuring disciplined monitoring of CSI allocations and alignment with national and global development frameworks.



This reinforces trust and legitimacy through transparent reporting on social impact and responsiveness to systemic development challenges.



The SETCO advocates for sustainable value creation and for CSI investments in education, socio-economic development and environmental sustainability to empower the youth, women and persons with disabilities.

SETCO oversight

The PIC positions CSI as a strategic enabler of inclusive growth that reinforces its commitment to responsible corporate citizenship and sustainable socio-economic development. Aligned with the National Development Plan (NDP), the United Nations Sustainable Development Goals (SDGs) and King V™, the programme ensures that initiatives are impact-driven, well-governed and responsive to systemic development challenges.

ALIGNED
WITH



National Development
Plan (NDP)



United Nations Sustainable
Development Goals (SDGs)



King V™

The programme ensures that initiatives are impact-driven, well-governed and responsive to systemic development challenges.

The PIC allocates a percentage of its net profit after tax to corporate social investment. During 2025/26, more than R3.7 million was invested in initiatives that expanded opportunities for marginalised communities. The strategy prioritises education and training, socio-economic development, agriculture and environmental sustainability, implemented through partnerships that emphasise innovation, skills development and long-term community resilience.

The focus is on empowering the youth, women and persons with disabilities to ensure that interventions are equitable and transformative. In this way, the programme delivers measurable social impact and advances inclusive economic participation, consistent with the PIC's mandate as a responsible institutional investor.



For detailed insights into CSI projects, refer to pages 149 to 152 of this report.

MORE THAN
R3.7 MILLION
INVESTED IN CSI
DURING 2025/26



Education
and training.



Socio-
economic
development.



Agriculture and
environmental
sustainability.



Transformation review

THE SETCO'S TRANSFORMATION OVERSIGHT



Embeds the principles of inclusivity, equity and accountability in investment practices.



Ensuring disciplined monitoring of transformation initiatives through the Transformation Charter and its implementation plan.



This reinforces trust and legitimacy by promoting diverse representation in leadership and advancing socio-economic development.



The SETCO advocates for driving sustainable value creation by fostering an inclusive economy, reducing inequality and building a pipeline of empowered women, the youth and persons with disabilities.

The charter advances the PIC's transformation agenda by promoting gender equality and empowerment in line with the EEA, the B-BBEE Act, and the codes of good practice. In line with the charter, the PIC encourages board compositions to have 50% gender diversity, with diversity targets set and progress reported where representation falls short. Equal gender representation is also encouraged across board committees and top management structures, with at least 30% of women being historically disadvantaged individuals.

The Corporation also advocates for 50% historically disadvantaged individuals on boards and in top management

structures of investee companies to strengthen representation and legitimacy. It encourages the inclusion of suitably qualified youth and persons living with disabilities in leadership structures.

The Transformation Charter, approved by SETCO and the Board in August 2022, outlines the principles for advancing transformation through investment. The accompanying implementation plan, detailing business unit activities and alignment to charter principles, was also approved, with SETCO monitoring progress quarterly. Transformation objectives are prioritised in engagements with investee companies.

The charter spans socio-economic development, sustainable growth, productive employment, and reduced poverty and inequality and sustainable financial returns for clients. Investments are expected to advance economic transformation and contribute to building an inclusive economy.

Investee companies are expected to align with the PIC investment approach, demonstrating diverse racial and gender representation at the leadership level, inclusive procurement spend and employment practices that create entrepreneurial opportunities for women, youth, and people with disabilities.

CONCLUSION

Throughout the year, the SETCO's proactive oversight and strategic monitoring advanced the PIC's social development, ethical governance and transformation objectives. The committee reinforced ethical standards, strengthened stakeholder relationships and embedded responsible ESG principles across the organisation. These efforts deepened commitment to sustainable and inclusive growth while assuring stakeholders of long-term value creation. The SETCO is satisfied that it fulfilled the responsibilities of its terms of reference for the reporting period.

Stephen Boikanyo

CHAIRPERSON: SOCIAL, ETHICS AND TRANSFORMATION COMMITTEE

PART 09 | ANNEXURES TO THE REPORT

SUPPORTING DETAIL AND SUPPLEMENTARY DISCLOSURES



09

This section brings together essential reference information to support the reader's use of the report, including a guide to acronyms, the PIC's general corporate details and the applicable legal disclaimer.



ACRONYMS

AFS	Annual Financial Statements
AGSA	Auditor-General of South Africa
AI	Artificial Intelligence
A&ITC	Audit and Information Technology Committee
AGM	Annual General Meeting
AuM	Assets under management
AIPF	Associated Institutions Pension Fund
B-BBEE	Broad-Based Black Economic Empowerment
CBAM	Carbon Border Adjustment Mechanism
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIO	Chief Investment Officer
CRISA	Code for Responsible Investing in South Africa
CC	Compensation Commissioner Fund
CP	Compensation Commissioner Pension Fund
CPI	Consumer Price Index
CSI	Corporate Social Investment
DAC	Directors' Affairs Committee
DoA	Delegation of Authority
ECD	Early Childhood Development
EE	Employment Equity
EEA	Employment Equity Act
ERMF	Enterprise Risk Management Framework
ESG	Environmental, Social and Governance
EXCO	Executive Management
FAIS Act	Financial Advisory and Intermediary Services Act
FICA	Financial Intelligence Centre Act
FMA	Financial Markets Act
FSCA	Financial Sector Conduct Authority
FSP	Financial Services Provider
GDFN	Guardian Funds
GEPF	Government Employees Pension Fund
GIC	Group Investment Committee
GMIC	Group Management Investment Committee
GNU	Government of National Unity
HDI/HDIs	Historically Disadvantaged Individual(s)
HRRC	Human Resources and Remuneration Committee

IAR	Integrated Annual Report
ISSB	International Sustainability Standards Board
ISP	Internet service provider
IC	Investment Committee
IC-IU	Investment Committee: Unlisted Investments
IC-UPI	Investment Committee: Unlisted Property Investments
IC-UI&UPI	Investment Committee: Unlisted Investments and Unlisted Property Investments
IRR	Internal Rate of Return
IT	Information Technology
JIBAR	Johannesburg Interbank Average Rate
JSE	Johannesburg Stock Exchange
King V™	King V™ Report on Corporate Governance for South Africa
Mamor	Mamor Capital Ventures
MoI	Memorandum of Incorporation
NHI	National Health Insurance
PAIDF	Pan African Infrastructure Development Fund
PFMA	Public Finance Management Act, 1 of 1999
PIC Act	Public Investment Corporation Act, 23 of 2004
PIC	Public Investment Corporation SOC Limited
PICOF	PIC Operating Fund
RFQ	Request for Quotation
SARS	South African Revenue Service
SCOPA	Standing Committee on Public Accounts
SCOF	Standing Committee on Finance
SEIIFSA	Schools and Education Investment Impact Fund South Africa
SETCO	Social, Ethics and Transformation Committee
SAGB	South African Government Bonds
SARB	South African Reserve Bank
SDG	United Nations Sustainable Development Goals
SMME/SMMEs	Small, Medium and Micro Enterprise(s)
UIF	Unemployment Insurance Fund
UNGC	United Nations Global Compact
UNPRI	United Nations Principles for Responsible Investment
VDP	Voluntary Disclosure Programme

GENERAL INFORMATION

Country of incorporation and domicile

South Africa

Nature of business and principal activities

Asset Management

Directors

Mr Seiso Mohai

(Chairperson) (Non-Executive Director)

Ms Patience Nqeto

(Deputy Chairperson) (Non-Executive Director)

Mr Itani Mafune

(Non-Executive Director)

Ms Vivien McMenamin

(Non-Executive Director)

Ms Lebogang Mokgabudi

(Non-Executive Director)

Ms Moipone Ramoipone

(Non-Executive Director)

Ms Bajabulile Tshabalala

(Non-Executive Director)

Mr Patrick Dlamini

(Chief Executive Officer) (Executive Director)

Ms Batandwa Damoyi

(Chief Financial Officer) (Executive Director)

Registered office and business address

Menlyn Maine Central Square

Corner Aramist Avenue and Corobay Avenue

Waterkloof Glen Extension 2

Pretoria

0181

Postal address

Private Bag X187

Pretoria

South Africa

0001

Holding and ultimate holding company

Public Investment Corporation SOC Limited,
incorporated in the Republic of South Africa

Auditors

Auditor-General of South Africa

Company Secretary

Ms Bongani Maserumule

Company registration number

2005/009094/30

Company's Annual Financial Statements

The company's Annual Financial Statements were prepared under the supervision of the company's CFO, Ms Batandwa Damoyi.

Address of Company Secretary

Menlyn Maine Central Square

Corner Aramist Avenue and Corobay Avenue

Waterkloof Glen Extension 2

Pretoria

0181



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The Public Investment Corporation SOC Limited (PIC), Registration number 2005/009094/30, is a licensed financial services provider, FSP 19777, approved by the Financial Sector Conduct Authority (FSCA) (www.fsca.co.za) to provide intermediary services and advice in terms of the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002).

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Directors: Mr Seiso Mohai (Chairperson), Ms Patience Nqeto (Deputy Chairperson) | Mr Itani Mafune, Ms Vivien McMenamin, Ms Lebogang Mokgabudi, Ms Moipone Ramoipone, Ms Bajabulile Tshabalala | Mr Patrick Dlamini (Chief Executive Officer), Ms Batandwa Damoyi (Chief Financial Officer) | Company Secretary: Ms Bongani Maserumule.

For more information, visit www.pic.gov.za.

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