
Corporate social investment





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

PSG

“Education is the most powerful weapon which you can use to change the world.” – Nelson Mandela

As we believe in the multiplier effect of investing in and supporting education, we are involved in the following education-related initiatives:

- *The PSG Group Bursary Loan Scheme at the University of Stellenbosch*
 - We started this initiative in 2007 when PSG and Jannie Mouton each donated 100 000 PSG shares, with a present combined market value of approximately R50m, to provide financial support to gifted but needy students. To date, 73 students have been funded through this scheme, with bursaries totalling R4,1m. Their fields of study include medicine, law, actuarial science, accounting and investment management.
- *Akkerdoppies*
 - PSG has financially supported this preprimary school since its inception. Akkerdoppies is part of the Sibusisiwe charity and is committed to early childhood development through providing essential education and skills to children from the disadvantaged communities of Stellenbosch. The school is attended by 160 children and now employs 19 people. We are committed to a long-term relationship with this initiative and anticipate a significant positive contribution to the community.
- *Curro*
 - PSG has invested R2,4bn cash in Curro, which plays an important part in educating the South African youth. Our business model is centred on assisting the government in that we carry part of the significant capital burden of building new schools. To date, we have saved the government more than R12bn in capital investment and our running costs to educate 50 000 learners save the country approximately R1bn annually. Given government’s current budget constraints, we believe this is a major benefit for them. Curro has also offered extensive bursaries of approximately R88m to its learners.
- *FutureLearn (previously known as Impak)*
 - This company provides fully integrated learning solutions to schools, parents, tutors and learners with a focus on improving academic outcomes and/or improving efficiencies (lower cost to serve). There are over 500 support centres and 40 registered schools across the country currently making use of FutureLearn’s products, and with this investment we look to further contribute to education in South Africa while also creating business opportunities for entrepreneurs and educators who wish to open a support centre. We embrace their passion for education while building a profitable business. We are excited about the growth prospects for this alternative form of education.
- *Dipeo BEE Education Trust (previously known as Stellenbosch BEE Education Trust)*
 - We established and initially funded the Dipeo BEE Education Trust with R102m, which was subsequently repaid in full. The trust owns 51% in Dipeo, which in turn holds interests in various investments associated with PSG. The net worth of Dipeo BEE Education Trust is R813m. We look forward to seeing this trust assist previously disadvantaged learners in obtaining a quality education. The Trust has identified the Ruta Sechaba Foundation as its key partner in education to assist in achieving this objective.



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- *PSG Group BEE Education Trust*
 - This trust owns 2,5m PSG shares valued at over R600m. Future PSG dividends from these shares will be used to grant bursaries to previously disadvantaged learners. As with the Dipeo BEE Education Trust, the Ruta Sechaba Foundation is its key partner in education.
- *Ruta Sechaba Foundation*
 - The foundation was established in 2016 to provide academic and sport-related scholarships, bursaries and awards to qualifying learners at Curro and Curro-managed schools. The Dipeo BEE Education Trust and PSG Group BEE Education Trust are the initial donors to the foundation and collectively committed R5m for the 2017 academic year. Approximately 120 bursaries have been awarded from these funds in 2017, with the hope of reaching over 500 bursaries per annum in three to four years' time.
 - Curro will carry all the costs and the administration burden associated with managing the foundation, thereby ensuring that all donations can be utilised in full for education purposes.
 - PSG, together with Curro and the Multiply Titans cricket team, recently launched the biggest ever bursary scheme for talented previously disadvantaged cricketers in South Africa. Our objective is to improve transformation and representation within South African cricket.
 - The foundation is open to all corporates/individuals wishing to contribute to education in South Africa on a structured basis.

OTHER GROUP COMPANIES

It is evident from the aforementioned that PSG 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 are some of the CSI projects undertaken by investee companies:

- *Kaap Agri*
 - Kaap Agri's CSI projects focus on training and skills development. Through the Kaap Agri Academy, the company runs a farmer development programme that trains approximately 25 students per year who are emerging farmers in the Western and Northern Cape. Since its inception, the academy has already catered for more than 240 students, and produced three AgriSETA award winners for Best Performing Learner of a Skills Programme. The top student for 2015 was selected as the vice chairperson of Grain SA. The academy also trains farm workers in various practical skills including welding, chemical handling, equipment maintenance and productivity management.
 - The company also offers bursaries to students studying agricultural sciences, with 37 learners currently benefiting from this programme.
 - Kaap Agri's Care & Grow initiative is aimed at making a difference in the communities within which it conducts its business. This outreach by its various business outlets and employees is shared with stakeholders in a company newsletter called "Care & Grow".
 - The Kaap Agri Employee and Farmworker Trust makes funds available to qualifying employees of the designated group through a revolving housing loan fund. During 2016, 47 employees were beneficiaries of this fund of which 32% were female. The trust also supported another eight projects in rural areas catering mainly for women and children of farmworkers. The total number of beneficiaries for the year were 2 925 of which 51% were female.
 - In 2014, Media24 recognised Kaap Agri's contributions to society by awarding them the top prize in the Unlisted Company Corporate Social Responsibility Investment Awards.



- *Capespan*
 - Capespan follows an integrated approach in developing its CSI initiatives, based on its assessment of the socio-economic, health and educational requirements of communities in need. CSI initiatives are developed in partnership with local communities, local government and industry stakeholders. CSI projects include support to:
 - Place of Mercy Preschool Centre, Eastern Cape Province.
 - Thembalethu HIV/Aids Trust, Eastern Cape Province (providing community preventative health and educational programmes to high school learners).
 - Capespan Blue Hand Health Programme in partnership with local export fruit producers and local government (occupational and community primary health care services delivered at clinic rooms on eight farms).
 - Partners for Possibility (#P4P500) (an education leadership development programme in partnership with Symphonia for South Africa).
 - Early language and literacy development of children from previously disadvantaged communities in South Africa, in partnership with Wordworks and SmartStart.
 - Financial support to schools located in key fruit production and needy rural areas.
 - Northern Cape Province Occupational and Primary Health Care Programme, in partnership with the local government department.
 - School Aid UK and RSA, in partnership with Capespan (UK) and Maersk Shipping Line.
 - Various community life-skills, sport and socio-economic development projects in rural areas and/or needy communities.
 - Employees volunteering are supported with funding allocations based on welfare/NGO projects nominated or sufficiently motivated for, but not covered by the company's CSI mandate. This expands the reach of Capespan beyond what can be done at a corporate level.
 - In 2016, approximately 5 000 people benefited from projects developed and supported as part of Capespan's CSI initiatives.
- *Zaad*
 - Zaad, in partnership with black empowerment partner the Trisano Trust, operates the Klein Karoo Academy which is dedicated to the training of previously disadvantaged farmers in horticultural and agronomical farming. These courses have official SAQA accreditations and are done on-site where farmers are housed and trained both theoretically and practically for several weeks. On completion of these courses, farmers get the opportunity to buy their own 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. Current approved projects for the coming year amounts to 260 farmers (200 in South Africa and 60 in Angola) with a further 130 in an advanced stage of approval.
- *Pioneer Foods*
 - Pioneer Foods is involved in various community projects in education, environment and food security. These projects focus on vulnerable groups, such as women and youth in township and rural communities. Pioneer Foods also invests in feeding schemes. Pioneer Foods distributed approximately R9,3m to beneficiaries during the past year. Below are a few of the CSI projects:
 - Mbekweni Youth Centre (financial assistance of R2,3m for the construction of the Mbekweni Youth Centre).
 - PFECT Bursary Programme (the bursaries support previously disadvantaged black students in high school and tertiary institutions. In 2016, approximately 36 students were bursary recipients in this programme).



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- School Breakfast Nutrition Programme (breakfast cereals are provided to over 21 450 learners in five provinces daily).
- The African Children's Feeding Scheme (more than 30 000 children benefited from milk purchased during 2016 to support 13 feeding centres in Soweto and the surrounding informal settlements).
- Responsible Me Programme (this intervention provides HIV/Aids training to high school learners, educators and parents in KwaZulu-Natal, where there is high prevalence of teenage pregnancy and HIV/Aids).
- *Capitec*
 - Capitec's primary CSI focus is on improving financial literacy and education through the Capitec Foundation, an independent non-profit organisation.
 - The foundation operates a bursary fund that targets public school learners in grades 10 to 12, with mathematics as a matric subject. The bursaries cover tuition fees for one year and 413 learners from 67 schools currently qualify for bursaries across the country.
 - The foundation granted 23 bursaries to school principals, studying for a Management Development Programme certificate through the UCT Graduate School of Business this year.
 - A major project sponsored by the foundation is the Icamva Youth initiative. This is a volunteer-based group that gives high school learners access to skills, networks and resources that enable them to reach tertiary education and employment opportunities post-matriculation. While more than half of the volunteers are ex-learners, Capitec employees also volunteer their time to this initiative.
 - The eduCate Revision Programme for grade 12 learners provides learners from previously disadvantaged backgrounds revision tutoring in mathematics and science in the run-up to exams. During 2016, 6 118 learners from 116 public schools participated in the programme.
 - The foundation held financial life skills workshops and presentations as part of its educational programmes. A total of 2 296 participants were reached through face-to-face workshops and presentations were conducted to 468 people on various topics.
 - Through Capitec's five-week training programme, approximately 260 employees (mostly matriculants from humble backgrounds) are trained each month. Given Capitec's rapid growth, more than 19 000 people have been trained to date.
- *PSG Konsult*
 - PSG Konsult invests in educational and social programmes that create future employment and economic empowerment prospects. Below are a few of the CSI projects:
 - Adopt-a-School Project (during the year under review, PSG Konsult adopted three schools and has committed to increase the contribution towards more schools during the 2018 financial year).
 - Childcare and children homes (centres and homes are provided with monthly food parcels and funding).
 - ASISA Enterprise Development Fund (initiative aimed at driving job creation and economic growth, PSG Konsult has invested R10m to date in this fund).
 - Graduate and bursary programme (this programme is open to students from previously disadvantaged backgrounds, PSG Konsult currently has 23 graduates and 11 bursary students in this programme).
 - Santam Industry Development Programme (aims to train previously disadvantaged individuals in the short-term insurance environment. As part of this programme, PSG Konsult is providing training to 11 individuals within its short-term administration and Western business units).
- *PSG Alpha*
 - The investee companies under PSG Alpha run various projects and make a wide range of contributions in the communities and areas in which they operate. The prevalent themes relate to early childhood development and care, education (particularly preschool and primary) and youth development.