

CORPORATE SOCIAL INVESTMENT

As a good corporate citizen with the best interest of our country and its people at heart, PSG Group contributes significantly to society. Below are some of the corporate social investment ("CSI") initiatives undertaken by PSG Group and its underlying investments. Although this is not a comprehensive list, it illustrates our dedication to making South Africa a better place.

PSG GROUP

A significant theme throughout the group is our contribution to all levels of education – from early-childhood development, all the way through to higher and adult education. We firmly believe in the multiplier effect that education brings, not only to the individual, but to society at large.

The PSG Group Bursary Loan Scheme at the University of Stellenbosch

We started this initiative in 2007, when PSG Group and Jannie Mouton each donated 100 000 PSG Group shares, currently worth approximately R50m, to provide financial support to gifted, but needy students. To date, 86 students have received financial support through this scheme with over R5,1m granted in bursaries and loans. Their fields of study include medicine, law, actuarial science, accounting and investment management.

Akkerdoppies

PSG Group has provided this pre-primary school with financial support since its establishment in 2008. Akkerdoppies is committed to early-childhood development providing essential education and skills to children from the disadvantaged communities of Stellenbosch. The school has 160 children and employs 26 people. We are committed to a long-term relationship with this initiative and anticipate a significant positive contribution to the community.

PSG Group BEE Education Trust

This trust owns 2,5m PSG Group shares worth more than R600m, and is debt-free. PSG Group dividends earned from these shares are used to grant bursaries to black learners. As with the Dipeo BEE Education Trust, being a 51% shareholder in Dipeo (refer page 24 of this annual report), the Ruta Sechaba Foundation is its key education-related beneficiary.

Ruta Sechaba Foundation

Established in 2016, this foundation provides academic and sport-related scholarships, bursaries and awards to qualifying black learners at Curro and Curro-managed schools. The PSG Group BEE Education Trust and Dipeo BEE Education Trust were the initial donors to the foundation – it is now open to all corporates and individuals who wish to contribute to education in South Africa in a structured form.

The PSG Group BEE Education Trust and Dipeo BEE Education Trust committed R12m in aggregate to the foundation for the 2019 academic year, which has been used to provide over 400 scholarships, bursaries and awards. The group is proud of the academic achievements of the 2018 beneficiaries – six of our grade 12 learners passed with an A-average, while the rest of them passed with a minimum C-average.

GROUP COMPANIES

It is evident from the aforementioned that PSG Group makes a significant direct contribution to society. However, as an investment holding company, with our underlying investments also having various CSI initiatives, we also make a substantial indirect contribution to society. Below, in no particular order and by no means exhaustive, are some of the CSI projects undertaken by investee companies:

Capitec

Capitec's primary CSI focus is on improving financial literacy and education through the Capitec Foundation, an independent non-profit organisation. Below are some of its initiatives:

- Maths tutor programme: the Capitec Foundation recruited and offered training to university students doing their postgraduate degrees in education to provide them with experience to become maths teachers. This programme has the potential to positively impact 4 500 learners per tutor during their teaching lifetime.
- School management development programme by the University of Cape Town ("UCT") and the Graduate School of Business ("GSB"): the programme aims to upskill individuals in leadership roles at schools to improve such schools' performance. Altogether 23 school principals in the Western Cape and 21 in the Eastern Cape participated during the past year. Since 2012, 128 principals and over 130 000 learners have benefited.
- Teacher development programme: the teacher development programme is aimed at in-service teachers, with 43 from the Eastern Cape and seven from the Western Cape having participated during the past year. The programme trains teachers towards improving their teaching skills. Some of the challenges experienced in running these programmes include social issues such as gangsterism, dysfunctional schools or a lack of infrastructure, especially technology.
- Donations: the Capitec Foundation donated to 29 organisations that shelter abused women and children during the past year.

- Employee volunteer projects: new volunteer programmes were launched to support and encourage employees to become involved in community outreach initiatives. These included the Hooked on Helping Project, whereby 309 employees crocheted more than 320 blankets for shelters and support centres.

PSG Konsult

PSG Konsult invests in educational and social programmes that create future employment and economic empowerment prospects. Below are few of their CSI projects:

- Adopt-a-School Project – a programme that supports and enhances the learning and teaching environment in disadvantaged schools, with the aim of addressing inequalities and inadequacies in rural areas. PSG Konsult has adopted three such schools with more than 1 250 learners in total. These schools are in close proximity to the economic hubs, thereby enabling employees to provide hands-on support.
- Childcare and children’s homes are provided with monthly food parcels and funding.
- PSG Konsult has invested R22m in the ASISA Enterprise Development Fund since February 2015. This initiative invests in the sustainability of small and medium-sized enterprises (“SMEs”) in South Africa. It also supports government’s drive for job creation and economic growth.
- Graduate and bursary programme that has 40 graduates enrolled in the programme and 10 students supported through bursaries.

Curro

PSG Group has to date invested R2,4bn cash in Curro, the largest private school group in southern Africa. Curro plays an important part in educating the youth. Its business model assists government by carrying part of the significant capital burden of building new schools. To date, Curro has saved government more than R7bn in capital investment through the building of schools and plans to invest a further R1,5bn in 2019. Its running costs to educate approximately 57 000 learners save the country well over R1bn annually. Given government’s current budget constraints, we believe this is a major benefit.

Curro has also spent R81m on CSI, including bursaries, during the past year.

FutureLearn (including ITSi)

The FutureLearn group provides accessible learning at scale to learners in any environment using a unique “Guided Learning” model and ecosystem, empowering learners to realise their full

potential. It focuses on education innovation that ultimately ensures quality and affordable learning. FutureLearn currently serves approximately 1 500 schools, more than 22 000 home education and after-school learners (through approximately 1 500 tutors), and more than 100 000 learners in approximately 200 corporate and government institutions. FutureLearn has partnered with Utolo Education, a BBBEE education trust focused on improving education to black learners in South Africa. With our investment in FutureLearn, we look to contribute to education in South Africa, while also creating business opportunities for entrepreneurs and educators who can embrace their passion for education while building a profitable business.

Energy Partners

Energy Partners supports the Pearl Project Community Development initiative in the Helderberg area. The initiative focuses on early-childhood development and has established three crèches that serve the local community.

- Energy Partners also funds the AmazingBrainz programme used at these crèches. Besides a curriculum that is focused on childhood development, the programme also provides coaching and mentorship to crèche employees to ensure they are equipped and qualified to implement the curriculum.
- Furthermore, employees also volunteer their time to assist in the maintenance and renovation of the school premises. The goal is to create a haven for children where effective preparation for primary school can take place. In total, approximately 100 kids attend these crèches.

ProVest

ProVest’s initiatives are focused on education support, infrastructure development, skills development and job creation in communities they operate in. Like many of the group’s investees, ProVest believes in education as being the key to addressing some of these challenges, with the majority of its CSI budget directed towards education initiatives. Some of these CSI initiatives include:

- Financial assistance towards food parcels and sport gear and equipment are provided to schools in the North West and Limpopo provinces.
- 624 female learners in high schools in the Rustenburg area were presented with Princess D Menstrual Cups on Mandela Day. This is in line with Keeping The Girl Child At School Initiative and ensure that they realise their aspirations of being leaders of tomorrow.

CORPORATE SOCIAL INVESTMENT *(continued)*

Pioneer Foods

Pioneer Foods is involved in various community projects in education, the environment and food security. These projects focus on vulnerable groups, such as women and the youth in township and rural communities. Pioneer Foods also invests in feeding schemes, with more than R12m distributed during the past year. The Pioneer Foods' Education and Community Trust ("PFECT") also contributed a further R11,5m to various initiatives. Below are few of their CSI projects:

- Financial assistance: provided R2,6m for the construction of the Mbekweni Youth Centre.
- PFECT Bursary Programme: the bursaries support historically disadvantaged students in high school and tertiary institutions. In the past year, 55 students were bursary recipients as part of this programme.
- School Breakfast Nutrition Programme: breakfast cereals are provided daily to 26 190 learners in six provinces.

Capespan

Capespan initiatives are aimed at improving the quality of life of farmworkers and rural communities in fruit production areas where the company operates. CSI initiatives are developed in partnership with local communities, local government and industry stakeholders. Initiatives integrate socio-economic, occupational health and education development activities based on the communities' needs. The following are some of these initiatives:

- Place of Mercy Pre-school Facility: providing early-childhood development education to 150 young children and auxiliary community support services to more than 350 needy families in the Eastern Cape annually.
- Blue Hand Occupational Health Programme in partnership with local fruit production industry stakeholders and local government benefit more than 4 000 rural farm workers located in the Eastern and Western Cape.
- Community early-childhood development education literacy initiatives in rural areas located in the Northern, Western and Eastern Cape.
- Education skills development of educators and life-skills development of learners at select Department of Basic Education schools in the Western Cape.

Kaap Agri

Kaap Agri's CSI projects focus on training and skills development in the agriculture sector. These projects are executed through the following community interventions – the Kaap Agri Academy, the Young Stars Programme and the Kaap Agri Bursary Programme.

The Kaap Agri Academy celebrated its 10th year of empowering emerging farmers and farmworkers. The academy offers three learnership programmes: Mixed Farming Programme at NQF level 2, Animal Production Programme at NQF level 3 and Plant Production Programme at NQF level 3. More than R2,5m was invested in the academy during the past year.

The Young Stars Programme's objective is to provide job shadowing opportunities, career guidance and mentorship to learners. The programme is run in partnership with the TechnoGirl Trust, an initiative by the Department of Basic Education, the Department of Women, Children and People with Disabilities, and the United Nations Children's Fund ("UNICEF").

The Kaap Agri Bursary Programme provides funds to high school learners at the Boland Agricultural High School in Paarl. The programme has benefited 44 learners to date.

Zaad

Zaad's CSI projects focus on training and skills development in the agriculture sector. The projects are executed in partnership with its black empowerment partner, the Trisano Trust:

- Zaad operates the Klein Karoo Academy which is dedicated to the training of disadvantaged farmers in horticultural and agronomical farming. These courses carry official NQF accreditations and are done on-site where farmers are housed and trained both theoretically and practically. On completion of these courses, farmers get the opportunity to buy their own greenhouse tunnel with a soft loan to allow them the opportunity to produce successfully. Approximately 150 farmers are trained and empowered each year, ready to enter the market. Approved projects for the coming year include 260 farmers (200 in South Africa and 60 in Angola), with a further 130 farmers in process of approval.