

MEDIA RELEASE

The 2025/26 PIC Integrated Annual Report – Assets grow by 20%, net profit grew to 70%

JOHANNESBURG, 30 SEPTEMBER 2026 – The 2025/26 Integrated Annual Report of the Public Investment Corporation (PIC) provides an assessment of how the organisation executed its mandate as an asset manager during the financial year. This includes its performance against the requirements of client investment mandates, its strategy, corporate governance, financial management and sustainability practices.

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 a diversified portfolio, a disciplined investment strategy, a commitment to long-term asset allocation and the ability to navigate uncertainty while remaining committed to grow client assets.

In this context, millions of South African pensioners, social security beneficiaries and their dependents can be encouraged that the total value of assets the PIC managed for various clients, grew by **R608 billion (20%)** to reach **R3.657 trillion** by 31 March 2026, from **R3.049 trillion** in **2024/25**.

Resilient growth for FY 2025/26 was achieved despite net outflows to client portfolios of **R172 billion**.

Mr. Patrick Dlamini, PIC CEO, attributed the investment performance to the PIC's scale and resilience that continue to position it as a trusted steward of public sector savings. "This has been a year of robust performance, resilience and value creation across our entire investment portfolio," said Mr. Dlamini

PIC client portfolios delivered strong returns against their CPI+ targets over the 12 months:

- Assets of the **Government Employees Pension Fund (GEPF)** grew by **20.24%** to reach **R3.244 trillion** (88.7% of total AuM), despite withdrawals of **R160 billion** and an ongoing mandate strategic allocation transition, set for completion by 2028. The All-Share Index was up 33.6% over the 12 months, keeping the GEPF's local listed equity allocation above benchmark target.

- The **Unemployment Insurance Fund (UIF)** portfolio grew by **14.71%** to reach **R195 billion**. The UIF listed portfolio returned 19.95%, outperforming the benchmark by 106 basis points. The excess return was driven primarily by top-down asset allocation.
- The **Compensation Commissioner Fund (CC)** and **Compensation Commissioner Pension Fund (CP)** portfolios grew by **22.54%** and **24.19%**, to **R87 billion** and **R77 billion** respectively. The CC portfolio underperformed its benchmark by 0.06%. 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.

"This year's results highlight both the resilience of our portfolio and the dedication of our people, whose commitment to sustainable investment results continues to drive progress for our clients. Every investment decision, governance structure and accountability mechanism must ultimately serve the long-term interests of our clients and their beneficiaries," Mr. Dlamini explained.

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

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
GEFP	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 GEFP portfolio accounting for 88.7% of total AuM.

Financial performance of PIC Corporate

As of 31 March 2026, the PIC financial position improved significantly. Strong revenue growth and fund returns resulted in a 70% increase in net profit, rising from R512 million to R869 million:

- Total corporate income increased by R419 million or 32% from R1.307 billion to R1.726 billion, largely due to additional revenue from an increase in basis points on the Listed Equities and Fixed Income portfolio, effective 1 April 2025;
- Operating costs increased by 15% to R1.427 billion (from R1.239 billion), with employee costs and long-term IT systems investments being the primary drivers of costs;
- The PIC Operating Fund (PICOFF), the Company's own investment fund, performed well during the year. An unrealised gain of R501 million was achieved, mainly because the PICOFF 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 (increasing by 22% or R1.087 billion from R4.919 billion in 2024/25), equity at R5 billion, cash and cash equivalents at R725 million and 16% return on equity (ROE).

For FY 2025/26 the PIC achieved an unqualified audit opinion from the Auditor-General of South Africa (AGSA) with material findings on performance information and selected legislative requirements. The audit opinion is a similar outcome to the previous financial year. The PIC will continue to engage the AGSA to ensure full compliance in the internal control environment.

As the PIC enters its next phase of its strategic evolution, the organisation will make substantial investments in technology-led operations with dynamic risk management. The extended use of emerging technologies, including artificial intelligence, in investment decisions and stakeholder interaction, will provide a competitive edge with long-term benefits to both the PIC and its clients.

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