



PUBLIC INVESTMENT
CORPORATION®
Est. 1911



SUSTAINABLE
DEVELOPMENT



PRESENTATION TO SCOF PIC 2018-19FY ANNUAL REPORT HIGHLIGHTS

October 2019

PIC OVERVIEW

SUSTAINABLE
DEVELOPMENT



PUBLIC INVESTMENT
CORPORATION®
Est. 1911



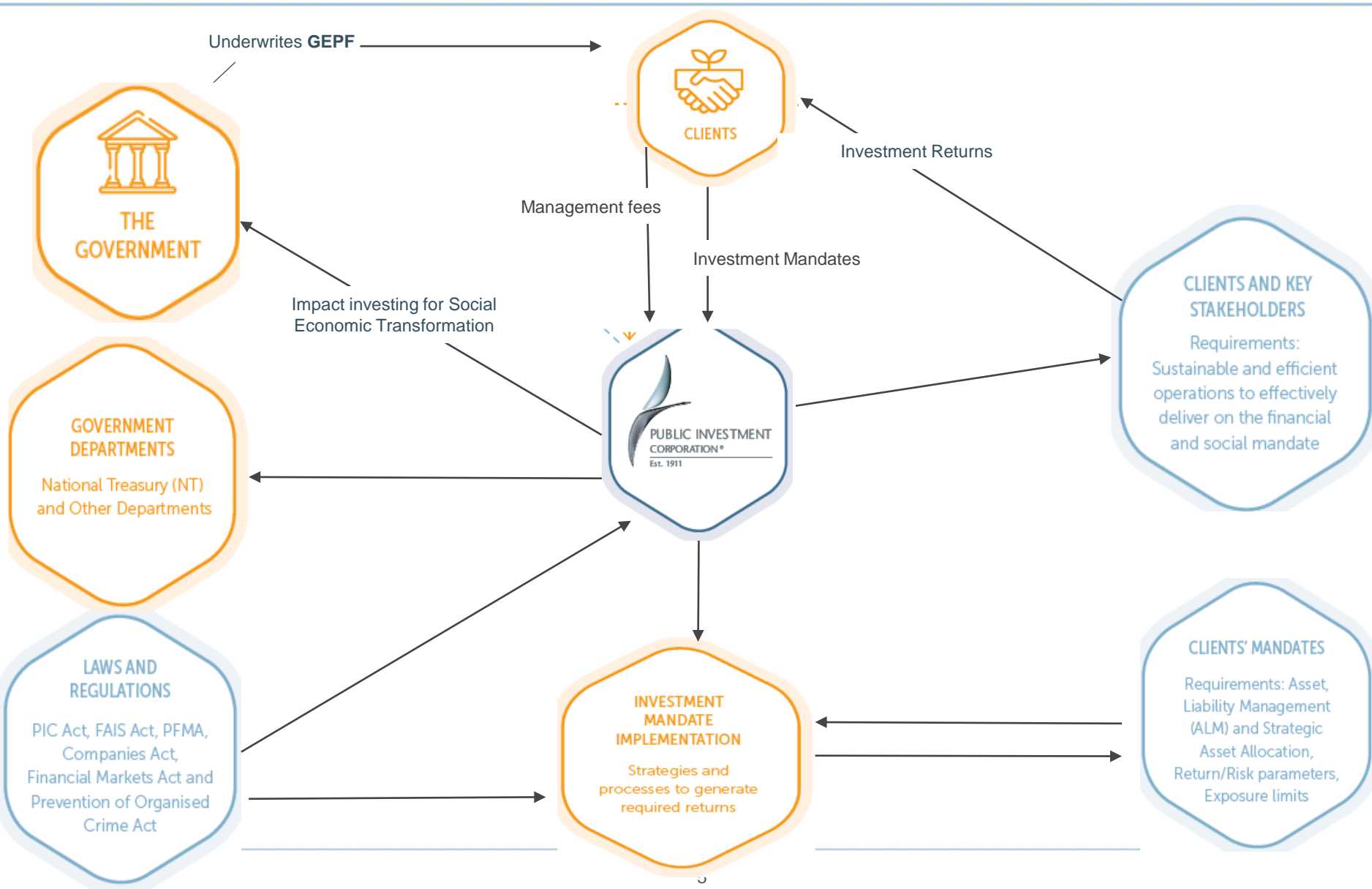


PUBLIC INVESTMENT CORPORATION's OPERATING ENVIRONMENT

PIC is a long-standing functioning and one of the top performing fund managers

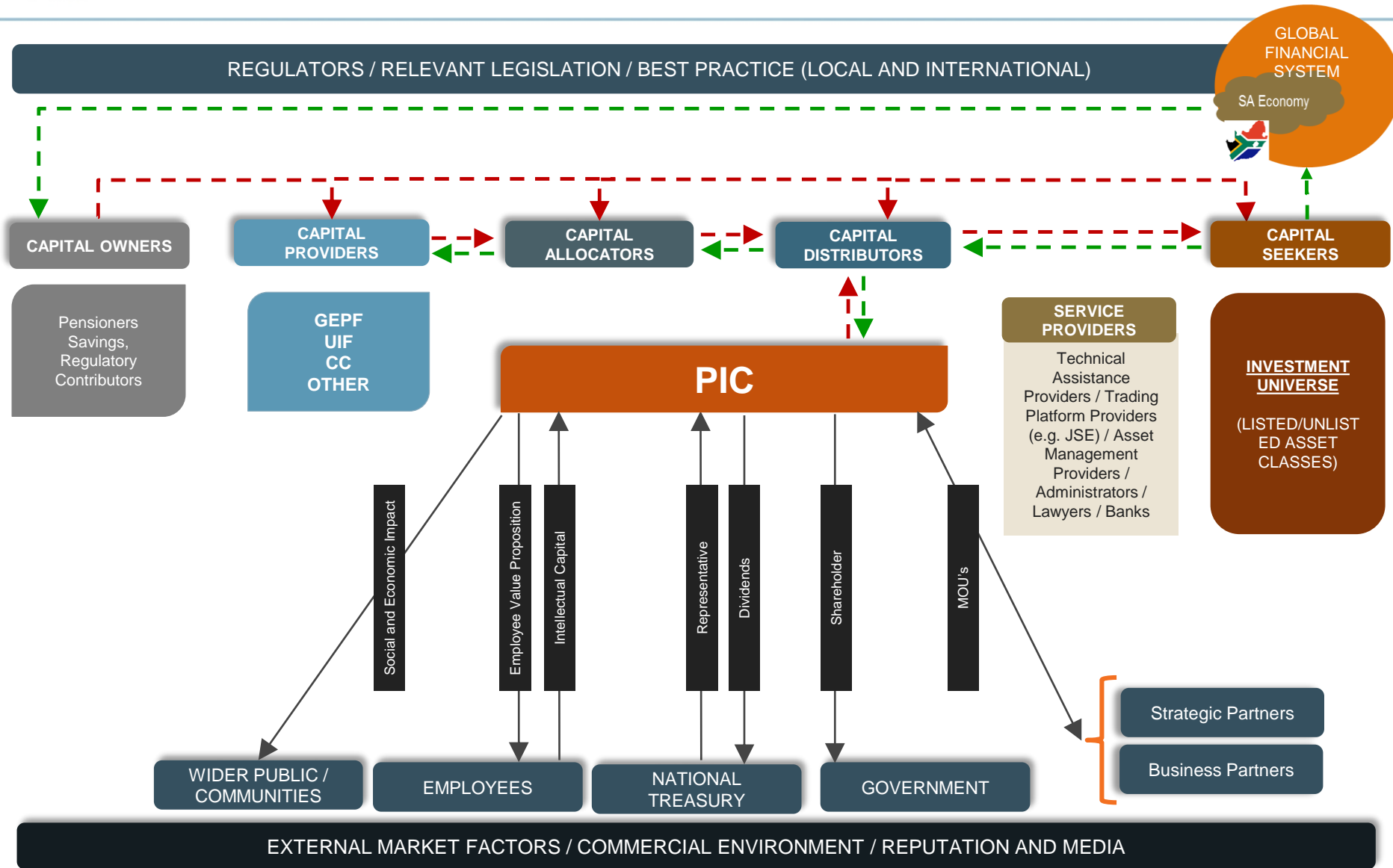


GOVERNANCE AND REGULATORY ENVIRONMENT OF PIC CORPORATE AND PIC FUND MANAGER



DEFINING OUR STAKEHOLDERS

PIC as a Subset of the Wider Asset Management Eco-System



A light gray world map is centered in the background. Overlaid on the map are several thin, blue, curved lines that suggest global connectivity or flight paths. The overall color palette is light blue and white.

PIC VISION 2030

PIC VISION AND MISSION - 2030

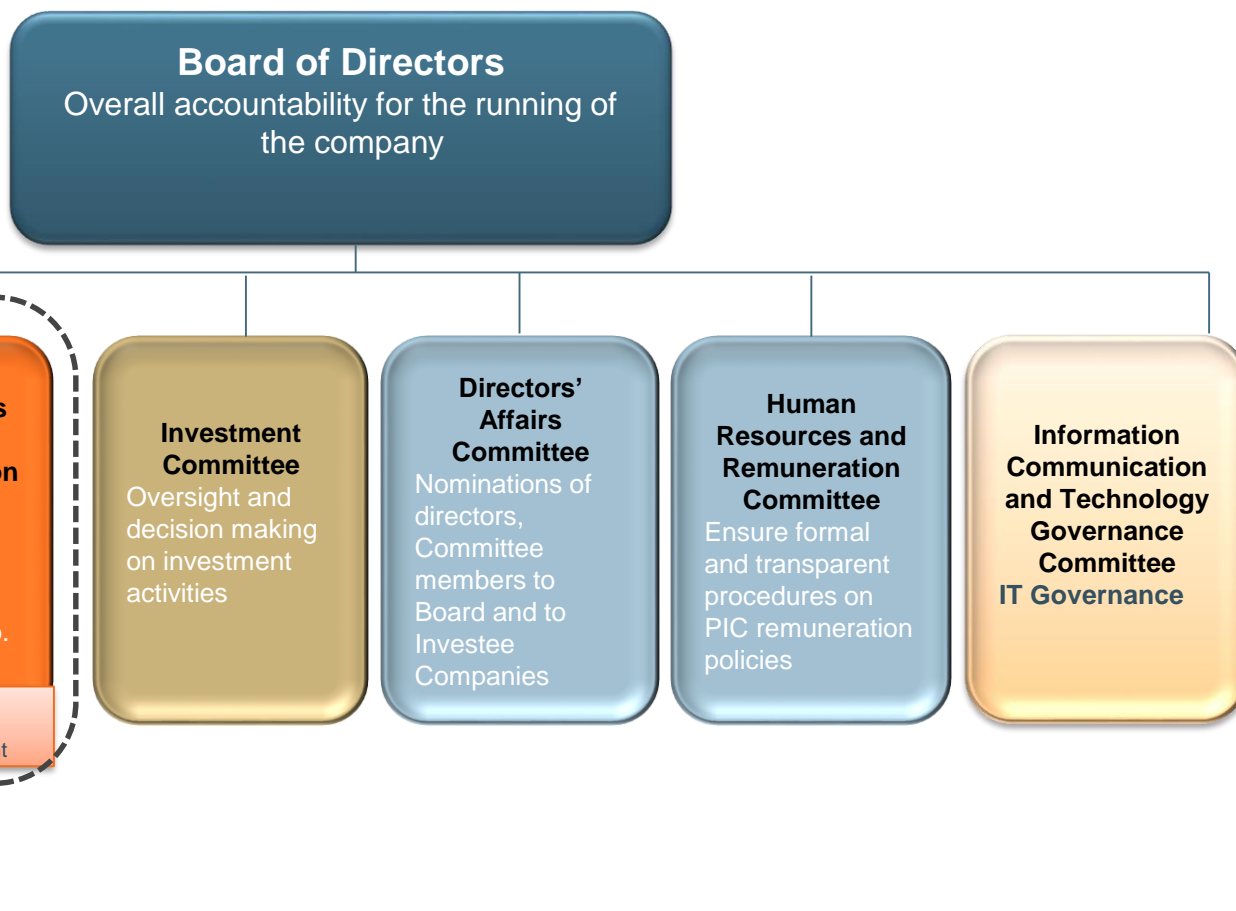
An organization built on Confidence and Trust

- Sound Ethical Principles in Everything we Do
- Transparency within our Ecosystem and with our Stakeholders
- Attraction and Retention of a Highly Skilled Workforce
- Solid Framework for Communication with our Broader Local and Global Community



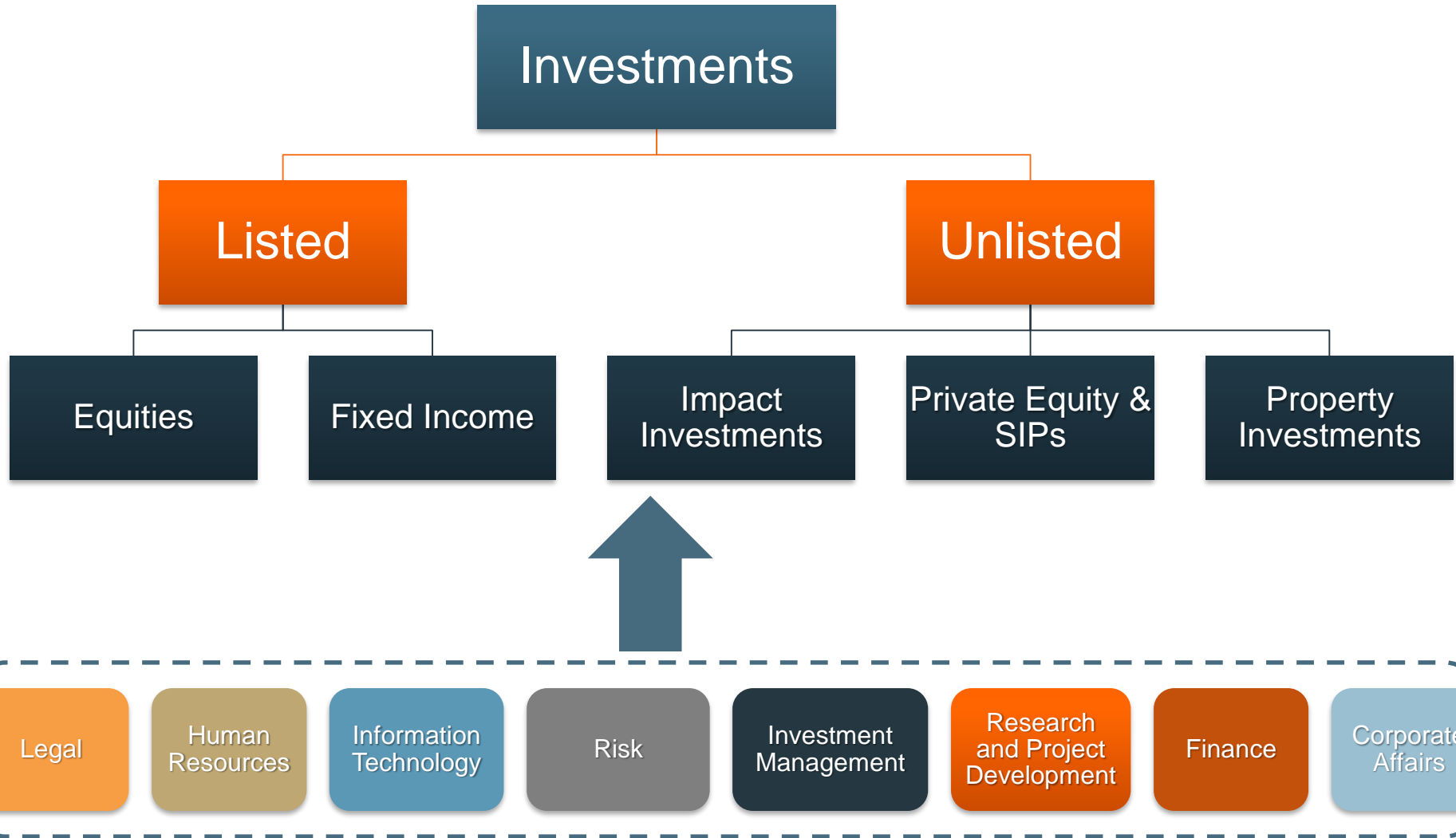
PIC BOARD GOVERNANCE

TERMS
OF
REFERENCE



DELEGATION
OF
AUTHORITY

HIGH LEVEL PIC STRUCTURE





CLIENTS

PIC CLIENTS

As at 31 March 2019

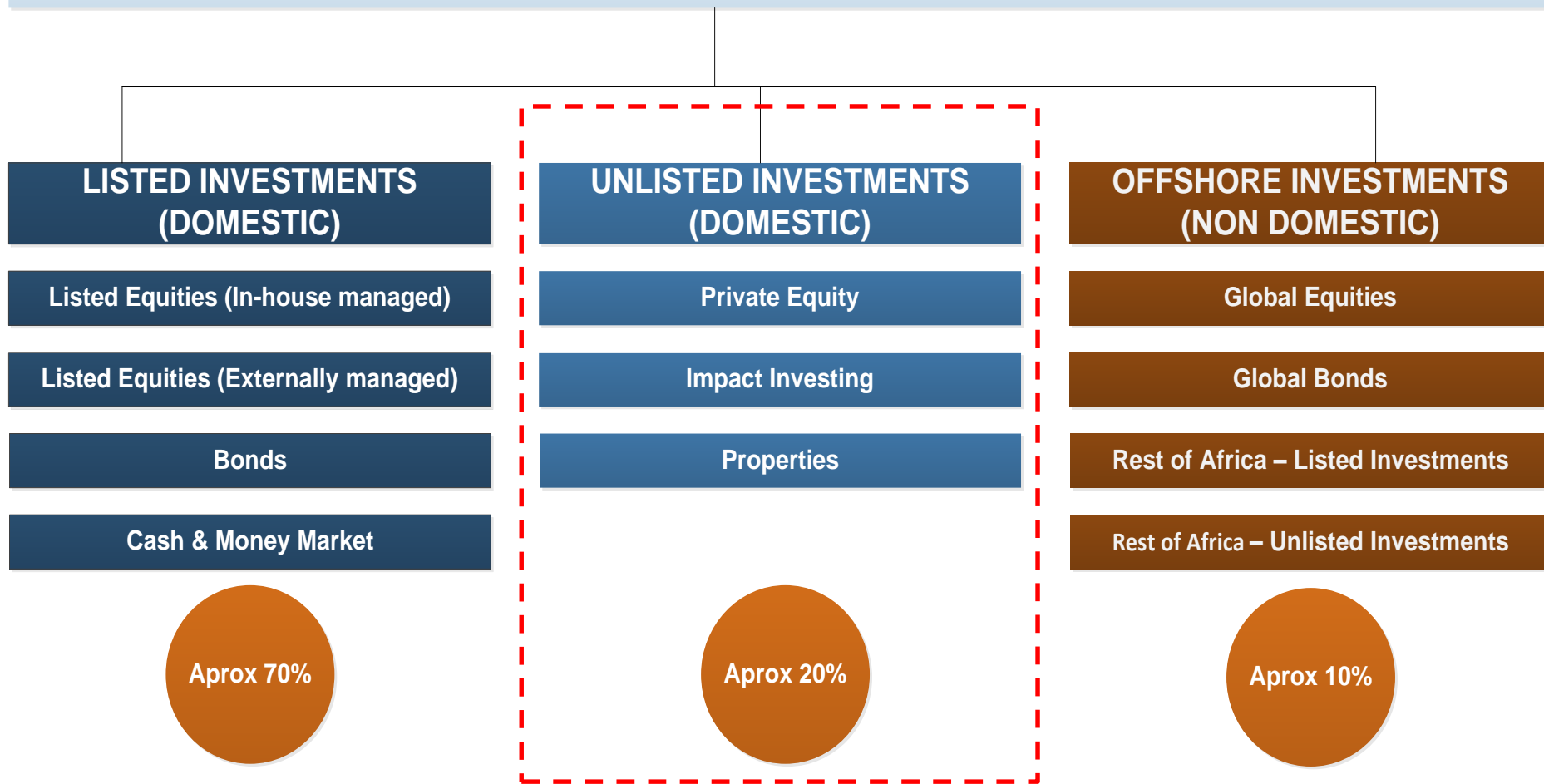


**Constitutes various clients with smaller portfolios*

STRATEGIC ASSET CLASSES

where we Invest

PIC Investments Asset Classes



Developmental investments principles are applied across all asset classes.

PIC ASSETS UNDER MANAGEMENT COMPOSITION:

as at 31 March 2019, R2.131 trillion

LISTED INVESTMENTS (DOMESTIC)

33.43%

Listed Equities
(Managed In-house)

12.02%

Listed Equities
(Externally Managed)

32.26%

Bonds

6.38%

Cash and
Money Markets

2.52%

Listed
Properties

UNLISTED INVESTMENTS (DOMESTIC)

0.75%

Private Equity

2.75%

Impact Investing

2.24%

Unlisted Properties

OFFSHORE AND REST OF AFRICA INVESTMENTS

4.62%

Global Listed Equities

1.48%

Global Listed Bonds

0.99%

Africa - Listed Investments

0.56%

Africa - Unlisted Investments

KEY HIGHLIGHTS

FY 2018/19



SUSTAINABLE
DEVELOPMENT



KEY HIGHLIGHTS – 2018-19FY

SUMMARISED

SUMMARY OF KEY HIGHLIGHTS

Assets Under Management

- AuM as at 31 March 2019, **R2.131 trillion**. The AuM increased by c.**R47 Billion** when compared to last Financial Year (March 2018)
- The growth was mainly driven from listed equities and Bond portfolios. The Unlisted portfolio has also contributed positively to the growth of the assets.

Investments Performance and Activities

- Investment performance was good for the Financial Year, Listed investments portfolio outperformed benchmark returns for all major clients (GEPF, UIF, CC, CP, AIPF)
- Unlisted Investment portfolio performance (Isibaya) is still dragging behind the targeted exit returns as a result of broader macroeconomic headwinds and driven more specifically by a few large transactions that were impaired. The Fund I is fully invested and the portfolio has started to show improvements on valuations.
- **C. 15billion billion** investments were approved for Unlisted Investments (Impact Investments, Private Equity and Properties) during the financial year these investments were in healthcare, mining, construction, housing and SMMEs sectors.

Offshore and Rest of Africa

- The Global equities and Bonds portfolio, performed well during the financial year. 5% of the assets under management is invested in the Global portfolio
- **USD 873 Million** has been approved for investment in the rest of the continent in financial year.

Social Impact from Investment activities

- Investments in sectors contributing towards jobs creation, investments in housing development, healthcare, education , student accommodation, support of the agriculture sector and financing of SMMEs.
- The PIC also continued to support transformation in the asset management sector and Brokers. Over 107 billion of the externally managed portfolio (listed) is managed by BEE Asset Managers.
- We continue to incorporate ESG analysis in the investment decision making.
- Continuous ESG monitoring and engagements with investee companies

Clients engagements

- During the financial year , we continued to engage clients on all the developments at PIC. Our Clients continue to support us.

KEY HIGHLIGHTS – 2018-19FY

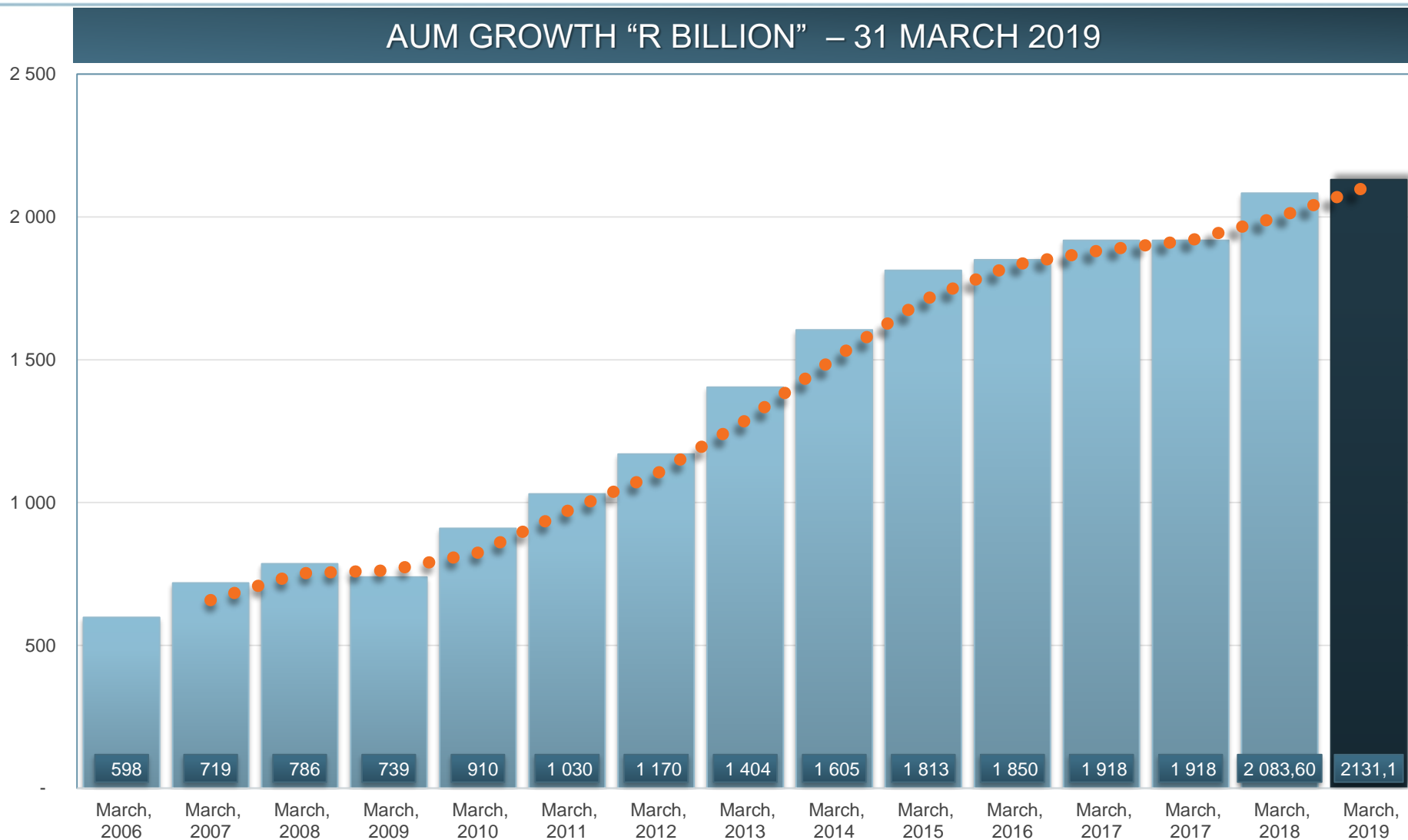
SUMMARISED

SUMMARY OF KEY HIGHLIGHTS

Improved Communication to stakeholders	<ul style="list-style-type: none"> During the financial year we have refined our communication approach to various stakeholders. We have also employed the services of a communication expert to assist us in refining our communication and stakeholders engagement strategy. The process is ongoing and very critical for the PIC. 	●
Financial Sustainability	<ul style="list-style-type: none"> The PIC remains Financially stable with all financial sustainability ratios met during the financial year Dividend payment to shareholder was approved The 2018-19FY AFS were approved with AG`s were unqualified report, however with findings. Targeting to reduce the findings as identified in 2018/19FY Audit report and implement recommendations. 	●
Corporate Governance	<ul style="list-style-type: none"> A new interim Board was appointed. All Board - sub committees are functioning. PIC MOI review is in process. Continuous review and strengthening of the investment process and policies is underway. 	●
Risk Management and Compliance	<ul style="list-style-type: none"> Enterprise-wide Risk Management (ERM) Framework remains in place, however under review. The Internal Audit function continues to provide assurance to the business. Reputational risk was high during the financial year as a result of negative media reports and PIC Commission. We remain compliant with FSCA FAIS licences regulations. 	●
IT	<ul style="list-style-type: none"> PIC has adequate and appropriate IT systems and platforms to support the investment and operations. Modernisation of IT platforms is progressing well and new systems are being implemented. IT environment changes fast and requires continuous improvement. 	●
Human Resources	<ul style="list-style-type: none"> Highly qualified young talent, mainly black professionals are employed. PIC has a head count of 407 employees (Investments and Operations). 92.5% total number of PIC employee are black professionals of which 45% are black female. Staff turnover remains moderate at 5.2%. Highest turnover was at executive level. The PIC graduate program and staff skill development is advancing well.. 	●







Assets Under Management Performance Highlights

ASSETS UNDER MANAGEMENT GROWTH



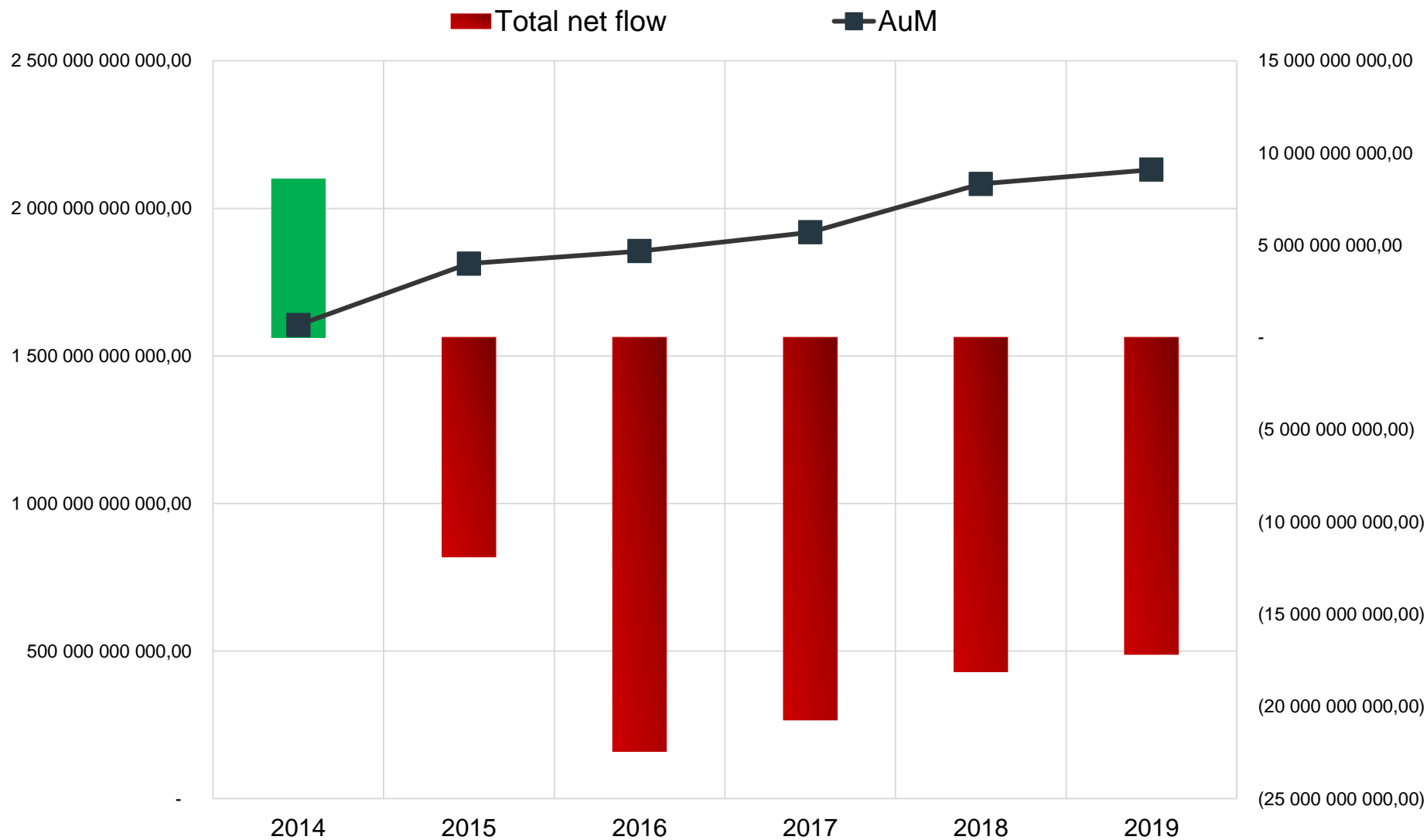
CLIENTS` ASSETS UNDER MANAGEMENT GROWTH

CLIENT ASSETS UNDER MANAGEMENT ("R BILLION")

CLIENTS	31-Mar-17	31-Mar-18	31-March-19	QIV Change
GEPF	1,682.65	1,814.87	1,848.79	33.92 
UIF	135.47	156.85	166.21	9.36 
CC	36.95	42.02	41.96	- 0.06 
CP	18.53	23.28	26.23	2.95 
AIPF	14.77	15.98	16.07	0.09 
Other	30.76	30.14	31.83	1.69 

Most Clients` Assets Under Management have grown during the financial year

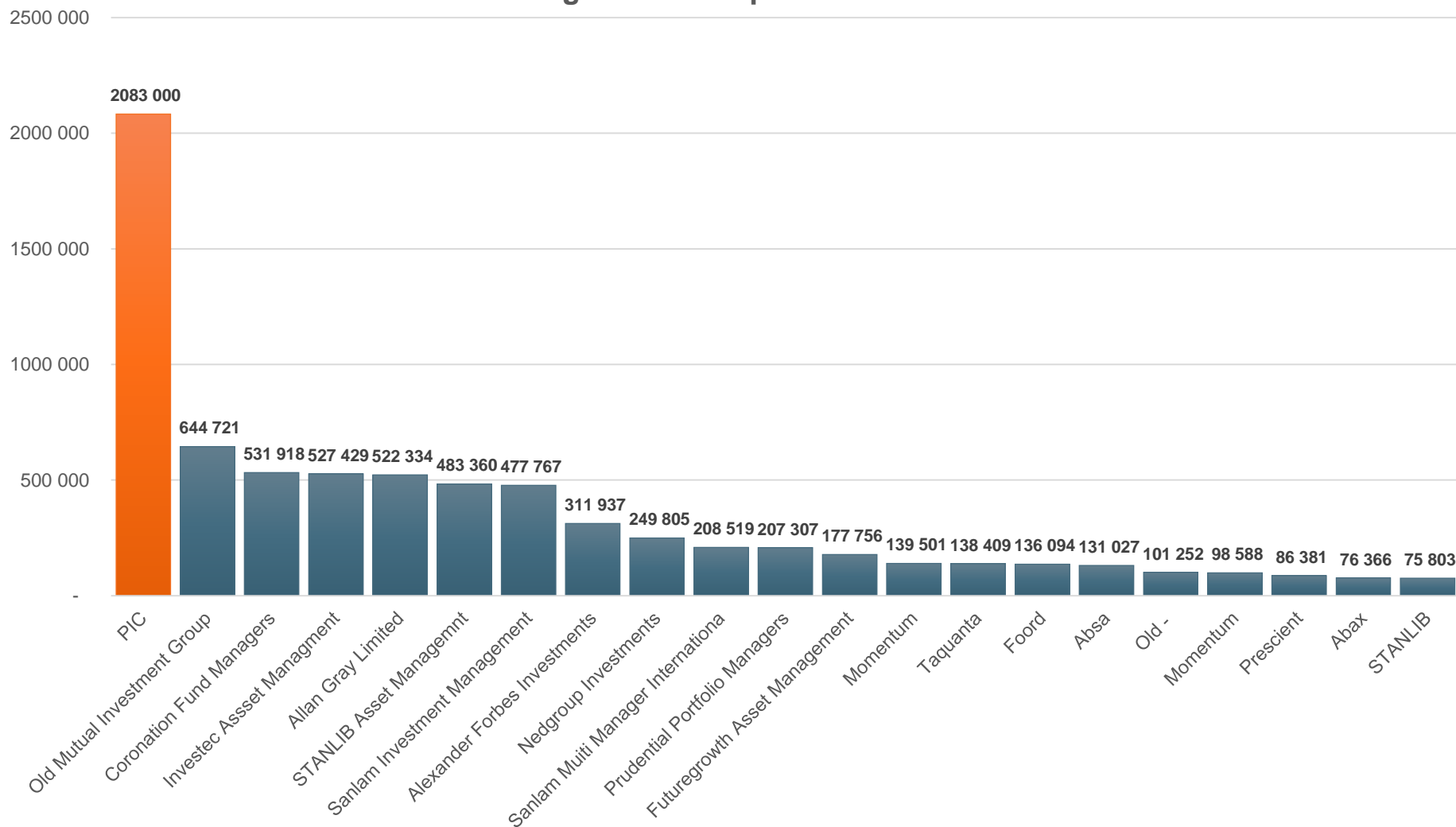
CLIENTS: CONTRIBUTIONS VS WITHDRAWALS OVER THE PAST 6 YEARS








PIC'S ASSETS UNDER MANAGEMENT

Comparison with other Asset Managers

Assets Under Management Comparison R "Millions"



CLIENT PORTFOLIO PERFORMANCE (Listed Investments)

	10 YEARS (ANN)#			5 YEARS (ANN)			3 YEARS (ANN)			2 YEARS (ANN)			
CLIENT	Absolute Fund Return	Benchmark Return	Excess Return	Absolute Fund Return	Benchmark Return	Excess Return	Absolute Fund Return	Benchmark Return	Excess Return	Absolute Fund Return	Benchmark Return	Excess Return	
GOVERNMENT EMPLOYEE PENSION LOCAL LISTED	11,45	11,74	-0,25	6,72	6,57	0,14	5,59	5,34	0,24	6,09	5,99	0,10	
UNEMPLOYMENT INSURANCE FUND LISTED	8,12	7,78	0,33	6,19	6,31	-0,12	5,27	5,21	0,05	5,15	5,11	0,04	
COMPENSATION COMMISSIONERS FUND LISTED	7,84	7,16	0,68	6,85	6,19	0,65	7,57	6,72	0,85	7,33	5,92	1,40	
COMPENSATION COMMISSIONERS PENSION	8,56	8,24	0,32	6,44	6,28	0,16	6,16	5,71	0,44	6,67	5,89	0,78	
ASSOCIATED INSTITUTIONS	8,39	8,20	0,19	8,23	8,07	0,16	9,79	9,50	0,30	9,38	9,13	0,25	

PIC has been consistently outperforming Client Benchmark Returns over the long term

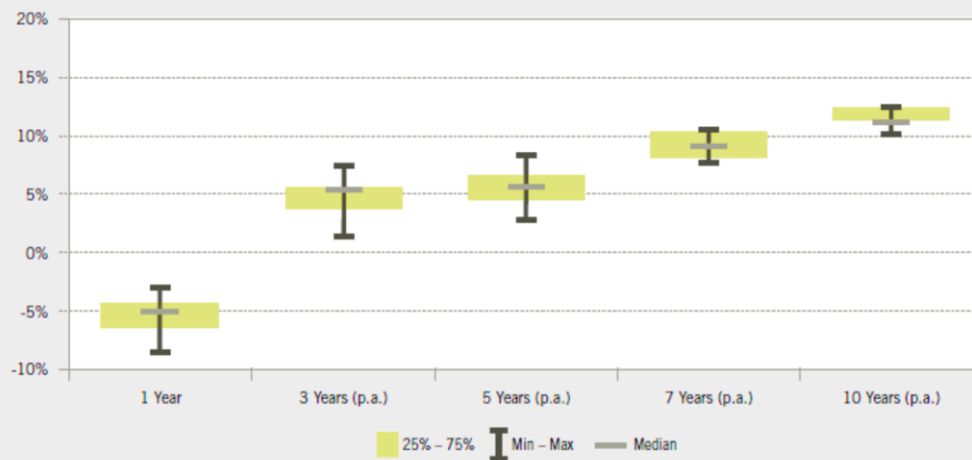
The performance above relates to the listed investments portfolios as at 31 March 2019

Return Performance (Listed Assets) Comparative Analysis with other Asset Managers

Return Performance as at 31 December 2018

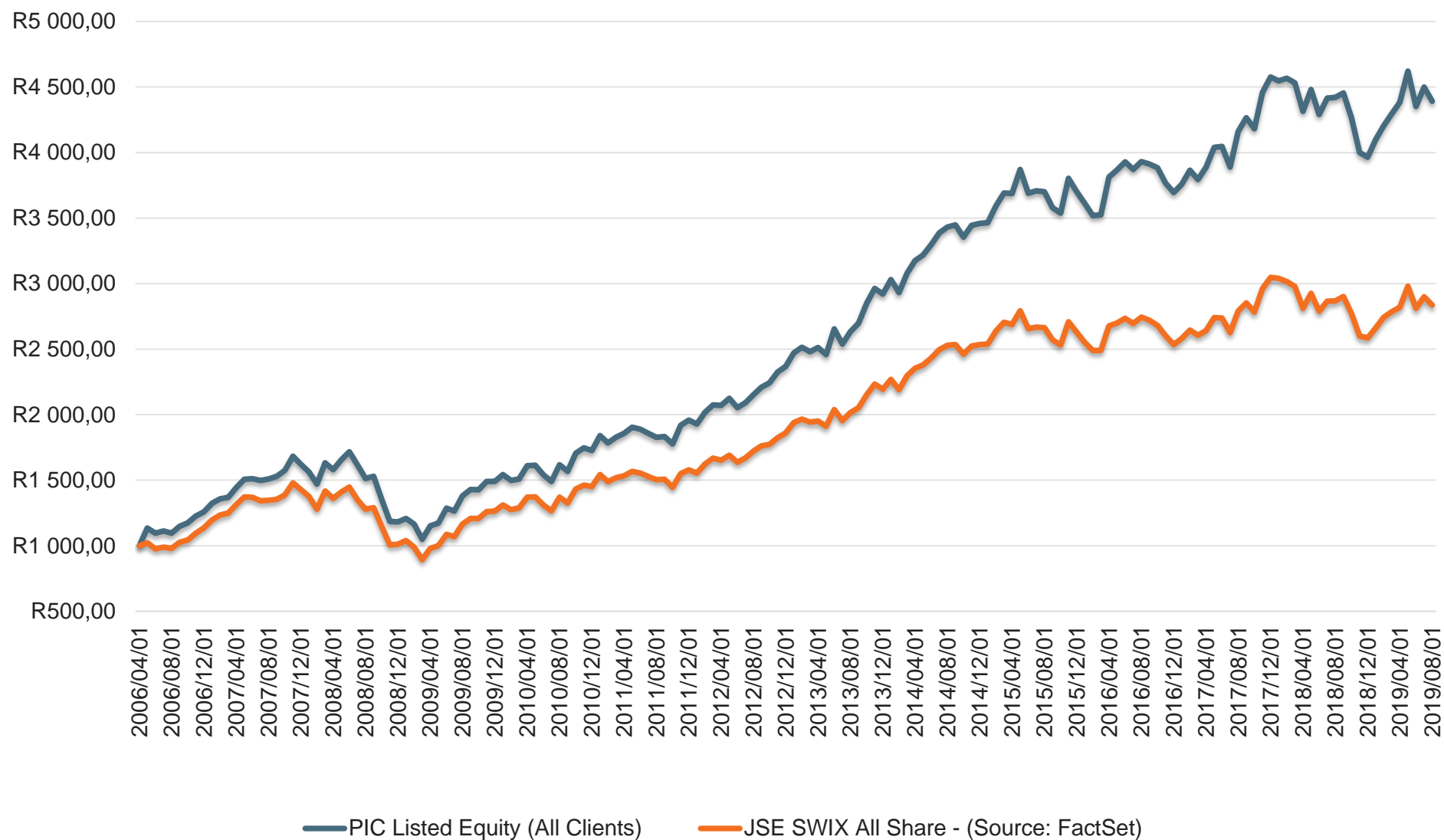
	1 Year (p .a)	3 Year (p .a)	5 Years (p .a)	7 Years (p .a)	10 Years (p .a)
Highest	-3.13%	7.41%	8.37%	10,49%	12.56%
Upper	-4,39%	5,40%	6,78%	10,30%	12,38%
Median	-5.14%	5.40%	5.56%	9.01%	11,18%
Average	-5.55%	4.88%	5.09%	8.41%	10,65%
Asset-weighted -	-4.68%	5.29%	6.66%	10.20%	12,20%
Lower Quartile	-6.44%	3.99%	4.91%	9.30%	11,54%
Lowest	-8.78%	1.63%	2.78%	7.49%	10,26%
Range	5.64%	5.78%	5.59%	2.99%	2,30%
Number of Private Sector Asset managers	10	10	8	8	8
PUBLIC INVESTMENT CORPORATION	-4.51%	5.36%	6.57%	N/A	10.78%

Range of Returns of SA Best Investment View Investable Universe for the periods ending 31 December 2018



The PIC return performance, when compared to other Asset Managers was all time above average returns compared to other asset managers

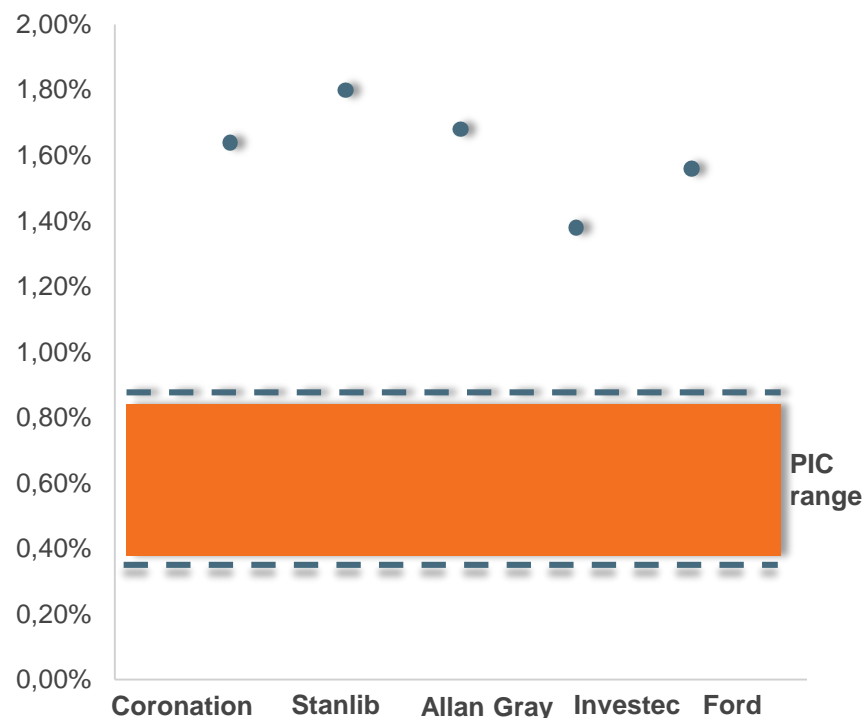
PIC Listed Equity vs. SWIX – Performance Comparison



PIC Comparative Analysis

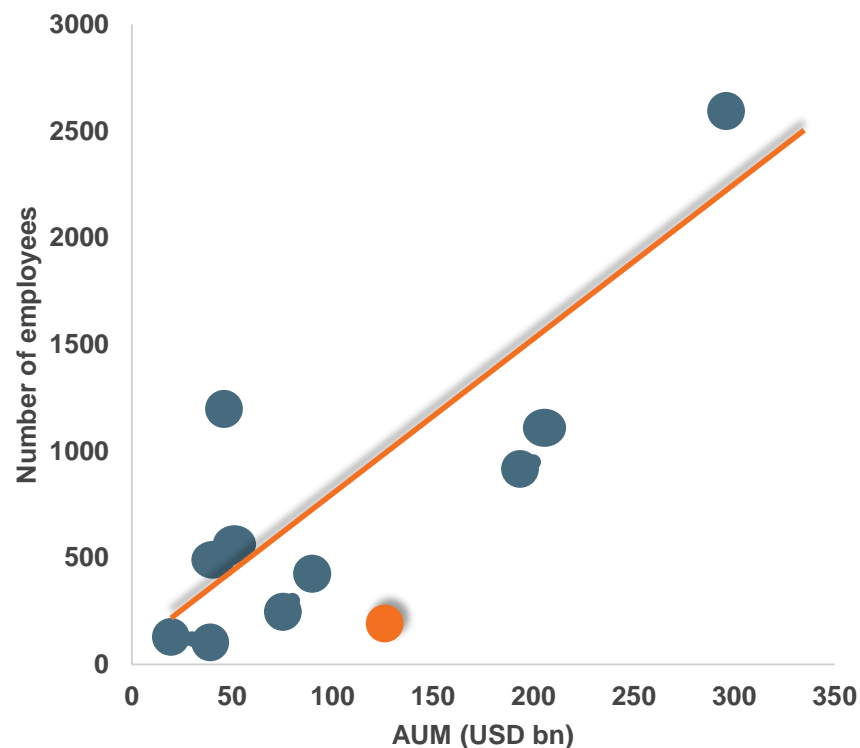
Total expense ratio of top South African asset managers (balanced funds)

Total expense ratio of top South African asset managers (balanced funds)



Significantly less than market peers





Global size of in-house team vs AUM






Lean team-even by international standards.
PIC current employees of 407 against R2.31 trillion (approx. 5.5 billion per employee)

UNLISTED INVESTMENTS

Key Activities (2018/19FY)

PORTFOLIO	Total Approvals	Target for the Year
Private Equity and SIPS	R4.59 Billion	R4 billion 
Impact Investments	R5.46 Billion	R4 Billion 
Properties	R4.93 Billion	R4 billion 
Rest Of Africa (All asset Classes)	USD 873 million	USD 250 million 

PORTFOLIO PERFORMANCE – UNLISTED INVESTMENTS (March 2019 – Valuations – Fund I)

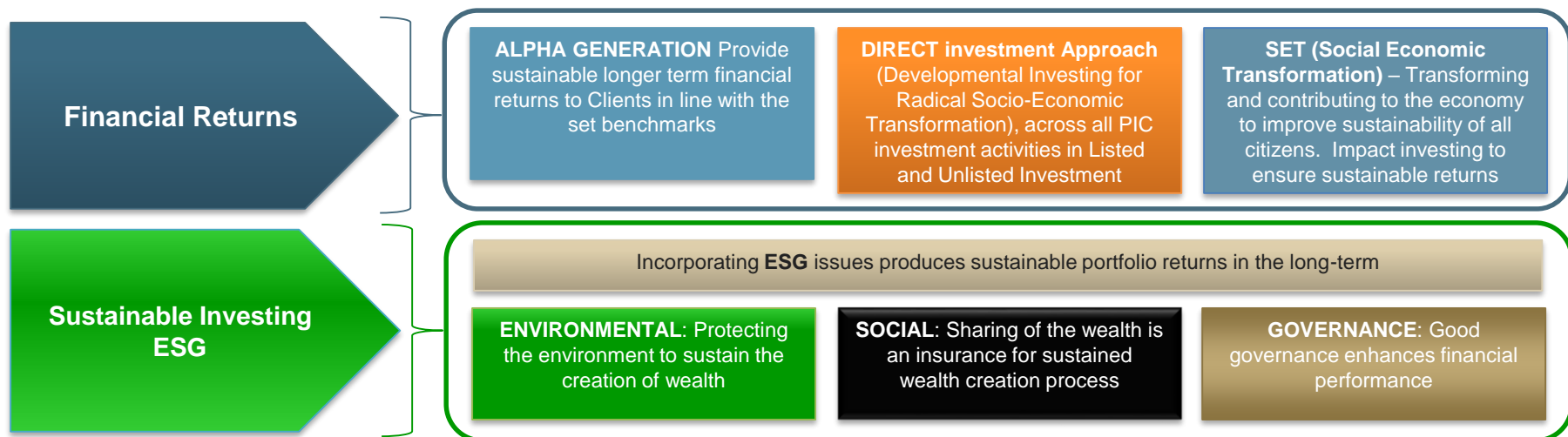
Portfolio Fund I	Portfolio Returns (Unrealised IRR)	Target (at exit)	Commentary
Private Equity and SIPS	-0.28%	10%	
Impact Investments	3.24%	8%	
Properties	9.8%	9.9% (IPD)	

A light gray world map is centered in the background. Overlaid on the map are several thin, curved blue lines that sweep across the continents, suggesting a global network or flow. The overall color palette is light blue and gray.

Investment Philosophy and Social Impact Highlights

PIC'S INVESTMENT PHILOSOPHY

The **FR/ESG** Approach



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 yield low volatility portfolio

DIVERSIFICATION

Well diversified portfolios produce stable distribution of returns

TIME HORIZON

PIC is a long term investor and believes that in the long-term markets revert to their mean. Investment strategies will generally be long-term in nature and will avoid ad-hoc decision-making based upon short-term factors

MARKET EFFICIENCY

Market differ in degree of efficiency at macro, sector and asset level. Providing opportunities to generate excess returns over related benchmarks through asset allocation. Investment strategies will reflect a mix of active and passive investments, with passive investments being emphasised in the more efficient markets

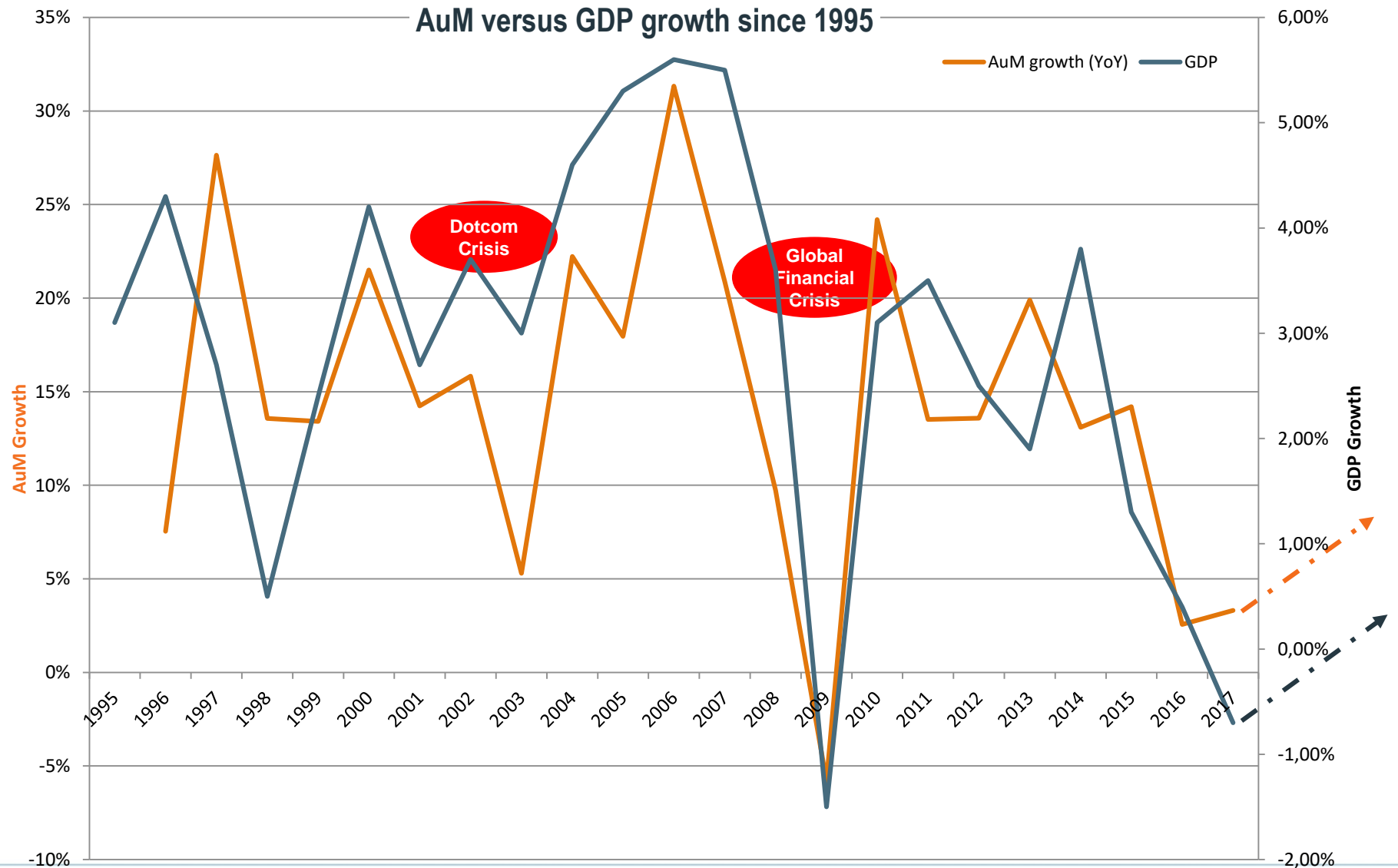
VALUATION & ANALYSIS

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

COST

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

CORRELATION BETWEEN PIC AUM GROWTH AND SA GDP



TARGETED SECTORS FOR INVESTMENTS

Inclusive Growth Investments Focus Sectors

Social Infrastructure Investments

- Affordable Housing and end user financing
- Student Accommodation and financing
- Healthcare Academic Hospitals, Healthcare Fund and SPAC

Priority Sector Investments (high job creation sectors)

- Agriculture and Agro processing
- Manufacturing and industrialisation
- Mining and mining beneficiation
- SMMEs and Enterprise development
- Tourism
- Downstream industries
- Construction

Economic Infrastructure Investments

- Energy (coal, gas, hydro)
- Transport and logistics (roads, rail, air)
- Water
- Broadband and Telecoms
- Port (airports Harbours etc)

Renewable Energy and CleanTech

- Alternative Energy Investment
- Clean technology
- Recycling
- Green economy sectors
- Fuel cells

Real Estate Investments

- Rural Retail
- Industrial Parks (warehousing, logistics, light manufacturing)
- Offices (Outlying areas, Client use, Urban Renewal Projects, Tenant Driven)
- Specialised (Social Infrastructure, industrial and other specialised infrastructure)

Driving financial Inclusion

- Creation of Black Bank
- Creation of SPACs to allow the GEPP members and public to participate on JSE
- SMMEs to access funding
- Transforming the Asset Management sector

INITIATIVES BY PIC

- End user finance
- Investments in Housing development
- Scaling investment in student accommodation
- Health SPAC/Fund (advancing NHI)
- Academic Hospitals

- Direct investments in agri and agro processing projects
- Partnerships with Landbank
- Emerging farmers funding
- Focus on manufacturing and upstream technologies
- SMMEs funding – direct or wholesale

- Direct investments in energy projects (different mixes)
- Investments in airports, sea ports, rail
- Investments in roads, rail
- Telecoms and ICT

- Green energy (solar, biomass, gas hydro etc)
- Participation in renewable programs
- Rural electrification using the solar technology;
- Renewables SPAC

- Government offices, partnership with DPW;
- Rural mall development to foster rural development
- Industrial parks to support SMMEs
- Transformation of the JSE property sector

- Support SMMEs by creating a bank where SMMEs can access funding
- Creation of a “Black Bank”
- SMME funding technology platforms

SOCIAL IMPACT PERFORMANCE

Social returns since inception

TRANSFORMATION OF ASSET MANAGERS

+ R100 billion

allocated to transformed
BEE Asset Managers

60% of the Externally managed Listed Equities

+ 75%

of Brokerage business is allocated
to transformed BEE Brokerage firms

EMPLOYMENT

138,316 jobs created & supported



54,717 Permanent	16,870 Temporary
66,729 undisclosed	
36,314 FEMALE	61,387 MALE
40,615 undisclosed	
20,339 YOUTH	404 DISABILITY

EDUCATION

48 663 Loans
low to middle
income students

44 459
Students
Funded

R547
million
disbursed



18 Schools supported via
Education Focus Fund

18 600 Basic Education learners supported

AGRICULTURE

41 Farms 137 Emerging Farmers

750
Farmer workers with access to
healthcare facilities

1542
Farmer workers and children
with access to education
facilities

ENVIRONMENTAL



2097 MW

16 Projects

15 Community Trusts &
Employee Share Schemes

R14 542 428
Enterprise Supplier
Development

R47 365 096
CSI Spend

COMMUNITY UPLIFTMENT & ECONOMIC BENEFIT

307 SMEs funded –
118 Female Owned SMEs
15 Black Youth Owned SMEs
73 Black Owned SMEs



3,353 SMMEs
supported through
enterprise supplier
development

STUDENT ACCOMMODATION



Over **11 964**
beds
provided for
student
accommodation
at universities
across the
country

HEALTHCARE



24
Hospital
projects

2097
Licensed
beds

AFFORDABLE HOUSING



105
Housing
Projects

64 935
Houses
Constructed



OPERATIONS

Performance Highlights

Corporate Financial Highlights – 2018-19FY

PIC Financial Sustainability

- Revenue for the period ended 31 March 2018/19 is down by 2% in comparison to 31 March 2017/18.
- Total expenses increased by 14% for the period ended 31 March 2018/19 when compared to the prior period 31 March 2017/18.

Meeting Financial Ratios

		Target	Actual 2017/18	Actual 2018/19
All required ratios were met.	Net profit/fees	10%	34%	24%
	Total staff costs/ fees	60%	39%	50%
	CTC/ fees	40%	39%	34%
	IT/ fees	7%	5%	7%

Consistent, cost management and abidance to PFMA

- The total operating expenditure for the 31 March 2018/19 financial year is R920m which is 26% below the budgeted expenditure of R1 156m.
- The savings are due to delay in recruitment well as cost containment by management.
- Primary cost drivers are personnel cost, IT cost, travel cost, office accommodation and consultancy costs (specialised resources).

Unqualified audit opinion with findings and zero fruitless and wasteful expenditure

- 1.47% of total expenditure recognized as irregular expenditure
- Zero unauthorized expenditure and fruitless and wasteful
- Current year : Unqualified audit opinion with findings

Driving transformation through our procurement

- 79.8% of total spent of the Company was directed towards companies with level 4 or better, driving transformation and enterprise development in various sectors

Corporate Financial Highlights – 2018-19FY

REVENUE

2% Lower : FY18 

7% < Budget  There is a step down in Fund I.

COSTS

14% Higher : FY18

26% < Budget  Additional cost containment measures

ASSETS & LIABILITIES

Total assets  R2.9 bn to R3.2 bn

Increase in assets due to funds being invested in financial assets and an increase in trade receivables

Total liabilities  R374 m to R450m

Due to increase in provisions and trade payables

1.47% of total expenditure recognized as fruitless and wasteful

0% unauthorized expenditure

79.8% total spend allocated to companies with levels BEE 1 to 4

PROCUREMENT

AUDIT OPINION HIGHLIGHTS

PART 1 : Clean Audit Opinion received from External Auditor (AGSA)

In the current financial year, the PIC received an Unqualified audit opinion with findings. This is a regression from the previous financial year, where PIC achieved a Clean Audit Opinion.

PART 2: PRE-DETERMINED OBJECTIVES REPORT

No material audit findings were reported all objectives were useful and the measurement reliable.

PART 3	2016/17^	2017/18^	2018/19	
	R'000	R'000	R'000	
Fruitless and wasteful expenditure	0	0	0	
Irregular expenditure	0	0	4 349	

PART 4 OTHER MATTERS

FAIS Agreed Upon Procedure performed and no material findings

Total dividend declared and paid to National Treasury in the FY18/19 was R80 million

^ This information is based on audited information obtained from the PIC Annual Report.

RISK MANAGEMENT, INFORMATION TECHNOLOGY AND PEOPLE (HUMAN CAPITAL) - PERFORMANCE

Risk Management

- PIC Operation Risk management across all business units remains robust.
- Daily market risk monitoring and periodic stress-testing remains strong. Enhancements through the data management programme for risk is underway (i.e. Barra) which aims to strength the depth of risk monitoring and reporting to Management, Board and Clients.
- Credits risk assessment is conducted for all investment considerations.
- Legal risk is low. No major litigations against the PIC during the financial year.
- Moderate to high reputational risk as result of the PIC Commission and negative media publicities.
- Achieved compliance with applicable Acts, Laws related to PIC. No significant breaches of the clients mandates that were recorded during the financial year

Information Technology

- PIC has adequate and appropriate IT systems and platforms to support the investment and operations, e.g implementation of the Cloud solution
- Modernisation of IT platforms is progressing well and new systems are being implemented.
- IT Security enhancement was completed and continues to be monitored
- Invested in a Data Management Programme that seeks to improve data management and analytics capabilities..

Human Capital










- **Human Capital** -92.5% total number of PIC employee are black professionals a. 45% are total number of black female professionals at the PIC. Staff turnover remains moderate at 5.7%.
- **Graduate Program** - The PIC Graduate Development Programme (PICeed) consists of 55 graduates. From 2007 to date, 131 graduates participated in the programme (GDP), 53 of whom were absorbed permanently into the PIC, representing 70% retention over 11 years.
- **Skills Development** -In line with the PIC strategic objective to support youth development, more than R11 million worth of bursaries was awarded to 300 students during the 2018/19 academic year, a 50% increase from the previous year. A total of 341 of our employees, representing 84% of the workforce - attended training interventions.



Performance against Strategic Objectives










Corporate Plan 2018-19 FY

Performance against Corporate Plan 2018/19FY Strategic Objectives





STRATEGIC INTENT OBJECTIVE	MEASURE	TARGET 2018/19 FY	ACTUAL PERFORMANCE	
FINANCIAL – 20%				
Grow revenue and control costs to run a financially sustainable investment management operation	Staff costs ratio (CTC excl PICeeds/Management fees)	$x \leq 40\%$	34%	
	Net Income percentage	$x > 10\%$	24%	
FINANCIAL (NATIONAL TREASURY DIRECTIVE) – 20%				
Irregular, fruitless and wasteful expenditure	No irregular, fruitless and wasteful expenditure	0% of total expenditure disclosed as irregular, fruitless and wasteful with medium risk findings on procurement	1.47%	
Clean Audit Report	Maintain an unqualified audit opinion for Financial Year 2018/19 with no material findings on performance information and compliance	Unqualified audit opinion with no findings affecting the auditor's report	Unqualified audit opinion with findings affecting the auditor's report	
Unauthorised expenditure	No unauthorised expenditure	0% of total expenditure disclosed as unauthorised expenditure with medium risk findings on procurement	0%	
INTERNAL BUSINESS PROCESSES / OPERATIONAL EFFICIENCY - 20%				
Robust Enterprise Risk Management practices	Unqualified audit opinion	Unqualified audit opinion	Unqualified audit opinion	
PIC maintains a rating of Good on the Corporate Governance Matrix as at 31 March 2019	Assessment against PIC's Corporate Governance Matrix	Achieve an overall rating of 75%	PIC ESG rating score of 71%	
CUSTOMERS / STAKEHOLDERS – 35%				
Meet Client Benchmark Portfolio Returns and compliance with Client Risk Parameters (36 months rolling)	Listed Investments α = Total Individual Fund Return for the Top 5 Funds – Individual Fund Benchmark Return	Individual Top 5 Funds $\alpha > 0$ bps	Top 5 Funds Average $\alpha = 29$ bps	
	α = Total Fund Return for Other Funds – Other Funds Benchmark Return	Other Individual Funds $\alpha > 0$ bps	Other Individual Funds Average $\alpha = 44$ bps	

Performance against Corporate Plan







2018/19FY Strategic Objectives

STRATEGIC INTENT OBJECTIVE	MEASURE	TARGET 2017/18 FY	ACTUAL PERFORMANCE	
Generate excess returns over benchmark	Impact Investments Legacy Portfolio ^{##} (before Fund I PPMs)Hurdle Rate (IRR) = 8% (X)	• X + (0 to 50bps)	• IRR = 7.00%**	
	Fund I (Including UIF and CC SRI portfolio and Unlisted Debt) Hurdle Rate (IRR) = 8% (X)	• X + (0 to 50 bps)	• IRR = 3.24%**	
	Fund II (Including UIF and CC SRI portfolio and Unlisted Debt) Hurdle Rate (IRR) = 8% (X)	• X – (minus) 300 bps	• IRR = 0.00%**	
Generate excess returns over benchmark	Private Equity and SIPs (Unlisted) Legacy Portfolio Hurdle Rate (IRR) = 8% (X)	• X + (0 to 50 bps)	• IRR = 5.85%**	
	Fund I (Including Unlisted Debt) Hurdle Rate (IRR) = 10% (X)	• X + (0 to 50 bps)	• IRR = -0.28%**	
	Fund II (Including Unlisted Debt) Hurdle Rate (IRR) = 10% (X)	• X – (minus) 300 bps	• IRR = 8.33%**	
Meet Client Benchmark Portfolio Returns <i>(as per IPD returns calculation, customised for the PIC unlisted properties portfolio structure) and Subject to approval of client mandates)</i>	Property Investments (Unlisted) Total Return (Capital and Income) = Meet IPD adjusted by weighting the portfolio returns as customised for the PIC's clients' portfolio structure	• Total return higher or equal to the PIC customised IPD ²	• 9.8% vs IPD Return of 9.9%. Relative return = - 0.1%	
Contribute towards the growth and transformation of the economy through Impact Investments	Impact Investments (Unlisted) In various sectors, such as: Economic infrastructure, Social infrastructure; Priority sectors ;Renewable energy and green technology; Enterprise Development and SMMEs	• Annual Approved Transactions = R3 billion	• Investments with total value of R5.46 billion were approved as at 31 March 2019 (2018/19FY)	
Contribute towards the growth and transformation of the economy through Private Equity Investments and Structured Investment Products (SIPs)	Private Equity and SIPs (Unlisted) Contribute to transforming the economy through private equity investments Structured Investment Products (SIPs) in various sectors	• Annual Approved Transactions = R4 billion	• Investments with total value of R4.59 billion were approved	

Performance against Corporate Plan 2018/19FY Strategic Objectives

STRATEGIC INTENT OBJECTIVE	MEASURE	TARGET 2017/18 FY	ACTUAL PERFORMANCE	
Facilitate Broad-Based Economic Empowerment and Skills Development through Investment activities <i>Subject to approval of client mandates</i>	Listed Investments Allocation to Broad-Based Black Economic Empowerment Service providers <ul style="list-style-type: none"> Listed Equities (Multi Management) – Allocation of funds to enterprise development managers, including those who graduate 	At least 60% of all new funds awarded to Listed Equity External Managers, must be awarded to Developmental and Established BEE Managers	100% of the approved transactions were awarded to Listed External Managers, who are Developmental or Established BEE managers	
		Between 10% – 50% of the new funds must be allocated to Developmental and Established BEE Managers owned by female asset managers or people living with physical disabilities; or Developmental and Established BEE Managers with a 20% female representation or people living with physical disabilities at the Management level	52% of the new funds were allocated to Developmental and Established BEE Managers owned by female asset managers or people living with physical disabilities; or Developmental and Established BEE Managers with a 20% female representation or people living with physical disabilities at the Management level	
Facilitate Broad-Based Economic Empowerment and Skills Development through Investment activities <i>Subject to approval of client mandates</i>	<ul style="list-style-type: none"> Dealing (Listed Equities) – Percentage of brokerage paid to designated BEE broker firms used as a percentage of total brokerage paid In terms of the PIC definition for BEE Level 1 – 4, the following criteria must be met as a minimum: <ul style="list-style-type: none"> ✓ BEE Level 1 – 4 Certification by an independent rating agency; ✓ At least 51% Black Ownership; and ✓ At least 30% Management Control by previously disadvantaged individuals Focus to also be placed on: <ul style="list-style-type: none"> ✓ Skills Development ✓ Enterprise and supplier development ✓ Socio-economic development 	<ul style="list-style-type: none"> 90% of brokerage spend shall be to brokers on level 1-4 BEE rating; 	96.77% of brokerage spend went to brokers on level 1-4 BEE rating;	
		<ul style="list-style-type: none"> 60% of total brokerage shall be paid to brokers with 51% Ownership by HDIs and 30% Management Control by HDI 	75.5% of total brokerage were paid to brokers with 51% ownership by HDI's and 30% Management Control by HDI's	

Performance against Corporate Plan 2018/19FY Strategic Objectives

STRATEGIC INTENT OBJECTIVE	MEASURE	TARGET 2017/18 FY	ACTUAL PERFORMANCE	
Contribute towards the growth and transformation of the economy through Unlisted Property Investments	Property Investments (Unlisted) Contribution to transforming the economy through property investments in various sectors	Annual Approved Transactions = R4 billion	Investments with total value of R4.93 billion were approved	
Facilitate African regional integration through investments in the rest of the African continent	All asset classes (Listed Equities, Impact Investments, Properties and Private Equity) - Increase investments in Africa (Non-domestic)	Annual approved transactions = between 0 – USD250 million	Investments with total value of USD873.7 million were approved as at 31 March 2019 (2018/19FY)	
Drive and facilitate transformation through investments activities both in Listed and Unlisted Investments	Impact Investments and Private Equity (Fund of Funds) – Funds approved through BEE firms as a percentage of total Impact Investments and Private Equity Fund of Funds investment approvals	At least 60% of all new funds approved for PE and SRI or Impact Investments) External Managers, must be awarded to Developmental and/or Established BEE Manager	100% of the funds awarded were to Developmental and/or Established BEE Managers who are more than 51% black owned and 30% Management Control by HD	
LEARNING AND DEVELOPMENT – 5%				
The PIC staff demographics are reflective of the Skilled segment of South Africa's economic active population	Percentage of staff defined as black, according to the Employment Equity Act, aligned with the Skilled segment of the economic active population	Staff demographics to be reflective of the Skilled segment of the economic active population	Actual percentage of staff defined as Black 93.36% as at 31 March 2019, against National Economically Active Population (EAP) of 90.8%. The PIC is 2.29% ahead	
		At least 30% of vacancies of senior management, based on the Paterson grading scales, will be filled with female employees	23.8% of vacancies were filled with females at Senior Management level during the period under review.	
		1.8 % people living with physical disabilities	1.97% of PIC employees were employees living with disabilities	

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