

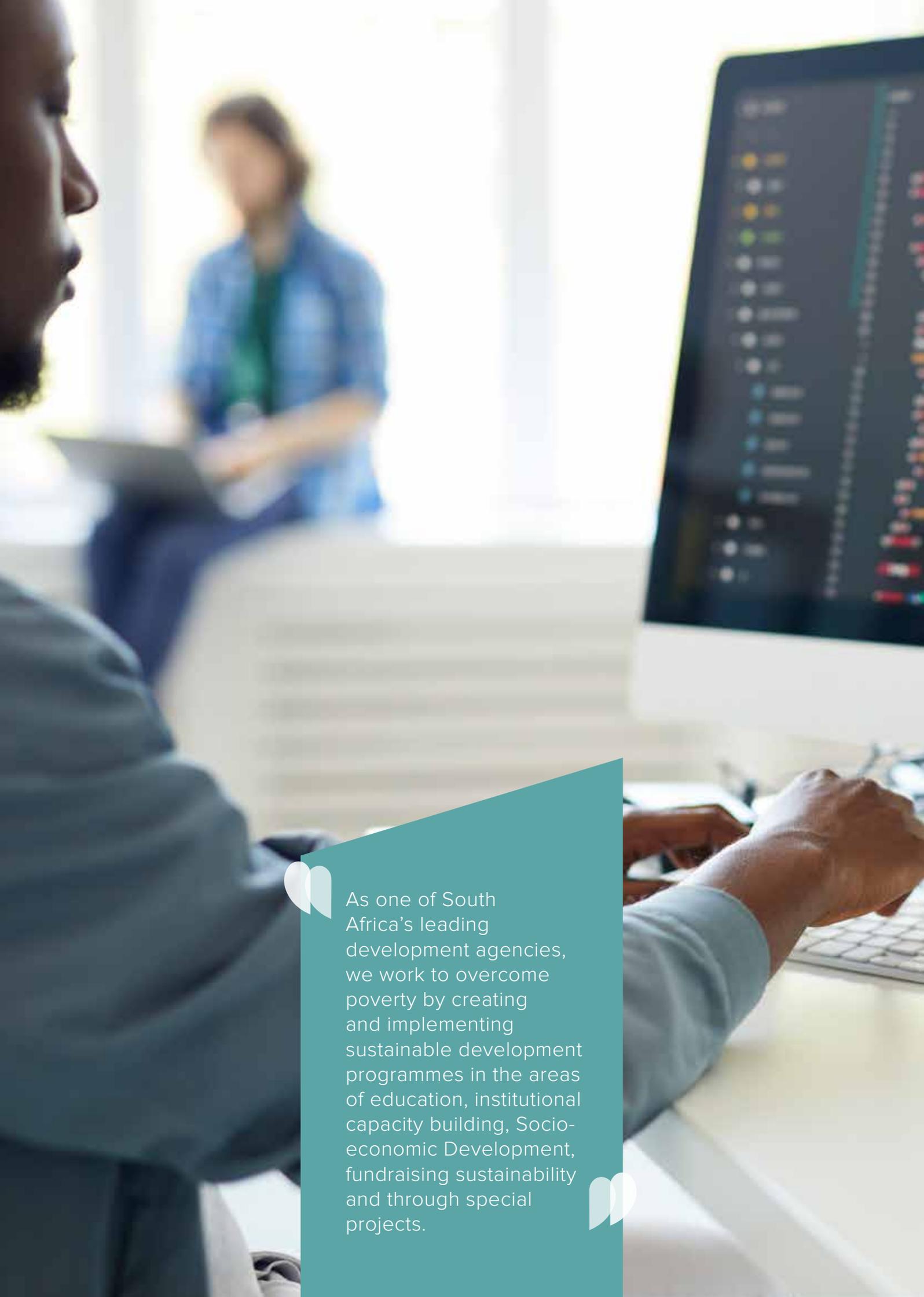


Towards the  
future, **together**

**Annual Report**  
2017/18



**KAGISO**  
T R U S T  
Overcoming poverty



As one of South Africa's leading development agencies, we work to overcome poverty by creating and implementing sustainable development programmes in the areas of education, institutional capacity building, Socio-economic Development, fundraising sustainability and through special projects.

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# About our Annual Report



**Frank Chikane (Rev)**  
Chairperson

## We are proud to present to you Kagiso Trust's 2017/18 Annual Report.

Kagiso Trust, as one of South Africa's leading development agencies, working for its people's empowerment and freedom from poverty, is continually having to realign its activities and focus to stay relevant in today's fast changing socio-economic landscape. Never has this been more necessary than where we find ourselves now, from both a global and South African context. We are in times of great change and Kagiso Trust is responding accordingly.

This report sets out to communicate the development climate within which we find ourselves and detail our response and initiatives to address these.

### A global shift

As a global community, humanity is experiencing and bearing witness to its most profound shift in evolution and revolution in recorded history.

At a conscious level there is a growing awareness that the only way we're ever going to evolve successfully and prosperously into the future is through compassion, caring, working together, respecting each other and the environment, and sharing what we have with those who don't, to ensure that nobody is left behind. At a socio-economic level we're seeing the rise and ever-growing impact of the 4IR (Fourth Industrial Revolution). The impact of the 4IR cannot be overstated. It is and will increasingly so, change every facet of our lives. Technology, in all its guises is uniting in a way not dissimilar to the human collective.

### Kagiso Trust and its role

The impact of the 4IR has been identified as a key strategic area of focus for Kagiso Trust. Kagiso Trust is ideally placed to play a key role locally in this global revolution. Through our unique and inter-disciplinary approach to development, we can make a meaningful contribution to the readiness and empowerment of a work force

As a global community, humanity is experiencing and bearing witness to its most profound shift in evolution and revolution in recorded history.



**Mankodi Moitse**  
Chief Executive Officer



able to embrace the 4IR and the many social and economic opportunities it presents. Our focus on the 4IR is aimed at contributing to the positioning of public policy as an enabler of inclusive growth and sustainable development.

Kagiso Trust remains committed to our vision of contributing to the creation of a prosperous, peaceful, equitable and just society. We continue to align our development programmes with the goals stated in the National Development Plan and the Sustainable Development Goals.

### Included in this report

This annual report sets out to communicate the following to all stakeholders:

- Current programmes and feedback
- Objectives and strategies for the short to medium term (2018/9)
- Objectives and strategies for the long term (2020/21 and beyond)

### Reporting period

The Kagiso Charitable Trust annual report is produced and published annually. The 2017/18 report covers the period 1 July 2017 to 30 June 2018. This report builds on our previous annual report for the period 1 July 2016 to 30 June 2017.

### Assurance and independent assessment

Kagiso Trust’s annual report does not include the consolidated annual financial statements for the year ended 30 June 2018, which have been audited by PriceWaterhouseCoopers Inc. and on which an unmodified opinion for the year ended 30 June 2018 has been expressed.

The full annual financial statements can be accessed on our website ([www.kagiso.co.za](http://www.kagiso.co.za)).

On behalf of the board:

Frank Chikane (Rev)  
Chairperson

Mankodi Moitse  
Chief Executive Officer

Kagiso Trust remains committed to our vision of contributing to the creation of a prosperous, peaceful, equitable and just society.

### Strategic Focus Areas

-  **KAGISO TRUST** | Education Development
-  **KAGISO TRUST** | Socio-economic Development
-  **KAGISO TRUST** | Institutional Capacity Building
-  **KAGISO TRUST** | Financial Sustainability
-  **KAGISO TRUST** | Special Projects

### Stakeholders

- Partners
- Employees
- Non-profit organisations
- Beneficiaries
- Regulators
- Communities



Fourth Industrial Revolution  
Talk Point





# About Kagiso Trust

# Our Identity

## Our Vision

A prosperous, peaceful, equitable and just society.

## Our Mission

To contribute to development through sustainable funding, with like-minded partnerships and innovative scalable development models.

## Our Values

- Integrity • Accountability • Passion for Development
- Hands-on, Bottom-up Approach

## Our Strategic Goals

### Education Development

To extend our educational development programmes.

### Socio-economic Development

To promote and support Socio-economic Development.

### Institutional Capacity Building

To support strategic institutional capability building for sustainability.

### Financial Sustainability

To ensure financial sustainability of Kagiso Charitable Trust.



# Our Footprint

## Gauteng

**Kagiso Enterprises Rural Private Equity Fund (KERPEF):**

- Killer Grill & Fish & Chips, Sandwich Baron

**Education Conversations:**

- University of Johannesburg

**KT Leverage Fund:**

- South African Council of Churches

**Kagiso Trust Consulting:**

- CoGTA

**PMO:**

- Department of Telecommunications

## Limpopo

**KT Leverage Fund:**

- NASGB

**KST:**

- Anglo American Schools Project

**PMO:**

- University of Limpopo Research partnership

**Kagiso Trust Consulting:**

- Molemole Municipality
- Musina Municipality
- Makhaduthamaga Municipality
- Collins Chabane Municipality

## Mpumalanga

**KERPEF:**

- Thembeke Sales and Logistics

**KST:**

- Anglo American Schools Project

## North West

**KERPEF:**

- Matrix Computers

## Northern Cape

**KST:**

- Anglo American Schools Project

## Free State

**KERPEF:**

- OBC Chickens

**BNSDP:**

- 166 schools in Thabo Mofantsanyaya

**KST:**

- 322 schools in Motheo & Fezile Dabi

**EMSP:**

- 61 Students (including 2018 intake of 15 students)

**PMO:**

- UFS Research partnership

## Western Cape

**KT Leverage Fund:**

- SAWID

**PMO:**

- Stellenbosch and Western Cape Universities Research partnerships

## KwaZulu-Natal

**KERPEF:**

- Sparkling Auto
- AC DC Electrical Supplies

**Beyers Naude Memorial Lecture:**

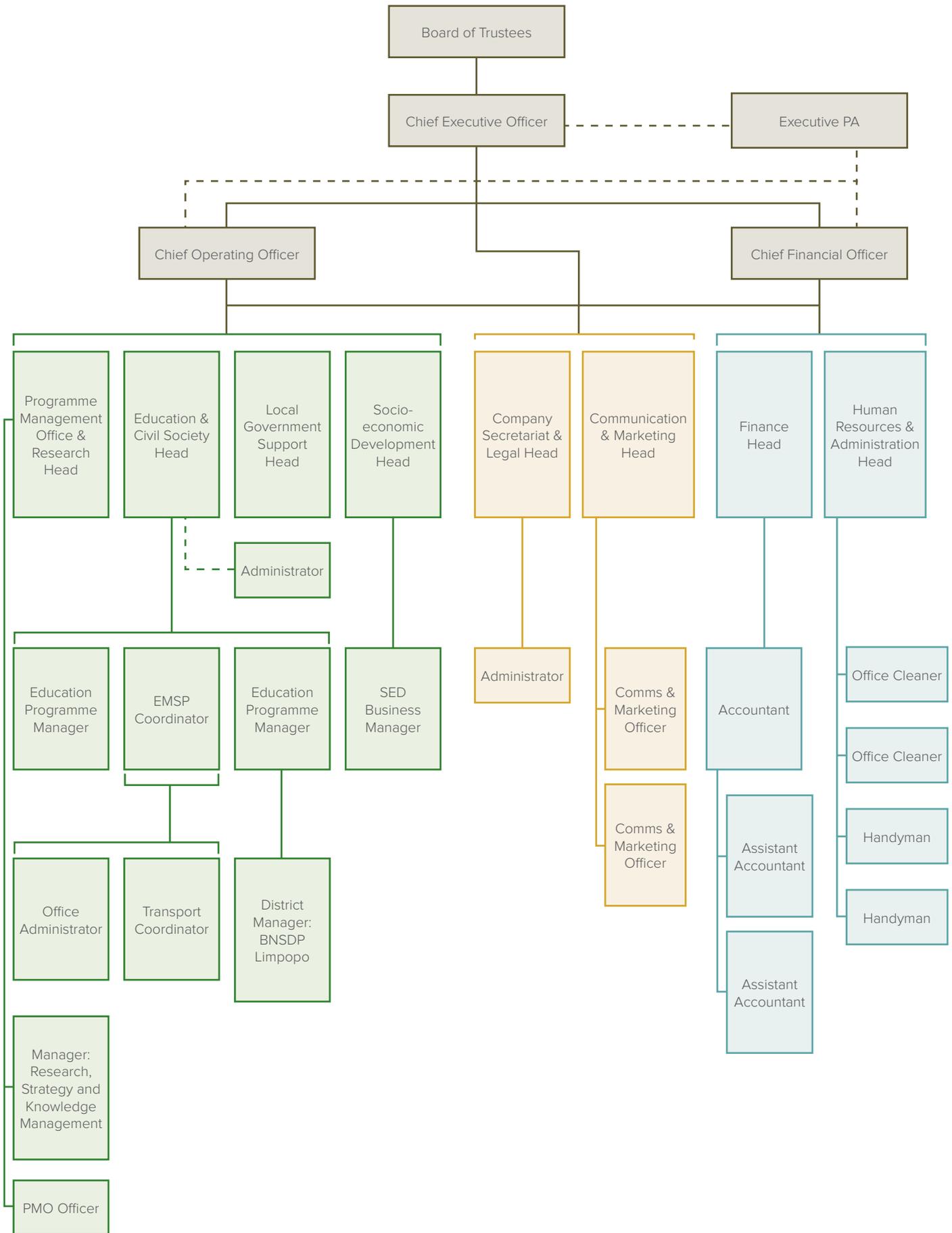
- University of Zululand

## Eastern Cape

**KTC:**

- CoGTA

# Kagiso Trust Organogram



# Kagiso Trust Family

Note: As of 1 January 2019.



**Mankodi Moitse**  
Chief Executive  
Officer



**Themba Mola**  
Chief Operating  
Officer



**Mzomhle Nyenjana**  
Chief Financial  
Officer



**Modjadji Seabi**  
Programme Management  
& Research Head



**Sizakele Mphatsoe**  
Education & Civil Society  
Head



**Mohlolo Selala**  
Socio-economic  
Development Head



**Paul Smith**  
Local Government  
Support Head



**Phila Moremi**  
Company Secretariat  
& Legal Head



**Silindokuhle Chamane**  
Finance Head



**Isabella Liba**  
Human Resources &  
Administration Head



**Mandisa Tselana**  
Communications  
& Marketing Head



**Angelinah Mdakane**  
Education Programme  
Manager



**Siyanda Jonas**  
Manager: Research, Strategy  
& Knowledge Management



**Maria Mokae**  
EMSP Coordinator



**Dilakane Phasha**  
District Manager:  
BNSDP Limpopo



**Linda Frampton**  
Executive Personal  
Assistant



**Joan Masemeng**  
Accountant



**Amandla Kwinana**  
Communications  
& Marketing Officer



**Chulekazi Charlie**  
Communications  
& Marketing Officer



**Nicolene Phaho**  
Corporate Governance  
and Legal Administrator



**Zandile Magutywa**  
PMO Officer



**Temoso Lekhuleni**  
Human Resources &  
Administration Officer



**Mothusi Boikhutso**  
Education Programmes  
Administrator



**Phathutshedzo Munyai**  
Accountant



**Nothile Jiyane**  
Assistant  
Accountant



**Linkie Tshabalala**  
Office  
Administrator



**Tsietsie Thakalekoala**  
Transport  
Coordinator



**Nozipho Shabalala**  
Office Cleaner



**Victoria Maqhosha**  
Office Cleaner



**Amos Nkomontle**  
Handyman



**Hendrick Phalama**  
Handyman





# Staying **Relevant**

# Chairperson's Review



**Frank Chikane (Rev)**  
Chairperson

“Ask not what your country can do for you – ask what you can do for your country.”  
– J.F. Kennedy

Let us all stand together and stop shouting ‘news that is not good news’ and change the narrative of hate, exclusion, greed and violence, to one that is compassionate and caring, ready to serve the ‘other’ beyond our narrow self and so-called ‘national’ interests. We must declare war against poverty in 2019 and stop the looting of State resources. We all need to ensure that Government resources are used to end poverty in our country and motivate and mobilise the people to participate directly in the fight against poverty.

In 2015 we celebrated thirty (30) years of developmental work and service by Kagiso Trust which is documented in our case study: A Case Study of African Foresight. In the last three years or so, Kagiso Trust spent time refining its vision for the next 30. It was a period of critical reflection; learning from the past. We projected ourselves into the future; in a ‘fast changing’ world with disruptive technologies and new ways of doing any business. We ended the period with a clear understanding we should be in the centre of the development of the Fourth Industrial Revolution (4IR) rather than follow or respond to it.

This last financial year was characterized by critical review and reflection about where South Africa comes from and where it is going. The

various Commissions which were set up brought the levels of corruption, which affect the poorest of the poor more than anyone else, to the surface in a way that was unprecedented. In the midst of all this ‘bad’ news, Kagiso Trust stayed on course with a message of hope and a narrative of compassion and caring, ready to serve the ‘other’, beyond our narrow self-interests.

It is my firm belief that each and every one of us who reside in this beautiful country need to participate and take personal responsibility at some level towards ensuring that we all do our bit in fighting poverty. We need to move from a mindset of negativity and entitlement, to one of positivism and upliftment. This won't be achieved through hateful speech, greed and violence. JF Kennedy once famously challenged the American people with these words “Ask not what your country can do for you – ask what you can do for your country...”. This sentiment couldn't more accurately describe where we, as South Africans, find ourselves today.

## A Heritage of Justice

Kagiso Trust's 33-year history of continually empowering the less fortunate is admirable and praiseworthy. Having being part of the organisation from inception, I could not be

## KAGISO TRUST'S 30-YEAR STRATEGIC ARCHITECTURE



prouder of my association and chairpersonship at Kagiso Trust. I encourage the development of more organisations which meaningfully and positively work towards creating equality for all. Kagiso Trust's founding fathers and leaders have been women and men known as legends, heroes, stalwarts and visionaries here and internationally. They succeeded in skilfully steering Kagiso Trust through the rough storms of apartheid and then through the new waters of a young democracy. Their foresight and resolve to build a prosperous, peaceful, equitable and just South Africa, molded who Kagiso Trust is today.

### Kagiso Trust and the Fourth Industrial Revolution (4IR)



This past year, Kagiso Trust has continued to implement its refreshed strategy which will remain as the overarching direction for the next 30 years. However, change is constant and as an agile development organisation, KT continually needs to adjust to the ever more quickly changing global environment.

The Fourth Industrial Revolution is just such a case in point. The 4IR is revolutionising the way we live and work on a global scale and its effects will quickly begin to affect every facet of our lives. South Africa needs to embrace this technological revolution at every level, starting of course, with

the way it impacts our education requirements. The 4IR will impact each of KT's primary areas of focus; Education Development, Socio-economic Development and Institutional Capacity Building at Local Government and Civil Society levels. To this end Kagiso Trust has met and collaborated with various stakeholders, experts and institutions in its focus areas to ensure that KT programmes and initiatives take on-board and implement the necessary changes needed to embrace the 4IR.

### Developing Models for Change



Having spent the previous year understanding the 4IR and its implications to development, the research confirmed Kagiso Trust's approach to develop programme models are aligned with emerging global trends. The programme models are based on the elements of 'uniqueness, innovative, replicable, scalable and sustainable'. Thus, the new model-based developmental solutions of the Trust, namely Early Childhood Development, Socio-economic Development (SED), and Local Government Support.

The lessons from the engagements in debates on 4IR and research has enlightened KT to incorporate consideration of the value add that disruptive technologies can make in the sectors KT programmes are implemented. Disruptive technologies will be critical in the education, property and agriculture sector to mitigate the

However, change is constant and as an agile development organisation, KT continually needs to adjust to the ever more quickly changing global environment.



## Chairperson's Review (continued)

The power of partnerships is immense, particularly in the development space where a number of stakeholders are equally passionate about creating a thriving and unprejudiced society.

challenges that arise from the digital divide. Challenges, such as access to quality education, infrastructure and curriculum, can be mitigated by access to online education material or accredited courses.

The Trust contributes to access to quality education across the value chain of the education sector. In this area, KT will also be exploring access to skills development of children for future skills associated or aligned with disruptive technologies and global economic trends. In the SED space, KT's model has focused on technical and business skills development – the area where KT will promote consideration of disruptive technology to improve production or efficiency in the agriculture and property sectors.

### Toward the Future

The Kagiso Trust Board encourages staff to attend courses and sessions on 4IR to equip themselves and be ready to elevate the developmental role of KT with the value add of disruptive technologies on KT Programmes. This will result in our human capital growing and evolving with the times, and being adequately capacitated and resourced to ensure poverty alleviating solutions remain relevant. The Trustees are also active participants in various platforms that share information and knowledge on 4IR and disruptive technologies. These engagements provide the Board with an informed and innovative approach to strategy and leadership.

The power of partnerships is immense, particularly in the development space where a number of stakeholders are equally passionate about creating a thriving and unprejudiced society. Civil society, government and business collaborations, being appreciative of each sector's strengths and weaknesses, are able to manipulate their power over culture, policies and economics to create a better South Africa.

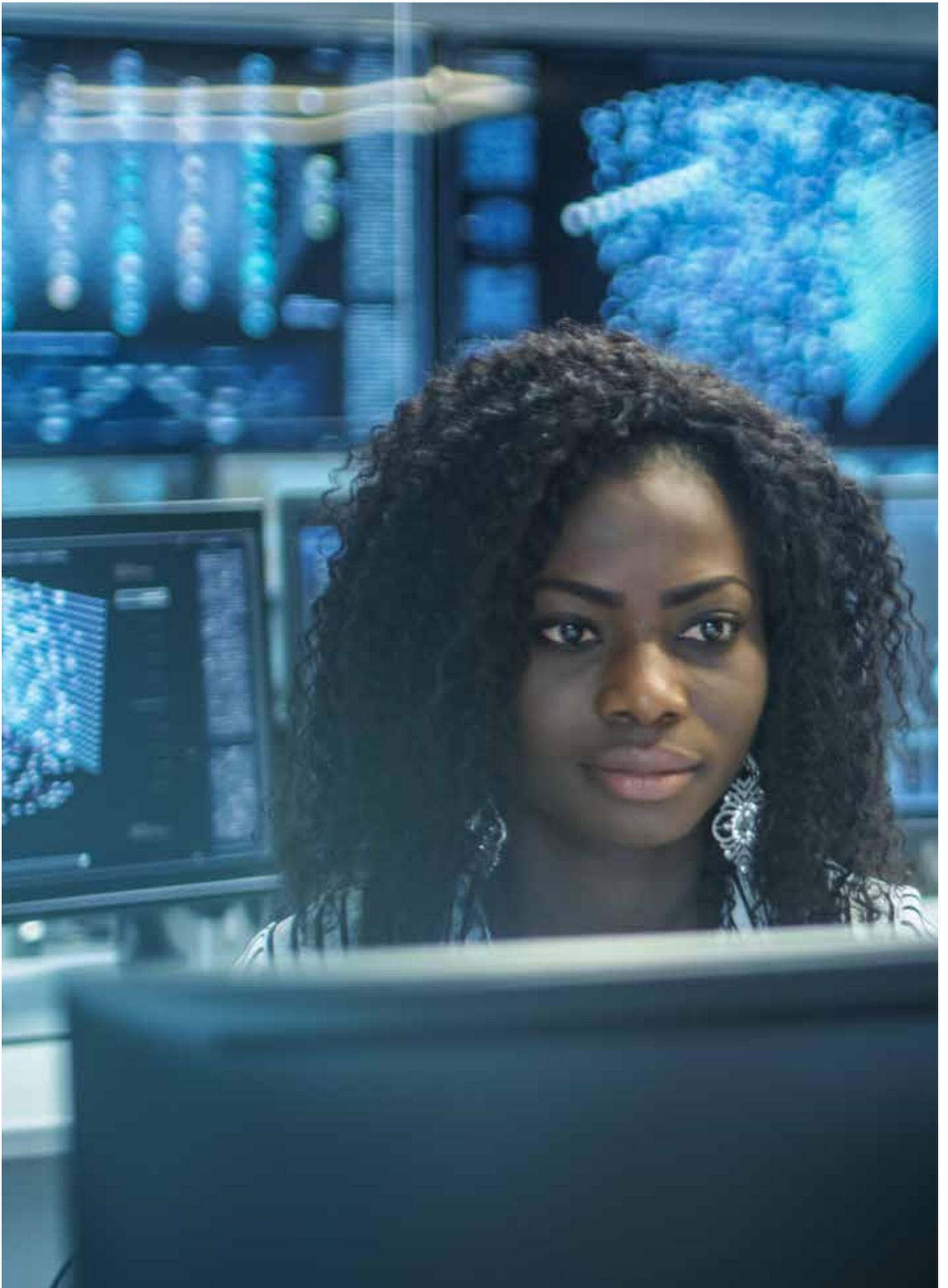
Kagiso Trust's partnerships with the Cyril Ramaphosa Foundation and the Free State

Department of Education in KT's education development programmes continue to yield greater impact in the impoverished communities we work in through coordinated and strategic involvement and resources. We look forward to the success of the new partnership with the Limpopo Department of Education. We hope to work together to make a difference in the performance of the Limpopo's Sekhukhune East District.

Our partners and key stakeholders in Local Government and Civil Society are equally important to ensuring the communities we operate in are conducive for the implementation of these various development programmes. Our partners in Socio-economic Development will assist the organisation to realise significant change and take great strides in ensuring inclusive growth in our economy. We look forward to travelling this important journey with Motseng Investment Holdings and the South African Supplier Development Council.

Ultimately, the only way that humanity is ever going to evolve successfully and prosperously into the future is through compassion, caring, working together, respecting each other and the environment, and sharing what we have with those who don't. Nobody should be left behind through lack of resources or caring. At a socio-economic level the impact of the 4IR cannot be over-stated and it will impact all of us. Kagiso Trust will continue its work, mindful of these issues, however, it must be born in mind that we are just one organisation tackling an enormous task. We therefore call upon all South Africans, whether in a private or institutional capacity to do their bit in whatever way they can, to work towards the betterment of our country.

**Frank Chikane (Rev)**  
*Chairperson*



# Chief Executive Officer's Review



**Mankodi Moitse**  
Chief Executive Officer

Having already gained a wealth of insight, we look forward to being a prototype of best practice.

The saying, 'adapt or die' could not be more relevant than with the advent of the Fourth Industrial Revolution (4IR). In preparation of the inevitable, Kagiso Trust wanted to understand the 4IR and its implications before immersing ourselves in it.

### Passion for development



The Board of Trustees challenged the organisation to dig deeper and unearth ways to optimise 4IR as we implement the 30-year strategy.

The 4IR journey has informed how we should respond as a country and, as a development organisation, to the benefit of our beneficiaries. Having already gained a wealth of insight, we look forward to being a prototype of best practice and entrench ourselves as thought and action leaders in development in South Africa and beyond.

### Focus on strategy

2017/18 marked the second year since we launched the five-year strategy. The year was mainly focused on finalising the conceptualisation of new programmes. The process of creating programmes aimed at overcoming poverty has been one filled with challenges and invaluable learnings.

This past year Kagiso Trust had to reflect on its Civil Society and Local Government Programmes

to ensure that they address the social issues identified. Additionally, the organisation is eager to start implementing its Socio-economic Development Programme (SEDP), which seeks to harness a diverse ecosystem by collaborating with progressive private and public partners and thereby raise capital, provide technical and management support to black farmers and provide market opportunities. Throughout the process, the Trust has allowed growth and knowledge to induce a state of reflection.

In Education Development, Kagiso Trust has signed a memorandum of understanding with the Limpopo Department of Education to implement the Beyers Naudé Schools Development Programme (BNSDP) in Riba Cross (Sekhukhune East). The Trust looks forward to lending its expertise to the province and is confident the partnership will be mutually rewarding.

Over the past year, KT has piloted its Early Childhood Development (ECD) programme in five centres, in Zamdela (Fezile Dabi, Free State). The programme, in line with other KT programmes, will be implemented using the organisation's ECD model that is replicable and scalable.

The Trust is proud to announce that the FirstRand Foundation has partnered with Kagiso Shanduka Trust (KST), a partnership between Kagiso Trust and the Cyril Ramaphosa Foundation. The FirstRand Foundation inclusion strengthens the programme with its expertise in education

## KAGISO TRUST'S 5-YEAR KEY STRATEGIC OBJECTIVES

- To extend our education development programmes;
- To broaden education reach nationally and regionally across the education spectrum;
- To develop exit options for our learners;
- To extend our Socio-economic Development programmes;
- To create enterprise development opportunities with social impact outcomes;
- To support strategic institutional capability building for sustainability
- To build and consolidate a model for capability and sustainability;
- To improve governance frameworks;
- To ensure financial sustainability of Kagiso Charitable Trust;
- To manage and grow the Trust's financial sustainability.

and reinforces the KST board with two representatives.

As the Trust absorbs these new programmes, it appreciates the role the Programme Management Office will continue to play, having done the groundwork in institutionalising learning, reporting and increasing programmatic efficiency.

### Kagiso Trust’s approach to development

KT’S development approach continues to hold the organisation accountable to its beneficiaries and the broader society. Kagiso Trust is constantly aware of its agenda to overcome poverty in communities and so the use of its resources must improve the communities it serves.

As the organisation conceptualised and implemented its development programmes, it ensured that it emphasises its values: a bottom up approach through engagement with stakeholders has been critical and the organisation’s integrity has shown that Kagiso Trust is authentic and adds value to the communities we serve. Everything the Trust does is deliberate, thus the reflecting and time spent crafting and refining programmes. KT’s programmes are rooted in building models which are unique, scalable, replicable, innovative and research-based.

### The year ahead

Kagiso Trust will be entering many different spaces this coming year through the Socio-economic Development programme, the Local Government Programme and Education Development expansion into ECD and re-entry into Limpopo. KT looks forward to gaining new stakeholders in new spaces and also to new knowledge, which will be created and recorded. KT hopes to be enriched while also sharing learnings, in the process, with government and peers in the development space. KT is excited at the impact it will make to change the landscape of South Africa’s poorest communities.

### Appreciations

As the Chief Executive, I would like to thank our Trustees for their leadership and foresight during this year of knowledge and reflection within the organisation. To the KT Family, thank you for your tireless dedication and your willingness to learn within your respective pillars and programmes during another challenging year.



**Mankodi Moitse**  
Chief Executive Officer

KT’s programmes are rooted in building models which are unique, scalable, replicable, innovative and research-based.

## OVERVIEW OF KAGISO TRUST’S 5-YEAR STRATEGY

YEAR 1 2016/17	 YEAR 2 2017/18	YEAR 3-5 2018/19 TO 2020/21
Enhance existing frameworks; Review current work and impact; Review and develop optimal organisational tools; Conceptualise new programmes; Continue implementation of existing programmes; Prepare the organisation for change.	Finalise review of current work and impact; Finalise conceptualisation of all new programmes and set clear success targets; Pilot new programmes; Continue implementation of existing programmes; Prepare the organisation for change.	Pilot and implement the initial phases of newly conceptualised programmes; Continue to implement existing programmes.

# Chief Operations Officer's Review



**Themba Mola**  
Chief Operating Officer

**Each and every action, no matter how small, has consequences that can become profound and powerful. This is the premise from which Kagiso Trust, through its developmental initiatives which support the National Development Plan as well as the Sustainable Development Goals, is working to bring meaningful change in the South African development landscape.**

**Kagiso Trust has identified these key areas for development support:**

- Education Development,
- Socio-economic Development,
- Institutional Capacity Building in Civil Society and,
- Local Government

It is through the inter-connectedness of these areas that the butterfly effect will magnify the positive actions and initiatives taken by KT at the micro-level of each sector and ultimately affect change positively into the macro.

Kagiso Trust can make a significant difference by focusing on making 'minute localised change' in each school, business, community and municipality it works in. As a change is made in the lives of individuals, so it impact their families, their communities, and ultimately the country. What may have seemed to be an impossible task, such as the organisation's vision of creating a prosperous, peaceful, equitable and just society, ultimately becomes a reality.

The 2017/18 financial year was a year of finalising the conceptualisation of new programmes and deepening and expanding the impact of those that already exist.

### Education development highlights

The District Whole Schools Development Programme (DWSDP), in the Free State, continues to yield success. The Free State continues to excel; the Class of 2018 achieved a pass rate of 87.5%, placing the province in second

place nationally. The districts in which we are implementing the DWSDP, through Kagiso Shanduka Trust (KST) in partnership with the Free State Department of Education, achieved excellent results. Fezile Dabi and Motheo districts each obtained 92.3% and 85.1% respectively. Fezile Dabi is currently the country's top performing district.

Kagiso Trust is proud of the Thabo Mofutsanyana district's consistency in achieving the 90/40 (90% matric pass/40% bachelor passes) target set by the Free State Department of Education. Thabo Mofutsanyana achieved a 90% pass rate and was placed sixth best performing district in the country. The district's continued performance demonstrates the sustainability of the DWSD model three years after Kagiso Trust exited.

The KST infrastructure programme took a specific focus on Grade R, as this grade forms the foundation for all future learning. Kagiso Trust is also piloting an Early Childhood Development (ECD) Programme in five (5) ECD centres in Zamdela, Fezile Dabi.

The Eric Molobi Scholarship Programme (EMSP) continues to support students, ensuring they receive much-needed psychosocial support. The Trust is beginning to see our alumni become responsible citizens who give back to their communities.

The Education Conversations this past year raised the importance of the 4IR and the role that education will need to play in preparing South Africans for its impact. The Conversations were well attended and included quality speakers such as National Education Collaboration Trust (NECT) CEO Godwin Khosa, John Sithi representing the South African Democratic Teachers' Union (SADTU), Former Sifiso Learning Group COO Sonqoba Maseko, Business and Social Research Institute Managing Director Dr Andile Mtotywa, and representatives from Kagiso Trust and the University of Johannesburg's Faculty of Education. These discussions have provided the Trust with a wealth of knowledge and the organisation is excited about adopting 4IR into our education development programmes going forward.



Butterfly effect:

The sensitive inter-dependence on conditions which change in one small area and result in large changes in a later stage.

## Socio-economic Development

### highlights

KT is looking forward to the Socio-economic Development programmes' move from conceptualisation to implementation. Agriculture and property play an important role in the development sector. Kagiso Trust has set up the Tyala Impact Fund (TIF) as an implementation instrument for KT's agri strategy. The TIF will unlock private and public capital and other resources to support black farmers. Small holding farmers make up only 30% of the sector. We see the programme as a gateway to mainstream these enterprises as commercial farmers. We have also noted that agriculture is labour intensive, and this will serve to absorb a significant number of people who are unemployed. Importantly this will include many young people.

A differentiated business development solution will be delivered through an incubation model. The programme will formalise black entrepreneurs in the commercial property sector. Kagiso Trust has signed a Memorandum of Understanding with Motseng Investment Holdings, a leading, black-owned investment holdings entity in the property sector, and with the South African Supplier Diversity Council (SASDC) a catalyst for sustainable business linkages between corporates and the growing pool of black-owned enterprises.

### Local government highlights

In addition to revenue management, Kagiso Trust spent the year under review expanding the Local Government support programme to include three (3) additional focus areas: Indigent Management, Local Economic Development and Community Engagement. Strategically selected, channelling efforts to these focus areas will lead to a direct impact in overcoming poverty at a municipal and community level.

The Local Government programme will be implemented in the Makana Municipality in 2019.

## International perspective

During the year under review, the Trust has engaged with international stakeholders in the education space. Kagiso Trust attended the GELP Moscow 2017 conference under the theme: Transforming Education for Complexity: Why, What, and How. The conference outcomes have been invaluable to the Trust and the organisation has already implemented some of the key take outs applicable to our work.

What became clear, both locally and internationally, is the need to embrace the Fourth Industrial Revolution. Kagiso Trust has not yet embedded the 4IR in its development approach but has engaged Dr Andile Mtotywa who has assisted in the understanding and appreciation of the 4IR. It has become clear that the Fourth IR impacts on all aspects of KT's programmes and as such, needs to be embedded into our models going forward.

### Appreciation

The Board of Trustees' support as we conceptualised the new programmes has been invaluable. It was a long process, yet your critical inputs and engagements remained rigorous. To our programme teams, I have to commend you once more for your resolute commitment as models were refined and programmes conceptualised. The work you do is indeed a meaningful public service. You continue to honour the communities we serve.

The Trust is  
beginning  
to see our  
alumni become  
responsible  
citizens who  
give back  
to their  
communities.

# Chief Financial Officer's Review



**Mzomhle Nyenjana**  
Chief Financial Officer

Each year we emphasise the benefits of financial stability in securing momentous partnerships.

**Financial sustainability is key to Kagiso Trust (KT/the Trust) as an organisation that seeks to add value to the most impoverished communities in South Africa. Our excellent track record of financial stability and sustainability ensure that we continue to secure important sponsorships which enables us to meet our various developmental goals.**

Our sustainability is made possible by the management of dividends received from our portfolio of investments.

**The year under review began with a focus on achieving four strategic goals:**

- To set robust budgets;
- To diversify our investment portfolio;
- To actively monitor expenditure; and
- To maintain our cash reserves at adequate levels

### Highlights

A key highlight of the FY2017/18 financial year was an increase in total assets of 24% due to positive returns on investments and this was achieved in spite of the challenging economic conditions.

The gross value of Kagiso Trust's investment in FirstRand Empowerment Trust (FRET) increased by 30% from June 2017 to June 2018. This is mainly owing to the FirstRand shares increasing by 35%.

Due to an increase in dividend income, Kagiso Trust was able to continue providing adequate funding for the implementation of the various development programmes.

Our funds invested with Kagiso Asset Management have shown a 5% growth, whilst funds invested with Andisa grew by circa 8%.

KT has therefore been able to maintain its cash reserves well above the required minimum target.

Kagiso Trust paid its last instalment towards the R100 million Kagiso Shanduka Trust (KST) partnership commitment during the year under review. The education development programme will continue to be implemented in the Fezile Dabi and Motheo districts, in the Free State.

### Funding development



The Fourth Industrial Revolution is well under way and we anticipate incurring more costs for technologies and innovations in the development space. Our focus is to ensure that any new technologies considered will actually deliver the cost savings promised and create the streamlining intended.

We foresee Kagiso Trust spending more on 4IR related items such as research, knowledge management, communications, automated procurement and other technologies as we implement our organisational strategy.

### Looking ahead

Our financial position and cash reserves will continue to aid us in implementing the remainder of the development objectives of the 5-year strategy. The coming year will see a larger portion of our funds being used to implement the programmes which have been under development and conceptualisation the previous two years.

During FY2018/19 additional spend will be directed to the Beyers Naudé Schools Development Programme (BNSDP) Limpopo intervention, the newly formed Socio-economic Development programme, the expansion of our Local Government programme and the Early Childhood Development Programme, together with other existing programmes.



Our financial position and cash reserves will continue to aid us in implementing the remainder of the development objectives of the 5-year strategy.

KAGISO TRUST CURRENTLY HAS DIRECT SHAREHOLDING IN THE **FOLLOWING COMPANIES**



# Corporate Governance

The Trust applies principles of the King IV Code that are relevant to its operations throughout the financial year and continues to identify areas where application can be enhanced in the best interests of the Trust.

**Kagiso Trust (the Trust) aims to achieve high standards of governance and ensure compliance with relevant legislation, regulations and voluntary codes to ensure sustainability of the Trust.**

The Trust applies principles of the King IV Code that are relevant to its operations throughout the financial year and continues to identify areas where application can be enhanced in the best interests of the Trust.

The Trust subscribes to the highest levels of professionalism and integrity. The Board and the Trust's individual employees are committed to the Trust's code of conduct. This prescribes the Trust's approach to ethical business practises and its obligations to beneficiaries, employees, suppliers and authorities.

Governance processes are regularly reviewed to align with the relevant legislative and regulatory changes and to reflect best practice.

## Board of Trustees

Kagiso Trust has a unitary board structure with ten non-executive Trustees. The powers and duties of the Trustees are stipulated in the Trust Deed which is the founding document of the Trust.

The Board of Trustees is the highest decision-making body. Day-to-day responsibilities for management of the organisation are overseen by the Executives who report regularly to the Board. The Chairperson of the Board and the Chairpersons of the Committees of the Board play an active role in all corporate governance matters and regularly interact with the Company Secretary, Executives and Management.

The Board has a formal charter which, among other things, sets out its roles and responsibilities

in areas such as ethical leadership, strategy, financial management, risk management, compliance, sustainability and governance in general. The charter also addresses important matters such as separate roles of the Chairperson of the Board and the Chief Executive Officer.

The Trustees have extensive skills in development, sustainability, governance, and finance both the public and private sectors. This enables them to provide balanced, independent advice and judgement in decision making processes.

The Board consists of people who are drawn from diverse backgrounds across the country.

### The Board consists of the following members:

- Rev Frank Chikane (Chairperson)
- Mr Goolam Aboobaker
- Ms Nthobakae Angel
- Mr Hylton Appelbaum
- Mr Andrew Maralack
- Ms Bongiwe Njobe
- Ms Mankone Ntsaba
- Dean Zwoitwaho Nevhotalu
- Mr Thabsio Ratsomo
- Bishop Mazwi Tisani

The Board meets at least four times a year. Additional meetings can be convened to consider specific business issues which may arise between scheduled meetings.

**KAGISO TRUST TRUSTEES**

Note: As of 1 January 2019.



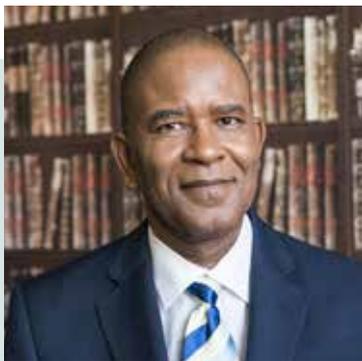
**Frank Chikane (Rev)**  
Chairperson



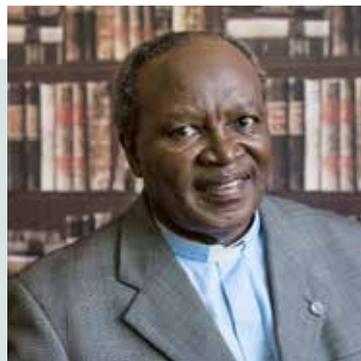
**Mankone Ntsaba**  
Deputy Chairperson



**Nthobakae Angel**



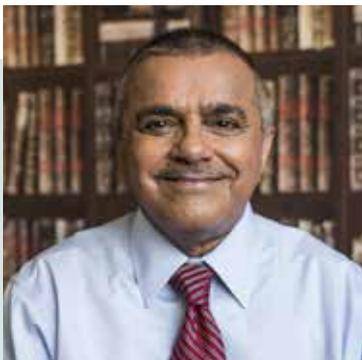
**Dean Zwoitwaho Nevhutalu**



**Mazwi Tisani (Bishop)**



**Thabiso Ratsomo**



**Goolam Aboobaker**



**Hylton Appelbaum**



**Andrew Maralack**

## Corporate Governance (continued)



### Executive Committee

Executive management and the Board work closely in determining the strategic objectives of the Trust. Authority has been delegated by the Board to the Chief Executive Officer and Executive Committee for the implementation of the strategy and the ongoing management of the Trust.

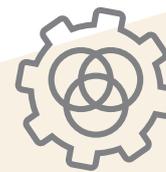
The Executive Committee comprises of three Executives, the Chief Executive Officer, the Chief Operating Officer and the Chief Financial Officer. The Board is apprised of progress through reporting at Board and Committee meetings as well as through regular communications with Management.

#### The responsibilities of the Executive Committee include the following:

- Ensuring proper governance of the Trust.
- Developing and implementing strategic plans.
- Preparing budgets and monitoring expenditure.
- Monitoring operational performance against agreed targets.
- Adhering to financial and capital management policies.
- Ensuring that strategic planning, development, investments, staffing and related areas are coordinated for effective delivery of programmatic work.
- Monitoring and managing risk.
- Communicating with stakeholders.

### BOARD COMMITTEES

The Board transacts its business through the following committees:



### Programmes Committee

The Programmes Committee has an independent role, operating as an overseer and a producer of recommendations to the Board for its consideration and final approval. The Committee does not assume the functions of management, which remain the responsibility of the Executives and other members of management. The role of the Committee is to review the Trust's programmes and report to the Board appropriately.

#### The responsibilities of the Committee include:

- Investigating and making recommendations to the Board in respect of projects or any other project opportunities.
- Ensuring that the projects of the Trust are in line with the Trust's objectives.
- Ensuring that the projects are considered in the best interests of the Trust and the beneficiaries.
- Monitoring the Trust's stakeholder relations.
- Ensuring that the Committee members and employees do not have conflicts of interest with regard to the projects of the Trust.

The Committee meets at least four times per year.

#### The Committee consists of the following members:

- Ms Mankone Ntsaba (Chairperson)
- Rev Frank Chikane
- Ms Bongiwe Njobe
- Dean Zwoitwaho Nevhutalu
- Mr Thabiso Ratsomo
- Bishop Mazwi Tisani
- Mr Goolam Aboobaker



## Audit and Risk Committee

### The role of the Audit and Risk Committee is to:

- Review the principles, policies and practices adopted in the preparation of the accounts of the Trust and to ensure that the annual financial statements of the Trust and any other formal announcements relating to its financial performance comply with all statutory requirements.
- Review the work of the Trust's auditors to ensure the adequacy and effectiveness of the Trust's financial management controls.
- Assist the Board to ensure that:-
  - the Trust has implemented an effective policy and plan for risk management that will enhance the Trust's ability to achieve its strategic objectives; and
  - The disclosure regarding risk is comprehensive, timely and relevant.

### The responsibilities of the Committee include:

- Providing oversight to external audit, internal audit and Management.
- Ensuring the integrity of the integrated reporting and internal controls.
- Overseeing the Trust's risk management.

The Committee meets at least four times per year.

### The Committee consists of the following members:

- Mr Andrew Maralack (Chairperson)
- Mr Thabiso Ratsomo
- Bishop Mazwi Tisani



## Remuneration Committee

The Remuneration Committee ensures that the Trust has a competitive remuneration policy to attract, retain and reward quality staff.

The responsibilities of the Committee include:

- Ensuring that the Trust has a remuneration policy that is aligned with the Trust's strategy and performance goals.
- Assessing and reviewing of remuneration policies, employee's long term and short-term incentive schemes.
- Approving remuneration of Executive Management.
- Proposing Trustees fees for approval by the Board.
- Assisting the Board in recruitment of Executives and the Company Secretary.
- Determining Executive and staff participation in the long-term incentive scheme.
- Developing effective succession planning for senior management.
- Ensuring that performance of the Executives and staff is reviewed annually.

The Committee meets at least four times per year.

### The Committee consists of the following members:

- Ms Nthobakae Angel (Chairperson)
- Mr Goolam Aboobaker
- Rev Frank Chikane
- Dean Zwoitwaho Nevhutalu

## Corporate Governance (continued)



### FINANCE AND INVESTMENT COMMITTEE

The role of the Finance and Investment Committee is to review and evaluate the Trust's investments and report to the Board appropriately on these matters.

The Committee also reviews the principles, policies and practices adopted in the preparation of the accounts of the Trust and to ensure that the annual financial statements of the Trust and any other matters relating to its financial performance comply with all statutory requirements.

#### The Committee's functions include:

- Monitoring and reviewing budget and expenditure
- Approval of budget
- Approval of Annual Financial Statements
- Investigating and making recommendations to the Board in respect of investment matters.
- Ensuring that the investment companies of the Trust have a clear and proper investment mandate
- Reviewing Investment policy and philosophy.
- Monitoring performance of investments.

The Committee meets at least four times per annum.

#### The Committee consists of the following members:

- Ms Bongiwe Njobe (Chairperson up to May 2018)
- Mr J N Njeke (Chairperson from May 2018)
- Mr Hylton Appelbaum
- Mr Thabiso Ratsomo



### CORPORATE GOVERNANCE COMMITTEE

The role of the Corporate Governance Committee is to assist the Board to ensure that the Trust is governed in accordance with relevant laws, regulations and policies.

#### The Committee's functions include the following:

- Effective monitoring of the Trust's governance and compliance with relevant laws, policies, rules and regulations.
- Ensuring that there are relevant policies, procedures and structures in place to ensure proper governance of the Trust.
- Ensuring that Management has adequate controls and resources to comply with applicable laws.
- Overseeing the development and implementation of continuing professional development programmes for Trustees.
- Overseeing the Trust's social and ethical matters.

The Committee meets at least twice per annum.

#### The Committee consists of the following members:

- Dean Zwoitwaho Nevhutalu (Chairperson)
- Rev Frank Chikane
- Ms Nthobakae Angel
- Mr Andrew Maralack
- Ms Bongiwe Njobe
- Ms Mankone Ntsaba



## NOMINATIONS COMMITTEE

The role of the Nominations Committee is to assist the Board to ensure that:

- The Board has the appropriate composition for it to execute its duties effectively.
- Trustees and Directors of subsidiaries are appointed through a formal process.

The Committee performs all the functions necessary to fulfil its role as stated above and including the following:

- Overseeing annual assessment of the Board and Committees.
- Ensuring the performance of the Board, individual Board members and Committees is reviewed regularly.
- Ensuring the establishment of a formal process for the appointment of Trustees and Directors of subsidiaries.

The Committee meets at least twice per annum.

The members of the Committee are:

- Rev Frank Chikane (Chairperson)
- Andrew Maralack
- Dean Zwoitwaho Nevhutalu
- Ms Mankone Ntsaba

## Risk management

The Board is responsible for the oversight of risk and has delegated the responsibility of the risk management process to the Audit and Risk Committee. This Committee is responsible for ensuring that the Trust has implemented an effective policy and plan for risk, and that disclosure regarding risk is comprehensive, timely and relevant.

Management is responsible for designing and implementing risk management processes as well as monitoring ongoing progress. Management regularly reviews the Trust's risks to ensure that mitigation strategies are being implemented by the organisation. Management monitors the progress and reports on that to the Audit and Risk Committee bi-annually.

## Conflict of interests

The Board of Trustees had approved the policy on conflict of interests which is applicable to the Board members, Management and staff.

The Trustees, Management and staff are required to disclose their financial interests on appointment to the Board or the organisation.

It is mandatory for the Board members and employees to declare any conflict of interests during the Board or Committee meetings.



## Corporate Governance (continued)

### APPLICATION OF KING IV PRINCIPLES AT KAGISO TRUST

Principle	Description	Extent of application
1	<p><b>LEADERSHIP</b></p> <p>The governing body should lead ethically and effectively. Members of the governing body should individually and collectively cultivate the following characteristics:</p> <ul style="list-style-type: none"> <li>Integrity, Competence, Responsibility, Accountability, Fairness and Transparency (ICRAFT)</li> </ul>	<ul style="list-style-type: none"> <li>KT has a Board of Trustees that leads ethically and effectively. The Board has set up a Code of Conduct and Ethics and the Conflict of Interests Policy for KT Group. The Board members themselves seek to adhere to the highest standards of ethical conduct.</li> </ul>
2	<p><b>ORGANISATIONAL ETHICS</b></p> <p>The governing body should govern the organisation in a way that supports the establishment of an ethical culture</p>	<ul style="list-style-type: none"> <li>The Code of Conduct and Ethics was approved by the Board. Workshops were organised to ensure that staff understand the Code as well as implications related to non-compliance to the policy.</li> <li>The Code is published in the organisation's website.</li> </ul>
3	<p><b>RESPONSIBLE CORPORATE CITIZENSHIP</b></p> <p>The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen. This principle requires the governing body to oversee and monitor on an ongoing basis how the consequences of the organisation's activities and outputs affect its status as a responsible corporate citizen.</p> <p><b>This oversight and monitoring should be performed against measures and targets agreed with management in all of the following areas:</b></p> <ul style="list-style-type: none"> <li><b>Workplace</b> – employment equity, fair remuneration, safety &amp; health, dignity, development of employees.</li> <li><b>Economy</b> – economic transformation, prevention, detection and response to fraud and corruption, and responsible and transparent policies</li> <li><b>Society</b> – public health and safety, consumer protection, community development, protection of human rights</li> <li><b>Environment</b> – responsibilities in respect of pollution, waste disposal and protection of biodiversity</li> </ul>	<ul style="list-style-type: none"> <li>This is part of the duties of the Social &amp; Ethics Committee. The duties of this Committee are distributed to all relevant Committees but are monitored by the Corporate Governance Committee as it is the custodian of the organisation's governance.</li> <li>The Corporate Governance Committee has included monitoring of the organisation's social and ethics matters in its terms of reference.</li> </ul>
4	<p><b>STRATEGY AND PERFORMANCE</b></p> <p>The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process</p>	<ul style="list-style-type: none"> <li>The Board and management developed and approved a strategy for KT operations and the Board oversees the implementation of that strategy.</li> <li>The Board of KT through its Programmes Committee ensures that KT programmes are meeting the needs of its beneficiaries when implementing the strategy of the organisation.</li> <li>A reliable support base has been established in order to fulfil the needs of the beneficiaries.</li> <li>There are also measures and procedures in place to ensure the careful and accountable handling of all the organisation's resources and programmes.</li> </ul>

Principle	Description	Extent of application
5	<p><b>REPORTING</b></p> <p>The Board should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance and its short, medium and long-term prospects</p>	<ul style="list-style-type: none"> <li>An annual report is issued and published for all stakeholders. The Programmes, Operations, Corporate Governance, audited annual financial statements are always included in the annual report.</li> </ul>
6	<p><b>PRIMARY ROLE AND RESPONSIBILITIES OF THE GOVERNING BODY</b></p> <p>The governing body should serve as the focal point and custodian of corporate governance in the organisation.</p> <p><b>The governing body should exercise its leadership by:</b></p> <ul style="list-style-type: none"> <li>steering the organisation and setting the strategic direction;</li> <li>approving policy and planning that gives effect to the direction provided;</li> <li>overseeing monitoring of implementation and execution by management; and</li> <li>ensuring accountability of organisational performance by means of among others, reporting and disclosure.</li> </ul>	<ul style="list-style-type: none"> <li>The organisation has an effective governing body that has delegated some of its duties to the Committees to ensure that its responsibilities are discharged effectively. The Board Charter and the Committee Terms of Reference state the mandate of the Board and Committees. These documents are reviewed annually by the Board and Committees.</li> </ul>
7	<p><b>COMPOSITION OF THE GOVERNING BODY</b></p> <p>The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.</p>	<ul style="list-style-type: none"> <li>The KT Board has a mix of skills but concerns have been raised with the shortage of legal and investment skills. The Board decided and set a criterion to appoint more board members to close gaps in respect of the identified skills shortage. The process had been started and the Nominations Committee is currently looking at that. Additional Board members will be appointed soon.</li> </ul>
8	<p><b>COMMITTEES OF THE GOVERNING BODY</b></p> <p>The governing body should ensure that its arrangements for delegation within its own structures promote independent judgment and assist with balance of power and the effective discharge of its duties.</p>	<ul style="list-style-type: none"> <li>The Board delegated some of its duties to various Committees. That delegation is recorded by means of formal terms of reference that are reviewed annually by the respective Committees and approved by the Board.</li> <li><b>The following are the Committees established by the Board:</b> <ul style="list-style-type: none"> <li>Programmes Committee</li> <li>Audit and Risk Committee</li> <li>Finance and Investment Committee</li> <li>Corporate Governance Committee</li> <li>Remuneration Committee</li> <li>Nominations Committee</li> </ul> </li> </ul>

## Corporate Governance (continued)

Principle	Description	Extent of application
9	<p><b>EVALUATIONS OF THE PERFORMANCE OF THE GOVERNING BODY</b></p> <p>The Board should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members, support continued improvement in its performance and effectiveness</p>	<ul style="list-style-type: none"> <li>The evaluation of Board and its Committee was done and finalized for 2017/2018 financial year.</li> </ul> <p><b>As a result of the assessments, the following were implemented:</b></p> <ul style="list-style-type: none"> <li>The Finance part of the Finance and Audit Committee was included in the Investment Committee to form the Finance and Investment Committee.</li> <li>Risk management was given more attention and this responsibility was delegated to the Audit Committee to form the Audit and Risk Committee.</li> <li>In terms of the public interest score, the organisation is exempted from having the Social &amp; Ethics Committee. The roles of this committee were spread across relevant committees.</li> <li>Skills composition in the board was reviewed and there was a gap in terms of legal and investment skills. The Nominations Committee is currently ensuring appointment of board members with the identified skills.</li> </ul> <ul style="list-style-type: none"> <li>This exercise is done once in every two years. The second-year is allocated for implementation of the recommendations.</li> </ul>
10	<p><b>APPOINTMENT AND DELEGATION TO MANAGEMENT</b></p> <p>The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities.</p>	<ul style="list-style-type: none"> <li>The Board is not involved in day to day management of the organisation. Day to day responsibilities for management of the organisation are overseen by the Executives who report regularly to the Board. The Delegation of Authority was approved by the Board and published to the organisation.</li> <li>The Chairperson of the Board and the Chairpersons of the Committees of the Board play an active role in all corporate governance matters and regularly interact with the Company Secretary, Executives and Management.</li> </ul>
11	<p><b>RISK GOVERNANCE</b></p> <p>The Board should govern risk in a way that supports the organisation in setting and achieving its strategic objectives</p>	<ul style="list-style-type: none"> <li>The Board is responsible for the oversight of risk and has delegated this responsibility to the Audit and Risk Committee. This Committee is responsible for ensuring that the Trust has implemented an effective policy and plan for risk, and that disclosure regarding risk is comprehensive, timely and relevant.</li> <li>Management is responsible for designing and implementing risk management policies as well as monitoring ongoing progress. Management regularly reviews the Trust's risks to ensure that mitigation strategies are being implemented by the organisation. Management monitors the progress and reports on that to the Audit and Risk Committee bi-annually.</li> </ul>
12	<p><b>TECHNOLOGY AND INFORMATION GOVERNANCE</b></p> <p>The Board should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives</p>	<ul style="list-style-type: none"> <li>The governance of information and technology has been considered by the Board.</li> <li>IT Governance is part of the Corporate Governance Committee duties and its mandate had been reviewed to include this.</li> <li>Management submitted a report to the Committee on how the organisation deals with Technology and Information Management as well as how they intend to monitor this.</li> </ul>

Principle	Description	Extent of application
<b>13</b>	<b>COMPLIANCE GOVERNANCE</b>  The Board should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen	<ul style="list-style-type: none"> <li>Compliance with laws is monitored. The Board has delegated this responsibility to the Corporate Governance Committee.</li> </ul>
<b>14</b>	<b>REMUNERATION GOVERNANCE</b>  The Board should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term	<ul style="list-style-type: none"> <li>The Board has allocated oversight of remuneration to the Remuneration Committee (Remco).</li> <li>The Remco has approved the remuneration policy for the organisation.</li> <li>The policy sets out how the remuneration is approached.</li> <li>The Remco also set out the basis fees for board members.</li> </ul>
<b>15</b>	<b>ASSURANCE</b>  The Board should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the external reports	<ul style="list-style-type: none"> <li>The Board has delegated this responsibility to the Audit and Risk Committee. The Committee provides assurance to the Board in respect of effectiveness of internal controls.</li> </ul>
<b>16</b>	<b>STAKEHOLDERS</b>  In the execution of its governance role and responsibilities, the Board should adopt a stakeholder inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interest of the organisation over time.  <ul style="list-style-type: none"> <li>The governing body should assume responsibility for governance of stakeholder relationships by setting direction for how stakeholder relationships will be approached and conducted in the organisation.</li> <li>The governing body should approve policy that articulates and gives effect to its direction on stakeholder relationships.</li> <li>The governing body should delegate to management the responsibility for implementation and execution of effective stakeholder relationship management.</li> </ul>	<ul style="list-style-type: none"> <li>The stakeholder relations include relationships with subsidiaries.</li> <li>Mandating and governing documents for subsidiaries had been drafted and approved by the Board.</li> <li>The governing documents for subsidiaries were approved by KT as the shareholder.</li> <li>A policy on stakeholder relations was drafted and approved by the Board.</li> <li>Stakeholder relations had been included in the Programmes Committee mandate.</li> </ul>

# Fourth Industrial Revolution for Development



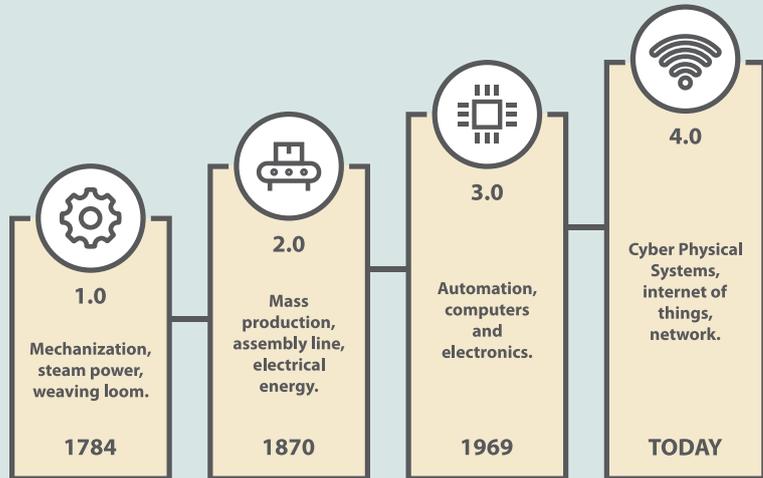
Humanity is in the process of experiencing its greatest shift in evolution since coming into being upon this beautiful blue/green orb we call Earth. The Internet connected us in a way never before possible and it has marked the beginning of what is being termed the Fourth Industrial Revolution (4IR, fourth IR).

Water and steam powered the first industrial revolution through the 18th and 19th centuries, seeing the invention of the steam train, steam powered boats and machinery. The second was driven by the advent of electricity and oil from the 1870s onwards with inventions such as the telephone, light bulb, phonograph and the internal combustion engine. The third IR was a result of electronics and information technology in the 1980s culminating in the birth of the personal computer. This, the fourth IR, is characterised by a fusion of technologies that is blurring the lines between the physical, digital, and biological with an underlying driver being the internet.

What differentiates the Fourth IR from its predecessors, is its exponential speed of growth, its breadth of scope and its profound impact upon every facet of our lives. Think artificial intelligence, robotics, the Internet of Things, autonomous vehicles, 3-D printing, nanotechnology, biotechnology, materials science, energy storage, and quantum computing... just some of the emergent technologies that are disrupting and forever changing the way we work, play, manufacture, stay healthy, get around and communicate.

But what does this mean for Africans? Why should 4IR matter to those living in poverty?

In South Africa, government is well aware of the socio-economic impact of 4IR and is actively engaging in initiatives to ensure that South Africa embraces it and prospers through it. Importantly, it necessitates a massive re-orientation in education and skills requirements to ensure participation in the future economy. Science, Technology,



Engineering and Mathematics (STEM) education become critical.

The face of Socio-economic Development is also changing as automated mechanisms are being utilised to maximise production in agriculture. Already in motion, Kagiso Trust is exploring ways its programmes can better employ technologies towards sustainable development. In 2018, Kagiso Trust Chairperson Frank Chikane (Rev.) convened a round table with government, private sector and non-governmental organisations representatives, a session which concluded the emergence of disruptive technologies provides opportunities for inclusive growth and sustainable development.

The Education Conversations, a partnership between KT and the University of Johannesburg, further explored 4IR in the education context. Alongside these events, Kagiso Trust commissioned research to establish the extent of understanding among citizens and the implications of 4IR in various fields.

It is here, that Kagiso Trust, through our interdisciplinary approach to economic empowerment and poverty alleviation, can make a meaningful contribution to the readying and empowering of a society able to embrace the Fourth IR and the many economic opportunities it presents.







# Human Capital and Development

# Human Resources

KT is committed to creating and maintaining a safe and healthy work environment for all employees.

## Our approach

Our staff are at the core of delivering Kagiso Trust's (KT, the Trust) programmes across South Africa. Having built up credibility and integrity over the past 32 years, The Trust seeks to protect its legacy by attracting and retaining employees who are not only highly competent, but possess the values which are treasured by the organisation.

Kagiso Trust's human resources initiatives focus on these key goals:

- To plan for the workforce requirements to effectively execute our programmatic focus;
- To acquire and retain talent required to meet KT's strategy;
- To build internal capacity that can tackle key requirements of the Trust;
- To step up performance management and rewards to drive high productivity and efficiency in KT;
- To ensure the smooth running of HR processes and systems.

Our Human Resources Policies and Procedures comply with the relevant pieces of legislation in South Africa.

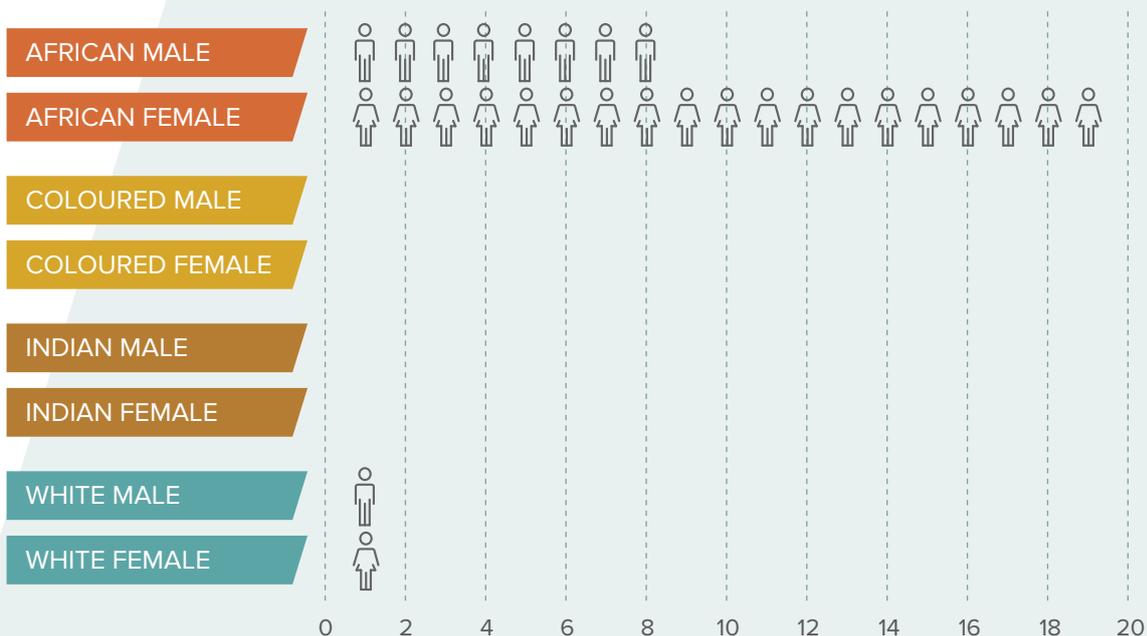
## Employee wellness

All KT employees have full access to an Employee Health and Wellness Programme offered by ICAS on a 24/7 basis. The programme was introduced in the previous financial year. The aim of the programme is to improve the quality of life of employees by providing support and assistance to alleviate the impact of everyday work as well as personal and family challenges.

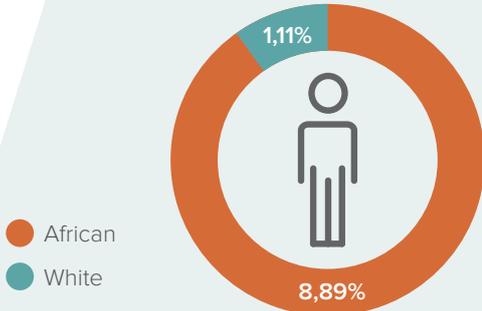
Unattended individual setbacks can have a negative impact on the entire work environment, resulting in absenteeism, employee turnover, low morale and higher costs. KT is committed to creating and maintaining a safe and healthy work environment for all employees. As a result, we monitor and manage occupational health and safety in the workplace with consideration of all stakeholders.

During the year under review, Kagiso Trust held its first Wellness Day. We themed the day 'Spring into Wellness'. The idea was to remind all KT employees to be intentional with positive life choices such as healthy eating and exercise. Employees' health, including blood pressure, cholesterol and sugar levels, was checked and all employees participated.

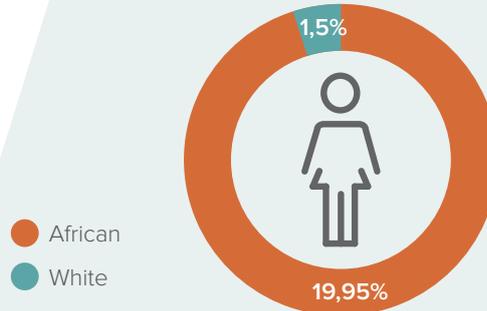
## STAFF COMPLIMENTS AS AT 30 JUNE 2018



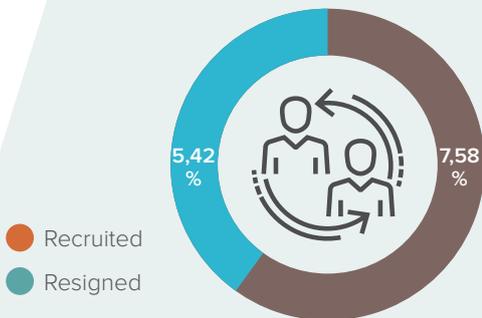
**MALE STAFF AS AT 30 JUNE 2018**



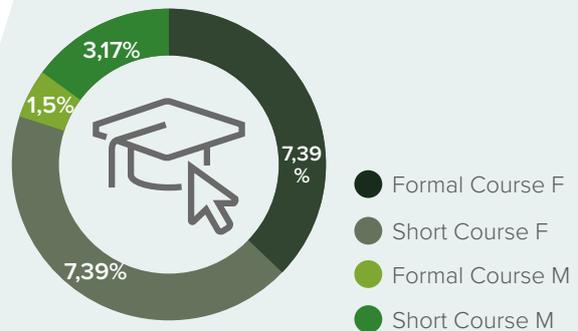
**FEMALE STAFF AS AT 30 JUNE 2018**



**STAFF MOVEMENT AS AT 30 JUNE 2018**



**TRAINING ATTENDED AS AT 30 JUNE 2018**







## Delivery for our Stakeholders

**Strategic Objective:**

To ensure readiness of the organisation to implement the 30-year strategy.

# 2017/18 Highlights

## 2017

### JULY

**24** Education Conversations, University of Johannesburg, Soweto Campus

**Topic:** *Our Vision for South African Education*

Facilitated by Masechaba Ndlovu, the keynote address was delivered by Deputy Minister Mr. Enver Surty.

**28** TenFold Education Launch, Randburg

The launch of TenFold Education, a new education company offering a mobile learning platform as well as physical extra lessons, targeted at high school students. The launch was attended by businesswoman and philanthropist Wendy Appelbaum as well as key stakeholders from Kagiso Trust, Kagiso Capital, Mindset Learn and others in the education sector.

### SEPTEMBER

**28** Eric Molobi Scholarship Programme (EMSP) 10<sup>th</sup> Anniversary Dinner, Johannesburg

Kagiso Trust celebrated the EMSP's anniversary by launching its Alumni Programme. The keynote address was delivered by Lereko Chairperson, Dr Popo Molefe.



### OCTOBER

**10** KST Infrastructure Launch, Motheo District, Free State

The Infrastructure Launch took place in KST schools in Botshabelo and Thaba Nchu. The schools received the infrastructure as part of the incentive for good performance.



### OCTOBER

**10** KST Infrastructure Launch, Motheo District, Free State

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**18** Kagiso Trust Golf Challenge, Johannesburg

Attended and sponsored by corporate and civil society stakeholders, all proceeds went towards Kagiso Trust's development programmes.



### OCTOBER

**27** Oliver Tambo Centenary Memorial Lecture, Johannesburg  
**Theme:** *On the Shoulders of Giants*

The memorial lecture was held in celebration of the 100 years since the birth of Oliver Tambo. Hosted by the Tambo Foundation, the keynote address was delivered by Former President Thabo Mbeki.



### OCTOBER

**31** Global Education Leaders Partnership (GELP) Conference, Moscow, Russia

**Theme:** *Transforming Education for Complexity: Why, What and How*

Kagiso Trust was part of a remarkable group of education leaders from more than 12 countries and 5 international education agencies. The gathering, which included representatives from Russian colleagues, and international educators, resulted in challenging, inspiring and motivating dialogue.



2018

## JANUARY

### 29-30 KST Infrastructure Launch, Fezile Dabi District, Free State

The Infrastructure Launch took place in KST schools in Steynsruss, Kroonstad, Parys and Sasolburg. The schools received the infrastructure as part of the incentive for good performance.



## MARCH

### 27 Beyers Naude Memorial Lecture, University of Zululand, KwaDlangezwa Campus Theme: *The Evil in our Midst: Women and child abuse in South Africa.*

The keynote address was delivered by Professor Thuli Madonsela.



## APRIL

### 17 Education Conversations, University of Johannesburg, Auckland Park Kingsway Campus Topic: *Understanding the Fourth Industrial Revolution and its impact on the education system*

Facilitated by Masechaba Ndlovu. The keynote address was delivered by NECT Chief Executive Officer Mr. Godwin Khosa.



# Research and Knowledge Management

The unit has formalised knowledge management to ensure that a culture of learning is built through the capturing of lessons and best practices across all programmes.

**As Kagiso Trust (KT/the Trust) strategically repositioned itself following the launch of the organisational strategy during the Trust's 30<sup>th</sup> anniversary in 2015. Kagiso Trust explored opportunities to project a stronger voice in the development space and tackle broader development topics locally, regionally and internationally whilst using its experience in delivering development programmes as a basis for tangible knowledge built over the years.**

Kagiso Trust continues to position itself as an impactful organisation that leads the development agenda in South Africa and Africa as a whole. This is well articulated in the broad statement, "Kagiso Trust is the established, dynamic, action-oriented development agency dedicated to eradicating poverty and transforming society through model-based development programmes." This intent set the tone for the organisation's operational approach and performance areas.

The Programme Management Office (PMO) was established to co-ordinate KT's development programmes' alignment with the overall strategic objectives of KT, ensuring consistency across KT programmes and reporting.

During the year under review, PMO has provided support to the programme conceptualisation

process and ideation of new initiatives, including providing required information through research. The unit has formalised knowledge management to ensure that a culture of learning is built through the capturing of lessons and best practices across all programmes.

The Kagiso Trust Development Operational Approach was designed as a key tool to the positioning of the Trust as a thought leader in overcoming poverty through its programmes. PMO's role in strategy, research and knowledge management has contributed in solidifying the Trust's repositioning.

**PMO has subsequently delivered on the unit's strategic objectives for FY2017/18:**

- To build and maintain KT's research and knowledge management capacity, to position KT as a thought leader in current and emerging development challenges.
- To support EXCO in the definition and articulation of the Trust's strategy in line with the Vision statement.
- To guide planning, monitor and evaluate KT programmes.

## Achievements

Working towards building and maintaining Kagiso Trust's research and knowledge management capacity, PMO realised, among others, the following key achievements:

Development of the Kagiso Trust Research Strategy.

Development of Kagiso Trust Knowledge Management Strategy.

Coordinated research and presentations of the Fourth Industrial Revolution concept in relation to the development agenda.

Established strategic research partnerships with the University of Limpopo, the University of the Free State, Stellenbosch University and University of the Western Cape.

Contributed to the development of the KT Developmental Approach.

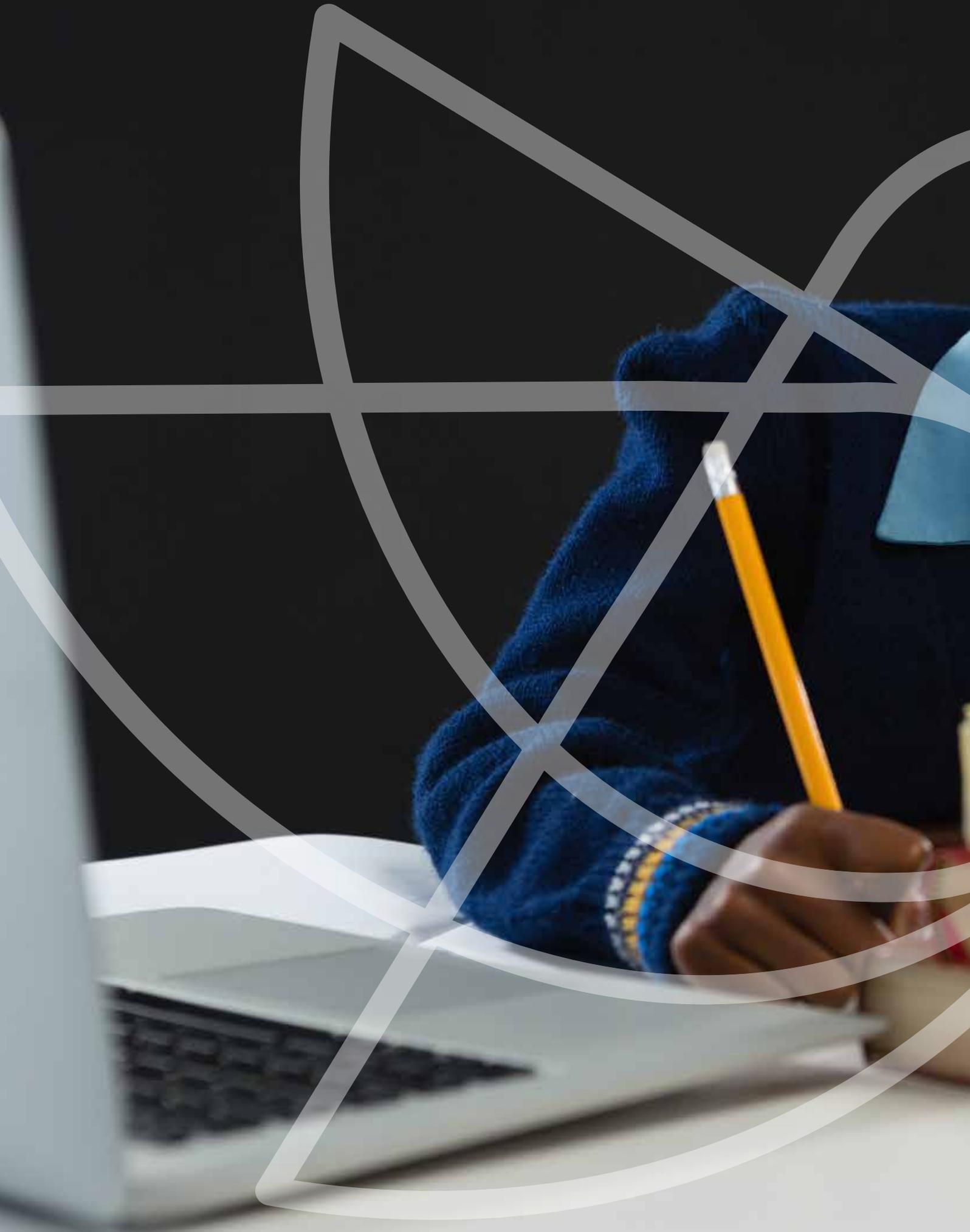
Compiled a summary report defining and highlighting the principles of the KT model elements.

Conducted analysis of the external socio-economic environment in order to enrich understanding of the context in which KT operates nationally, regionally and internationally.

Contributed to articles around Philanthropy.

Maintained the Knowledge Drive for improved internal knowledge management.







## Education Development

**Strategic Objective:**

To broaden educational reach nationally and regionally across the education spectrum. To develop exit options for our learners.

# Early Childhood Development Programme

Overcoming poverty is impossible without addressing social injustices and inequalities.

## Establishing a foundation

Despite government increasing the budget for Early Childhood Development (ECD), estimates of non-enrolment into ECD centres are as high as 70% in South Africa. Sustainable Development Goal 4.2 states that ‘all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education by 2030.’

Education Development lies at the heart of Kagiso Trust’s initiatives. Early Childhood Development is the foundation upon which all future education is built. Therefore, as part of a multi-disciplinary approach to education development, Kagiso Trust worked together with education experts to conceptualise an Early Childhood Development Programme, a necessary base in the education pipeline.

A needs analysis was conducted in ten (10) ECD centres, five (5) in Diepsloot, Gauteng and five (5) in Zamdela, Free State. Based on the findings, Kagiso Trust took a decision to implement a pilot programme in the five centres in Zamdela. The aim of the programme is to develop an ECD model that is replicable and scalable linking to the pipeline.

*‘Aubrey, C., 2017, ‘Sources of inequality in South African early child development services’, South African Journal of Childhood Education 7(1), a450.*

## Model for replication

Kagiso Trust’s approach to programme implementation begins with the nature of models it conceptualises. Replicability and scalability are some of the crucial elements Kagiso Trust models are required to possess.

## Key achievements

During the year under review, Kagiso Trust made great strides in the conceptualisation and piloting of the ECD Programme. Some of the highlights include:

- Memorandum of understanding (MOU) signed with 5 ECD centres for the pilot.
- Stakeholder mapping completed.
- Stakeholder engagement plan developed.
- Intersectoral Committee established.
- Mapping tool to map services in the area created and populated.
- Resource audit conducted.

## The year ahead

As the ECD Programme is piloted in Zamdela, Kagiso Trust anticipates learnings which will contribute to the strengthening of the model and readying the model for implementation in the Beyers Naudé Schools Development Programme (BNSDP) schools in Limpopo. It means a lot to Kagiso Trust to be able to contribute to the entire education pipeline as this will help the Trust monitor the impact of intervening early on in a learner’s life.

Overcoming poverty is impossible without addressing social injustices and inequalities. According to academic Carol Aubrey, “if ECD is to contribute to a more equitable future... it will need to avoid practices that merely privilege those children already positioned more powerfully by social and cultural capital, race, gender, age and access to English language proficiency.” ‘

## THE ECD PROGRAMME PILOT WILL LOOK AT THREE CRITICAL AREAS:





# District Whole School Development Programme

The pass rates for Fezile Dabi district (90.2%) and Thabo Mofutsanyana district (91.1%), were the best in the country.

A little over a decade ago, Kagiso Trust implemented its pilot programme of the District Whole School Development Programme (DWSDP) in 10 schools in the Free State's Thabo Mofutsanyana district. What then became known as the Beyers Naudé Schools Development Programme (BNSDP) was created in partnership with the Free State Department of Education. The programme now encompasses over 247 schools in the Free State.

The success of this programme sparked involvement from new partners and collaborators in adopting the DWSDP model to improve education. In 2013, Kagiso Trust was able to upscale the model with the partnership formed between Kagiso Trust and the Cyril Ramaphosa Foundation (CRF) to form the Kagiso Shanduka Trust (KST). KST began to implement the DWSDP, in partnership with the Free State Department of Education, in 247 schools in the Fezile Dabi and Motheo districts.

## Signs of success

Kagiso Trust's impact in the Free State can be clearly seen from the 2017 National Senior Certificate (NSC) performance in the districts where the organisation has a footprint. The pass rates for Fezile Dabi district (90.2%) and Thabo Mofutsanyana district (91.1%), were the best in

the country. Thabo Mofutsanyana achieved the provincial target of 90% pass and 40% bachelors (known as the 90/40 target).

## Together we stand

Partnerships continue to be an important aspect of delivering Kagiso Trust's education development programmes. In the Free State, the partnership with the Free State Department of Education and the Cyril Ramaphosa Foundation continues to make an impact in the Fezile Dabi and Motheo districts.

FirstRand Foundation has committed R100 million to the partnership, intensifying KST's capacity building initiatives.

The partnership with Limpopo Department of Education has been cemented with the signing of a Memorandum of Understanding following a needs analysis to determine the scope of the BNSDP in Sekhukhune East.

## There for the long run

Kagiso Trust continues to give support to the district through its Legacy Initiatives. While the Legacy Initiatives model is being finalised, Kagiso Trust continues to reward performing schools.



The partnership between KST and FSDoE has heeded positive results not only from delivering basic and incentivised infrastructure in our schools in Fezile Dabi and Motheo districts, but also providing a holistic and integrated programme to improve our performance and contributing towards making the Free State province the leading province in the National Senior Certificate results for two consecutive years and making Fezile Dabi, a rural district, the best performing district nationally.

– Michael Phutsisi, Free State Department of Education Deputy Director for Partnerships. Extract from article in *Southern African NGO Network (Sangonet)* 30<sup>th</sup> Jan 2018.

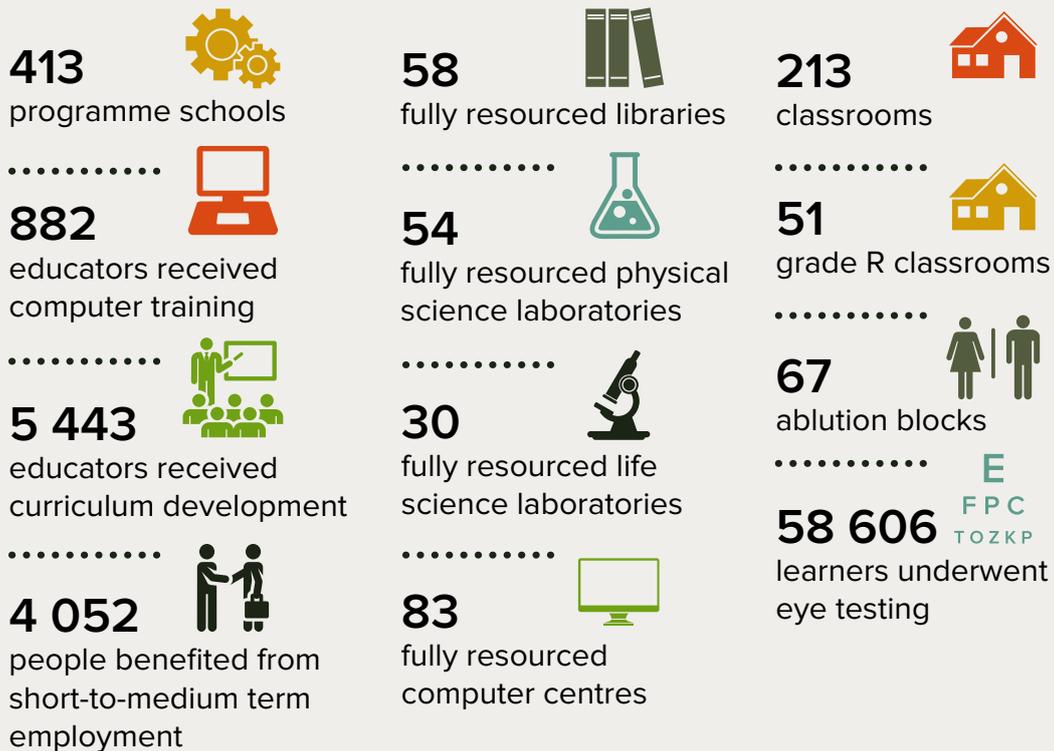


# KAGISO TRUST'S DISTRICT WHOLE SCHOOL DEVELOPMENT PROGRAMMES: FREE STATE

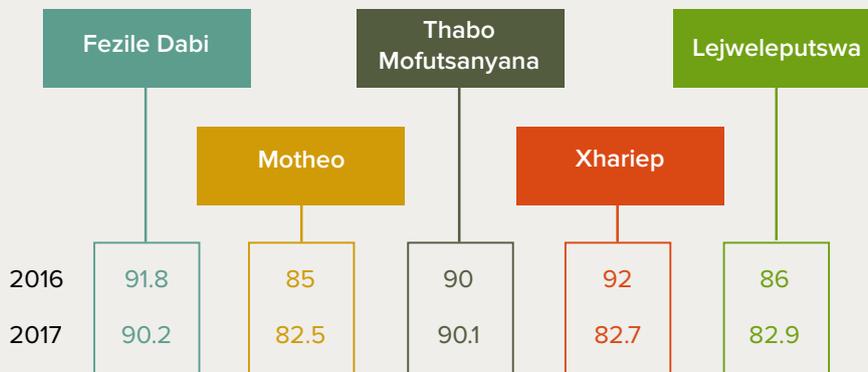
IMPLEMENTED IN PARTNERSHIP WITH THE CYRIL RAMAPHOSA FOUNDATION (IN FEZILE DABI AND MOTHEO DISTRICTS) AND THE FREE STATE DEPARTMENT OF EDUCATION



## OUR IMPACT TO DATE (2007 – 2018)



## FREE STATE PERFORMANCE BY DISTRICT (2016 – 2017)



# District Whole School Development Programme (continued)

**KST's Sustainability Roadmap seeks to sustain the impact of the programme post intervention.**

The rewards are in the form of prizes for educators during the Free State Provincial NSC Results Announcement and Well-Done Celebration events.

To track the impact and sustainability of the programme in Thabo Mofutsanyana, Kagiso Trust is carrying out a longitudinal study for a period of three years.

In Fezile Dabi and Motheo, KST's Sustainability Roadmap (the Roadmap) seeks to sustain the impact of the programme post intervention.

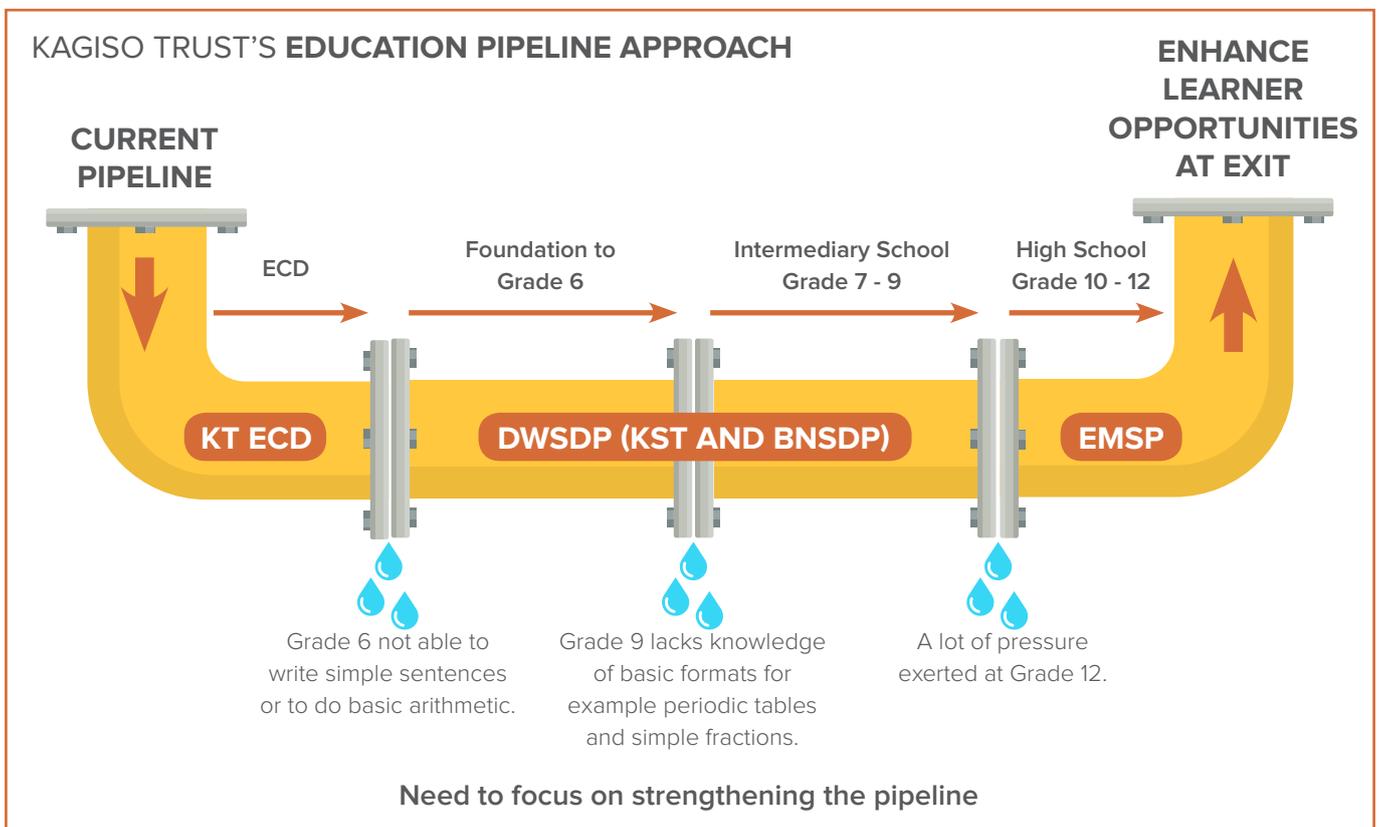
KST continues to implement key aspects of the Sustainability Roadmap such as institutional capacity building for Lead Teachers (top performing educators who are groomed to pass down their knowledge and skills to other educators).

The Roadmap cuts across the system looking at capacity of the District Managers, Circuit Managers, Subject Advisors and the extent to which they provide support for schools. The roadmap also ensures that this is not confined to compliance, but support and access to capacity, content knowledge and classroom practice which is what districts should be striving to achieve.

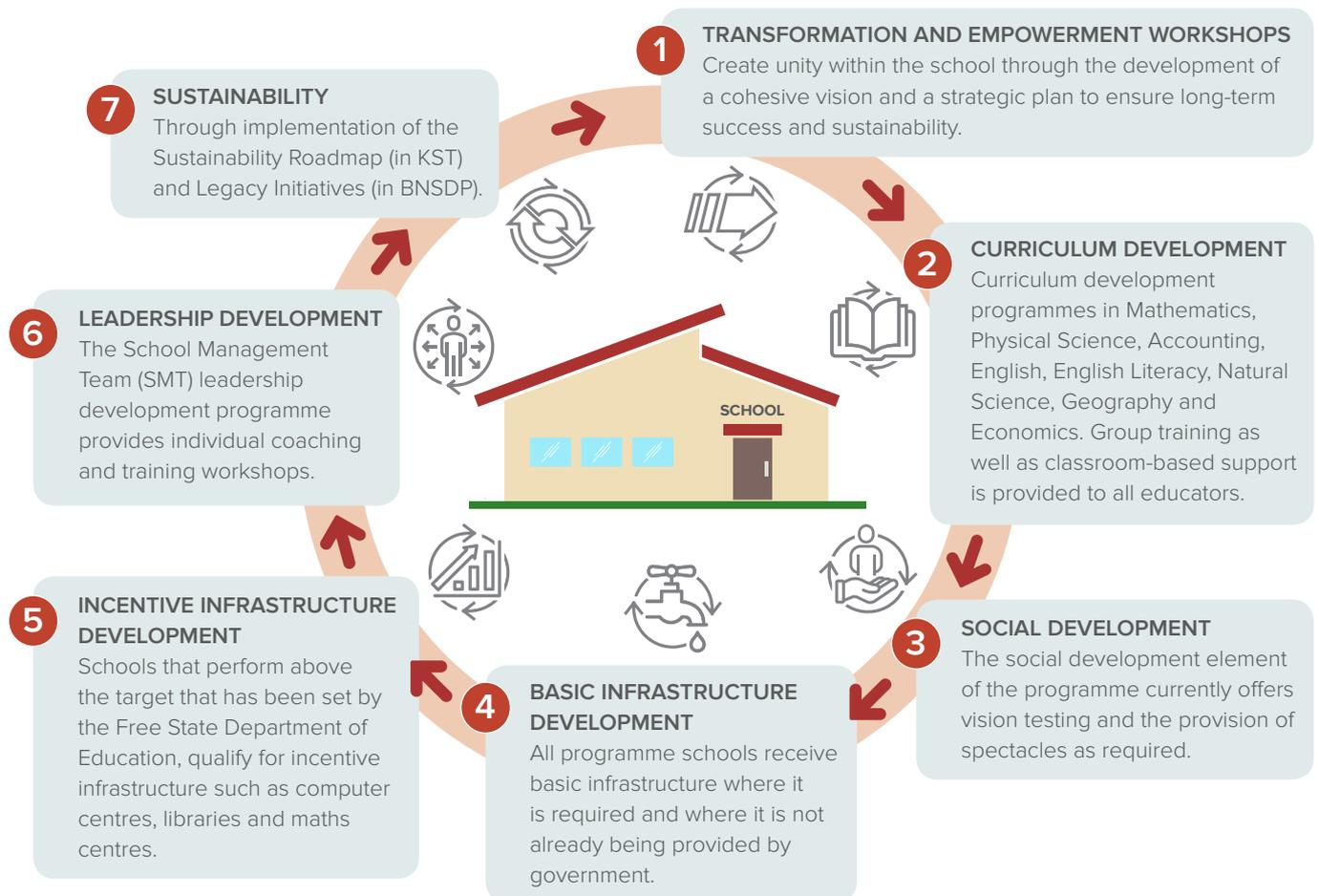
**Looking ahead**

**During the 2018/19 financial year, the DWSDP will be involved in the following major interventions:**

- Implementation of KST's capacity building initiatives with FirstRand Foundation.
- Implementation of the BNSDP in Sekhukhune East, in partnership with the Limpopo Department of Education.



## DISTRICT WHOLE SCHOOL DEVELOPMENT PROGRAMME MODEL



## KAGISO TRUST'S DISTRICT WHOLE SCHOOL DEVELOPMENT PROGRAMME FOOTPRINT

DISTRICT	PERIOD	PARTNERSHIP
<b>Thabo Mofutsanyana District</b>	2007 – 2016	KT with Free State Department of Education
<b>Fezile Dabi District</b>	2014 – present	KST with Free State Department of Education
<b>Motheo District</b>	2014 – present	KST with Free State Department of Education
<b>Sekhukhune East</b>	2018 – present	KT with Limpopo Department of Education

A good model to look at is the Cyril Ramaphosa Foundation and the Kagiso Trust in the Free State. I am confident the number one position that the Free State is in, is because of the investment those two foundations made in the province.

– Angie Motshekga, Minister of Basic Education.

# Eric Molobi Scholarship Programme

The EMSP has become more than a bursary as it approaches students holistically.

## Where it began

Established in 2007, the Eric Molobi Scholarship Programme (EMSP) is named after former Kagiso Trust Chief Executive Officer, the late Eric Molobi. This was done in recognition of his passion for education. Whilst Eric was incarcerated as a political prisoner on Robben Island, he used the opportunity to further his studies, which ultimately aided him in going on to build one of the most successful black-owned companies in South Africa, Kagiso Trust Investments. Importantly, his firm was regarded as pioneering because its main aim was the creation of funds for projects that benefited poor people. This principle lives on in the EMSP.

## Grooming young business minds

The EMSP has the goal of supporting individual learners to fulfil their potential in becoming businessmen and women who go on to positively impact on their communities. Young men and women who are not just active players in the economy, but who also understand the importance of giving back – in the same manner that Eric Molobi had done.

Each year, 15 students are carefully selected from disadvantaged, mostly rural, schools affiliated to the Trust's Beyers Naudé Schools Development

Programme (BNSDP). Kagiso Trust then funds the selected students during their three to four-year degrees. KT's investment finances the students' university tuition fees, textbooks, educational equipment, accommodation, transport, administrative and management expenses.

## The EMSP today

With lessons learnt while working closely with communities and embracing a bottom-up approach, Kagiso Trust developed the EMSP to address the real day-to-day financial issues faced by learners. As a result of this, the EMSP has become more than a bursary as it approaches students holistically. The EMSP model ensures that students' psychosocial needs are addressed, and the students' parents and/or guardians get to know Kagiso Trust personally.

## Looking ahead

The programme will actively seek out partnerships to increase the annual student intake. The 2018/19 financial year is one to increase and strengthen partnerships as the class of 2019 from BNSDP schools in Limpopo will be part of the EMSP going forward. KT is excited to host the EMSP Dinner and accept alumnus/alumni for the Annual Alumni Excellence Award.

## HOW THE EMSP SUPPORTS BENEFICIARIES

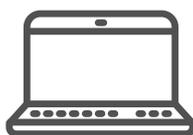
The EMSP covers the below, among other needs, to a student:



**VISITS TO THE STUDENTS' HOMES**  
for parents and/or guardians to meet Kagiso Trust.



**ACCLIMATISATION SUPPORT**  
to help students adjust to their environment.



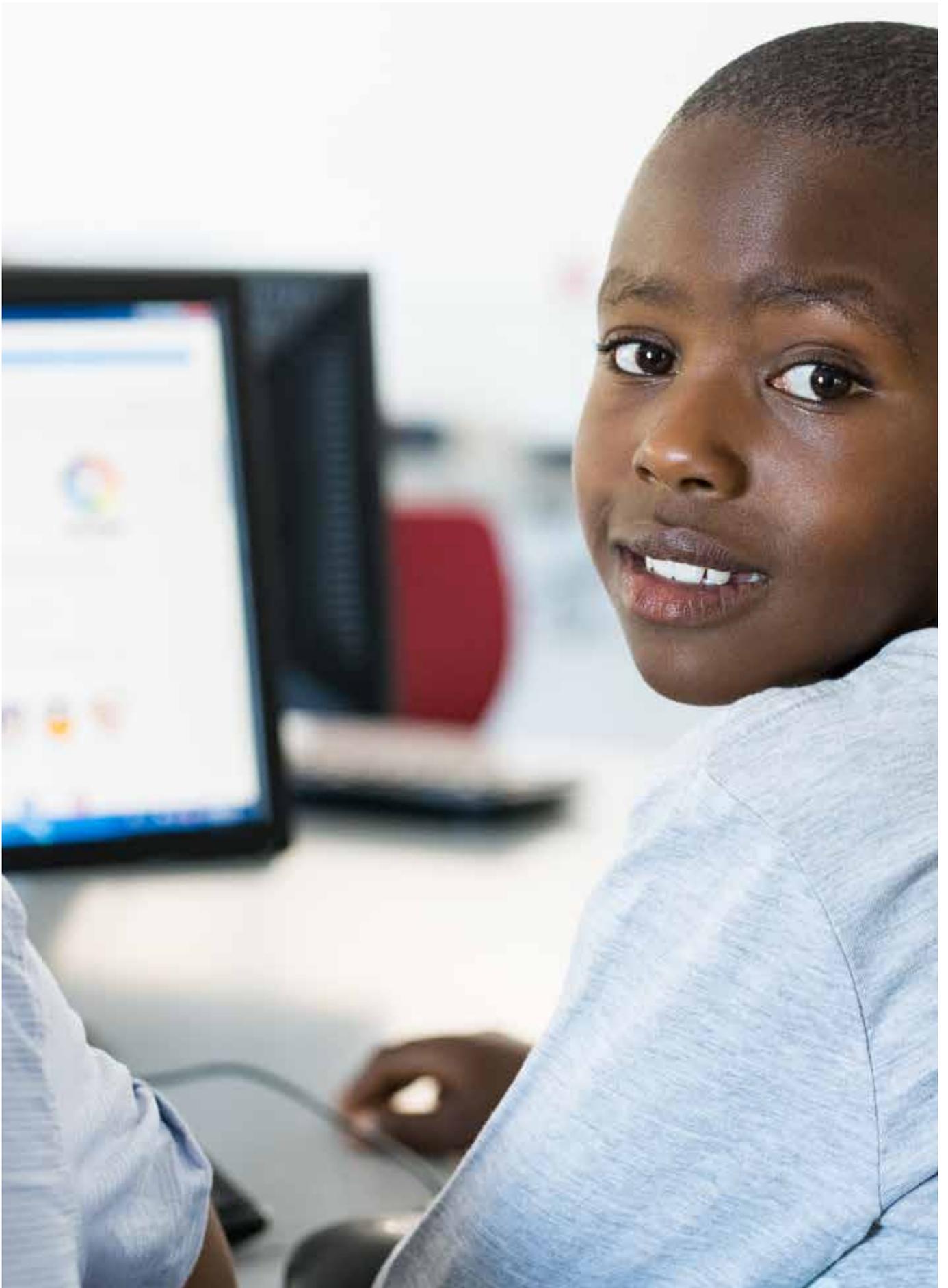
**TECHNICAL SUPPORT**  
in the form of a laptop bought for each student.



**FINANCIAL SUPPORT**  
for tuition and a monthly living allowance.



**IN-SERVICE TRAINING**  
opportunities are sought out for engineering students who struggle to get placement.





**BAFANA**

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ANA TUCK SHOP

## Socio-economic Development

### Strategic Objective:

To create enterprise development opportunities with social impact.

# Socio-economic Development Programme

The SED programme was conceptualised to create a holistic solution to develop and empower black owned businesses.

## New socio-economic development focus

Having invested in small to medium businesses through the Kagiso Enterprises Rural Private Equity Fund (KERPEF) since 2002, Kagiso Trust has conceptualised the Socio-economic Development (SED) Programme to support SMEs and ensure that its developmental efforts remain relevant in the ever-changing socio-economic landscape.

Small businesses continue to be as economically fragile as they were over two decades ago, with some 70% of our emerging small businesses failing within their first two years of operation.\* This is due to a number of factors such as:

- Macro and microeconomic conditions
- Lack of basic skills and 'being in it' for the wrong reasons
- Limited or no access to markets
- No access to appropriate funding or limited knowledge of funding sources
- Lack of financial literacy and poor financial management

As Kagiso Trust conceptualised the SED Programme during the year under review, the Trust continued to draw from these lessons. The SED programme was conceptualised to create a holistic solution to develop and empower black owned businesses with focus in the agriculture and property sectors. As of the time of this report much progress has been made in actualising the agricultural and property programmes.

## Impacting on agriculture

The SED Programme has identified three key areas where support is required for beneficiaries in the agricultural sector:

- **Funding** – solutions
- **Support** – technical & management
- **Market** – access/intelligence.

\*Business Tech – The Alarming Truth about the Number of Small Businesses in South Africa, 26 July 2018.

The Agricultural SED strategy is to be implemented in three phases:

### 1. Impact Fund

To harness the agri ecosystem by collaborating with strategic and technical partners whose investment experience and track record in agriculture will assist to produce viable black farmers. This will be achieved by unlocking key resources such as funding, skills and market.

### 2. Informal Market Linkages

To formalise black farmers and to directly link them with the informal traders, thus eliminating the middleman.

### 3. Agri Academy

To develop a new generation of viable black farmers through collaborations with agri colleges.

The Tyala Impact Fund has been set up, with implementation anticipated to start in the next financial year.

## Support in commercial property sector

The SED Programme, in collaboration with partners in the property sector, aims to support viable small and medium black-owned enterprises through strategy and skills development. This will be achieved by establishing an Enterprise Development and Incubation Programme in the property sector.

## Looking ahead

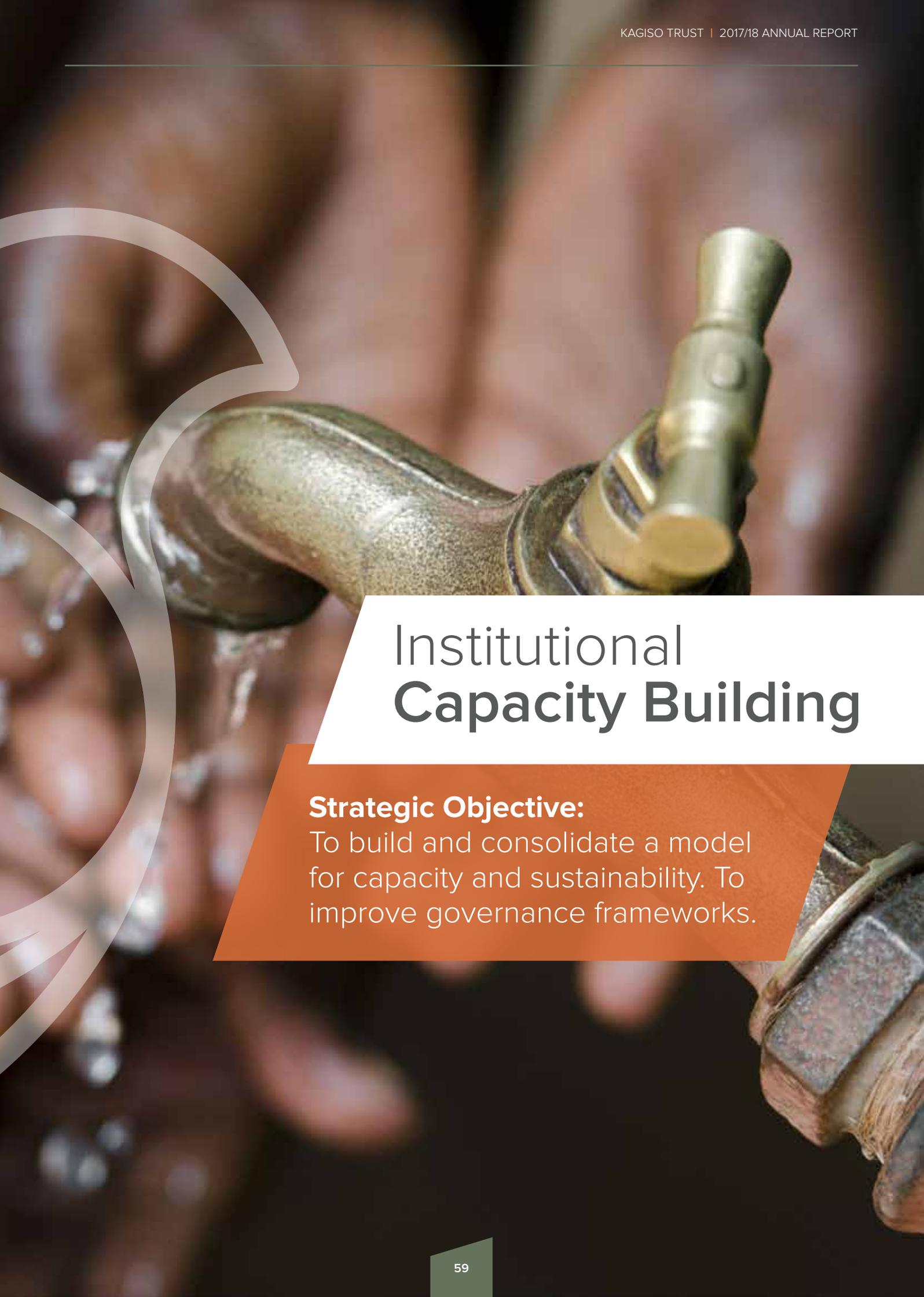
The next financial year will see the implementation of the Socio-economic Development Programme in both agriculture and property take off. In line with the organisational objectives, the coming year will be focused on:

- To solidify and establish new partnerships for the Agri-Impact Fund
- Developing a broader enterprise and supplier development model.



The South African Supplier Diversity Council (SASDC) acts as the intersection and interface for corporate and independent black-owned enterprises.





# Institutional Capacity Building

**Strategic Objective:**

To build and consolidate a model for capacity and sustainability. To improve governance frameworks.

# Local Government Support

“Access to the internet will ensure that previously marginalised communities also get access to opportunities associated with the 4IR.”

Kagiso Trust Consulting (KTC) is KT's local government support vehicle. A key Initiative through KTC is that of ensuring that municipalities are enabled to better deal with the many challenges they are faced with owing to a slow economy, escalating unemployment and the increase costs of service delivery.

### Closing out and expanding

During the year under review, KTC continued to deliver on the projects in the Gauteng and North-West provinces as per the agreement with Gauteng Provincial Government and National Department of Cooperative Governance Traditional Affairs (CoGTA). Based on the projects' success of the phase 1 implementation, KTC was appointed for an extension of the project which will require KTC to implement phase 2 of the Revenue Model in six municipalities. This extension will be concluded in October 2019.

Kagiso Trust's efforts were also invested in conceptualising a Local Government Support Programme that makes a direct impact on overcoming poverty in communities. KT explored a more integrated municipal support model that both increases the municipal tax base and creates jobs and improves the quality of peoples' lives.

The Local Government Support Programme approach will be focused on the following three elements:

- Indigent Management
- Local Economic Development (LED)
- Community Engagement

### Looking ahead



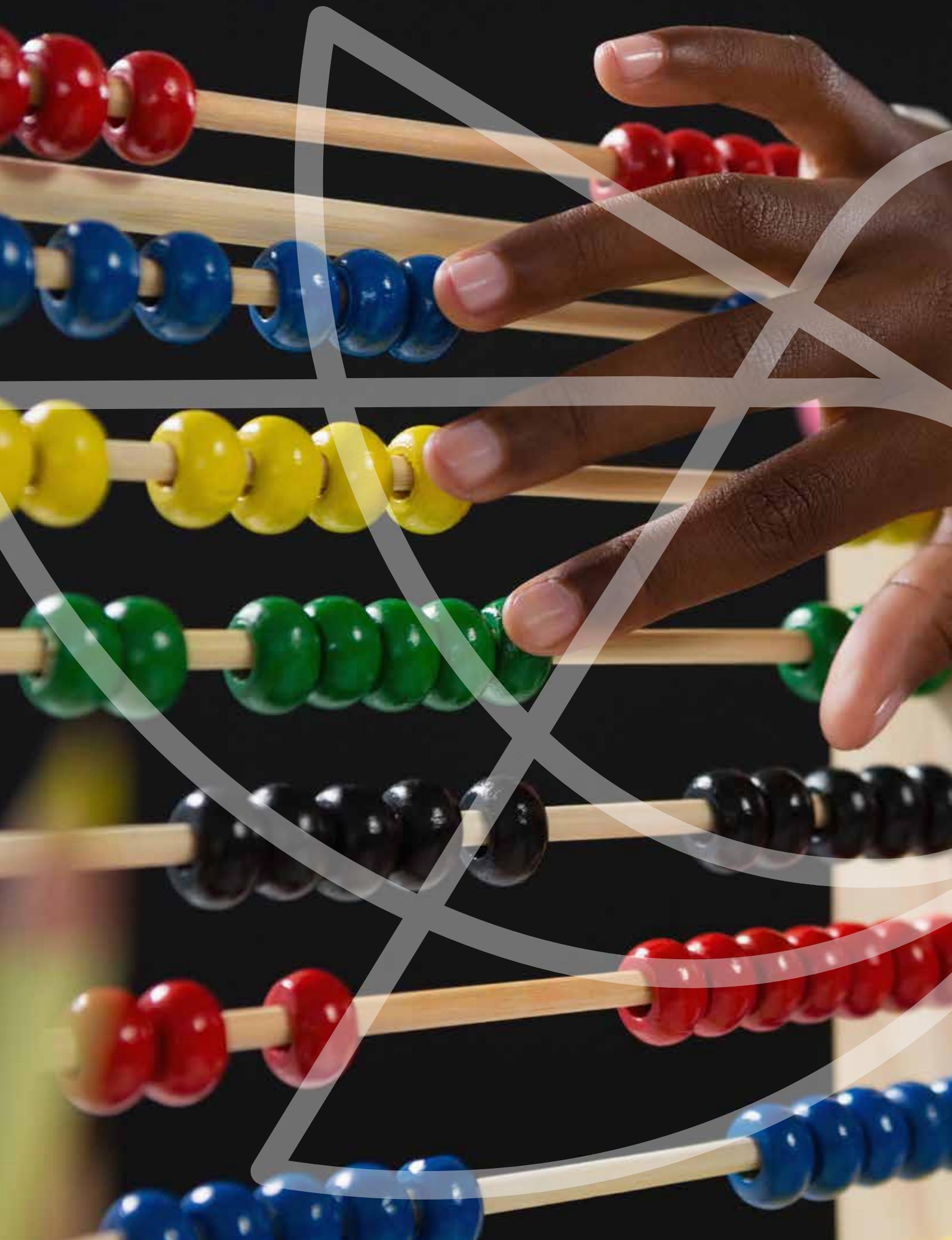
The Fourth Industrial Revolution (4IR) is inescapable. The three elements of the Local Government Support Programme have adopted and embraced the need to incorporate the 4IR as they will be implemented.

Indigent Management will embrace technology and adjust to automated registration and management processes.

LED and community engagement elements will focus on providing communities with access to the Internet of Things (IoT) in an attempt to narrow the current digital divide and to ensure that community and local government communication is automated, dynamic and real-time. This will ensure that municipalities are efficient and that local government responds to community needs. Access to the internet will ensure that previously marginalised communities also get access to opportunities associated with the 4IR.









# Financial Sustainability

**Strategic Objective:**

To manage and grow the Trust's financial sustainability.

# Kagiso Capital

Kagiso Capital creates and maintains a culture which is conducive to the positive growth of the company as well as the recruitment of young professionals with the relevant talents and skills set.

Established in 2015, Kagiso Capital (KC) is an investment holding company wholly owned by Kagiso Trust. The primary purpose of Kagiso Capital is to ensure the longevity of the Kagiso Trust and to diversify the investment asset base of the Trust. Kagiso Capital's main objective is to drive a diversification strategy through meaningful investment in innovative and growing businesses that are committed to economic transformation such as those it is currently invested in.

## Ensuring the longevity of Kagiso Trust

Kagiso Capital spent the year under review cementing the following key objectives:

- Implementing the approved Kagiso Capital strategy
- Building the right organisational culture

## Purposeful Investments

Kagiso Capital's investments are predominantly focused on four sectors:

- **Education:** The Open Learning Holdings
- **Financial:** MMI Holdings, FirstRand Limited and Discovery Limited
- **Logistics:** OneLogix Group
- **Health:** Kagiso Capital Health Investments

Aligned to Kagiso Trust's investment viewpoint, Kagiso Capital will not invest in what is termed sin investments such as: liquor, weapons, tobacco and gambling.

Kagiso Capital's portfolio reflects diversified investments that are strategically and responsibly selected based on three important criteria:

- The growth potential of target companies – creation of long term shareholder value;

- Expansion strategies into the continent of target companies;
- Cash generative capacity of target companies.

Because the shareholder is a development organisation largely dependent on dividends, the dividend allocation is a significant factor which forms part of the strategy. Asset growth is equally important, more so during these early years of Kagiso Capital. As the company's fundamental role is to ensure the financial sustainability of Kagiso Trust, a role that cannot be fulfilled without an allowance for asset growth, the strategy addresses this.

Kagiso Capital resolved to take a more focused approach, prioritising investments in the education sector, a decision influenced by our shareholder's interests. The current investment in Open Learning Holdings is important to this approach.

## Remaining values-driven

Beyond being driven by growth in asset values, Kagiso Capital is grounded in the values of the Kagiso Trust. Kagiso Capital creates and maintains a culture which is conducive to the positive growth of the company as well as the recruitment of young professionals with the relevant talents and skills set.

## Investment portfolio performance

Kagiso Capital reported an investment portfolio performance of 24% as of the 30<sup>th</sup> of June 2018. This largely is a recovery spurred by market sentiment at the back of an improved credit rating outlook. The portfolio remained resilient through the period under review, with Onelogix providing sustained fundamental growth in earnings. The SA economy is expected to recover slowly in 2019, largely driven by a reversal in the weakening of SA's state owned institutions, which is a credit to a SA government committed to a more transparent and predictable policy framework.

The total dividends received by the Kagiso Group (Kagiso Trust and all its subsidiaries) from FRET during the 2017/18 financial year amounted to R217 million.





A photograph of a man in a dark suit and light-colored shirt speaking at a clear acrylic podium. He is smiling and gesturing with his hands. A microphone is positioned in front of him. The background is blurred, showing an indoor setting with warm lighting. A large, light-colored abstract graphic element is on the left side of the image.

# Stakeholder Engagement

# Communications and Marketing



**Mandisa Tselane**  
Communications  
& Marketing Head

The 4IR will revolutionise society. It's impact is already being felt and there will not be a facet of our lives that is not impacted by it.

The year under review has been one of many highlights and none more so than welcoming in and adjusting to the dawn of the Fourth Industrial Revolution (4IR). The 4IR has significant ramifications from both a global and local perspective and directly impacts KT's current and future planned strategies and initiatives.

Whilst this report is primarily about our current activities and our plans ahead, it's worth revisiting (particularly for those unfamiliar with Kagiso Trust) how KT grew into its unique position amongst South Africa's developmental agencies and how it has continued to stay relevant and make an impact.

### Kagiso Trust's journey 1985 - 2018

Founded in 1985, KT was a key player in actively opposing apartheid by providing support to development institutions and initiatives across a range of sectors.

With the advent of democracy in 1994, KT realigned its core purpose and activities to fight a new adversary – poverty. The Trust identified specific sectors where it believed it could make the greatest impact; health, education, and funding. Whilst the Trust's underlying purpose has remained the same over the following years, the specific areas of involvement have shifted based on experience and lessons learned. The Trust's current initiatives are on Education Development, Socio-economic Development and Institutional Capacity Building (with specific focus on local government and civil society).

### Sustainability and staying relevant

Our approach to all developmental initiatives is to always include a sustainability roadmap for our interventions. This ensures that well after we have exited a programme, our beneficiaries are able to continue, implementing best practices and are no longer reliant on the Trust.

As an organisation we regularly realign our activities and initiatives, ensuring we stay current and relevant within the prevailing socio-economic environment. An important case in point is the advent of the Fourth Industrial Revolution.

### KT today, the Fourth Industrial Revolution (4IR) and our role



The 4IR will revolutionise society. It's impact is already being felt and there will not be a facet of our lives that is not impacted by it. KT is well aware of this and we have consulted widely with experts, stakeholders and various institutions in order to ensure that we embrace 4IR within our own developmental strategy. Kagiso Trust plans on assisting in the providing of electronic indigent management solutions to our municipalities and encouraging SMMEs to introduce and create new markets to improve their global competitiveness and be on par with other developing countries.

### Continuous Communication

Kagiso Trust's communications to stakeholders continued to illustrate the impact which the organisation continues to make in rural South Africa and in the lives of the disadvantaged. The Trust's social media platforms and websites continued to keep our stakeholders engaged, ensuring that as we published key reports and publications, to which our stakeholders have easy access. In addition to this the Trust has maintained regular meetings with key stakeholders and partners as per their respective programmes and structures.

### Meaningful Marketing

The Heart of Gold Campaign further extended the reach of Kagiso Trust's communication in the year under review. The partnership with Sunday Times and Kaya FM meant that Kagiso Trust's exposure was amplified, resulting in a favourable advertising value equivalency AVE of 1:2.6 from the partnerships.

These media platforms afforded the Trust an opportunity to comprehensively showcase the work of the organisation alongside marketing the organisation to potential corporate and government partners for Socio-economic Development, Local Government Support and Education Development programmes.

# How to Join Us in Overcoming Poverty

Kagiso Trust is one of South Africa’s leading development agencies working to achieve freedom from poverty. We promise transparency, action, delivery and measurable results for our social investment programmes in education, socioeconomic development and institutional capacity building.

Our tried and tested development models have a track record of success.

We utilise our own investment dividends to fund our programmes and, as such, have a vested interest in the outcome.

## YOU CAN JOIN US IN OVERCOMING POVERTY BY CONTRIBUTING IN THE FOLLOWING WAYS:



**ONCE-OFF DONATIONS OR SPONSORSHIPS**



**FUND A SPECIFIC PROGRAMME WITHIN EDUCATION DEVELOPMENT:**

- Early Childhood Development
- District Whole Schools Development Programme
- Eric Molobi Scholarship Programme (EMSP)
- Education Conversations

## VALUE OF BEING A SPONSOR

 <p><b>GREATER IMPACT</b></p> <p>Support programmes that transform lives in measurable ways in some of South Africa’s most impoverished areas.</p>	 <p><b>SUSTAINABILITY</b></p> <p>Invest in our poverty alleviation focused programmes with tried and tested, replicable and sustainable models from an organisation with over 30 years’ experience in development.</p>	 <p><b>PUBLIC RECOGNITION</b></p> <p>Gain visibility as a leader in social responsibility through joint public relations and marketing campaigns.</p>
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For more information on Kagiso Trust partnership and contribution opportunities contact Mandisa Tselane 011 566 1900 or [mtselane@kagiso.co.za](mailto:mtselane@kagiso.co.za)

# Stakeholder Engagement

Stakeholder engagement remains central to the ethos and success of Kagiso Trust and its work.

Stakeholder engagement remains central to the ethos and success of Kagiso Trust (the Trust, KT) and its work. The Trust remains committed to ensuring that its key stakeholder groups are informed and engaged while always recognising the important role they have played in KT's history and evolution into South Africa's leading development organisation.

The Heart of Gold campaign which commenced during the 2016/17 financial year was concluded. Through media partnerships with Kaya FM and Sunday Times, the campaign addressed three communication objectives:

1. Thought leadership and advocacy opportunities to cement Kagiso Trust as a thought leader in the development space as well as exchanging best practice with other organisations in the sector.
2. Marketing focus to increase brand recognition to the extent to which KT's stakeholders can correctly identify the organisation's programmes.
3. Leveraging collaborations and co-funding opportunities to serve as a platform for investment into Kagiso Trust's social enterprises, education and institutional capacity building programmes.

The media partnership provided Kagiso Trust with six column contributions and adverts in the *Sunday Times* and five radio interviews on Kaya FM, as per the table below:

Stakeholder Engaged	Organisation & Designation	Sunday Times	Kaya FM
Dr Somadoda Fikeni	UNISA, advisor to UNISA's Principal and Vice-Chancellor	11 Sept 2017	12 Sept 2017
Mr Xolile George	SALGA, Chief Executive Officer	29 Oct 2017	30 Oct 2017
Ms Phuti Mahanyele	Sigma Capital, Chairperson	10 Dec 2017	12 Dec 2017
Mr Maaria Ishmael Kgetjepe	Limpopo Department of Education, MEC	28 Jan 2018	29 Jan 2018
Frank Chikane, Rev.	Kagiso Trust, Chairperson	25 Mar 2018	26 Mar 2018

In addition, Kaya FM extended its partnership to include an outside broadcast for the KT Golf Challenge as well as website banner and radio advertisements for the Education Conversations.

The Heart of Gold campaign provided several touch points for the Trust to engage with key stakeholders. Through the campaign, Kagiso Trust cemented its role as thought leaders while deriving knowledge and learnings from

stakeholder groups that will inform and sustain the organisation's development approach.

The objectives of the stakeholder engagements and profiling are based on the broader strategic objectives of the organisation. They are aimed at strategically positioning KT, exploring and managing collaborations, providing an advocacy platform as well as identifying opportunities for consultation and research on key developmental trends locally and globally.

Stakeholder Description	Engagement Activities for 2017/18
 <p><b>GOVERNMENT</b></p> <p>The government stakeholder includes the Department of Basic Education, Department of Higher Education and Training, and Provincial Departments of Education.</p> <p>Kagiso Trust also engages with local municipalities, the Department of Trade and Industry, Small Business and Enterprises and CoGTA.</p>	<p>Government is engaged through meetings, conferences and workshops, corporate events and through social media platforms. On average, Kagiso Trust engages with government on a bi-weekly basis.</p> <p><b>Highlights:</b></p> <ul style="list-style-type: none"> <li>• Industrial Development Cooperation (IDC) – Socio-economic Development AgriFund</li> <li>• Department of Basic Education (DBE) – District Whole School Development Programme</li> <li>• Department of Telecommunications and Postal Services – Research and Knowledge Management</li> <li>• Free State Department of Education – District Whole School Development Programme</li> <li>• Limpopo Premier – District Whole School Development Programme</li> <li>• Limpopo Department of Education – District Whole School Development Programme and Beyers Naude Schools Development Programme (BNSDP)</li> <li>• National Student Financial Aid Scheme – Eric Molobi Scholarship Programme (EMSP)</li> </ul>
 <p><b>FUNDERS</b></p> <p>The funding of stakeholder groups includes corporates who invest in KT's development programmes.</p>	<p>Funders are engaged through meetings, KT's In Brief magazine, editorials, social media and AV content.</p> <p><b>Highlights:</b></p> <ul style="list-style-type: none"> <li>• KopanoX, Aurecon and Manufacturing Engineering Co. pledges to support the EMSP with in-service training opportunities for students</li> <li>• In Brief magazine was shared with over 1000 stakeholders</li> </ul>
 <p><b>CIVIL SOCIETY AND PARTNERS</b></p> <p>Partners include registered non-profit organisations and education institutions.</p>	<p>The NGO community and society at large were engaged through In Brief magazine, social media platforms, and events.</p> <p><b>Highlights:</b></p> <ul style="list-style-type: none"> <li>• South Africa NGO Network (SANGONeT) – Civil Society Programme</li> <li>• South African Council of Churches – Civil Society Programme</li> <li>• University of Zululand – Beyers Naudé Memorial Lecture</li> <li>• University of Johannesburg – Education Conversations</li> <li>• Cyril Ramaphosa Foundation – District Whole School Development Programme</li> <li>• FirstRand Foundation – District Whole School Development Programme</li> <li>• South Africa Democratic Teachers Union (SADTU) – District Whole School Development Programme and Education Conversations</li> <li>• In Brief magazine was shared with over 1000 stakeholders</li> </ul>
 <p><b>BENEFICIARIES</b></p> <p>Beneficiaries include community members located in areas within which Kagiso Trust operates.</p>	<p>Beneficiaries were engaged through well-attended community events, infrastructure launches, panel discussions held at universities, editorial coverage, social media and local media coverage.</p> <p><b>Highlights:</b></p> <ul style="list-style-type: none"> <li>• 30 students attended the 2018 EMSP workshop</li> <li>• Over 3000 community members attended the infrastructure launches in the Motheo and Fezile Dabi districts in the Free State</li> </ul>
 <p><b>MEDIA</b></p> <p>Media includes producers, journalists, editors, and online influencers.</p>	<p>Media are engaged through events, media releases, telephonic conversations and one-on-one meetings.</p> <p><b>Highlights:</b></p> <ul style="list-style-type: none"> <li>• 12 media releases issued</li> <li>• Media engaged at least once a month</li> <li>• Media invited to Kagiso Trust events</li> <li>• Masechaba Ndlovu facilitated the Education Conversations during the 2017/18 financial year</li> <li>• Good relationship developed with Sunday Times and Kaya FM over the duration of the Heart of Gold campaign</li> </ul>
 <p><b>EMPLOYEES</b></p> <p>Kagiso Trust employees include both full-time and part-time employees.</p>	<p>Kagiso Trust employees are engaged through an internal newsletter, In Brief magazine, emailers, team building sessions, staff events and meetings, as well as Learning Circles.</p> <p><b>Highlights:</b></p> <ul style="list-style-type: none"> <li>• 6 x Learning Circles were held</li> <li>• 1 x team building session held</li> <li>• 3 x In Brief magazines distributed to employees</li> <li>• 3 x internal newsletters distributed to employees</li> </ul>

# Kagiso Trust in the Media

**Education Conversations**

Kagiso Trust in partnership with the University of Johannesburg are hosting the Education Conversations, which is a solution-driven conversation to transform education.

The upcoming convention will unpack the 4th Industrial Revolution and its impact on the education system.

Join us at UJ's APK Campus on the 27<sup>th</sup> of April 2018 at 3pm, admission is free. Visit [www.kagiso.org.za](http://www.kagiso.org.za) for more information.

Kagiso Trust, Overcoming Poverty

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learning schooling

**ERIC MOLOBI SCHOLARSHIP PROGRAMME CREATES HOPE FOR CHILDREN IN RURAL AREAS**

Kagiso Trust | News, On the Go

**ERIC MOLOBI SCHOLARSHIP PROGRAMME CREATES HOPE FOR CHILDREN IN RURAL AREAS**

Kagiso Trust's ERIC Molobi Scholarship Programme has provided a lifeline for 1000 children in rural areas across South Africa. The programme, named after the late President F.W. de Klerk, provides financial support for school fees, uniforms, and other educational needs. This support allows children to focus on their studies and pursue their dreams, breaking the cycle of poverty in rural communities.

Publication: Sunday Times (Business Edition), Business Times  
Date: Durban, December 18, 2017  
Page: 7

## Advertorial

### Putting hearts to work to end poverty

**What are your thoughts on radical economic transformation, and what policies are needed to achieve this?**

There is an urgent need for genuine economic transformation. It properly conceptualised and implemented, this would create an inclusive economy that will sustain the true potential of the nation. Transformation will require policies that ensure change and redistribution, a policy towards the concentration of economic power in the hands of a few. A major challenge is to ensure that the financial sector is able to provide the support, the simplification of compliance and implementation, and the strengthening of the financial sector to enable small and medium-sized businesses to get credit or financial support.

**Who is early childhood development an integral part of?**

South African development and future depend on the extent to which it creates the human capital element in the program members of the population. By making investments in ECD we are more likely to see better outcomes in school leavers.

**What are your thoughts on the NCP? Is it implemented effectively and efficiently? And what role can development NGOs play?**

The first challenge should be the mobilisation of business, the government, labour and civil society to rebuild society and economic growth. It is not the role of NGOs to replace the state. NGOs can play a role in providing support, but it is not their role to replace the state. NGOs can play a role in providing support, but it is not their role to replace the state.

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Publication: Sunday Times (Business Edition), Business Times  
Date: Durban, October 29, 2017  
Page: 8

## Advertorial

### Supporting government closest to the people

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Publication: Sunday Times (Business Edition), Business Times  
Date: Sunday, October 22, 2017  
Page: 7

Advertorial

# Leaving the past behind and working towards a revolutionary future

**THE INDUSTRIAL REVOLUTION**  
The main purpose of this feature is to start conversations about how to use our abundant natural resources sustainably to create the opportunities brought about by the revolution. These discussions, however, are a means to the end, which is to create the conditions necessary to uplift those who were excluded from the economy by providing sustainable employment opportunities. The revolution is the result of the South African industrial revolution, and how we can take advantage of the existing edge in Africa by developing it as the driver of the South African industrial revolution to address the challenges of the continent.



Reverend Frank Chikane

**REVEREND FRANK CHIKANE**  
Bishop of the Orange Diocese, Anglican Church

A key part of the South African industrial revolution is the urgent need to promote, through the private sector, public-private partnerships, industry-academia partnerships, and other innovative models, the creation of jobs, which benefits everyone in the country.

...the South African industrial revolution is the result of the South African industrial revolution, and how we can take advantage of the existing edge in Africa by developing it as the driver of the South African industrial revolution to address the challenges of the continent.

The ANC has always maintained that the main purpose of this feature is to start conversations about how to use our abundant natural resources sustainably to create the opportunities brought about by the revolution. These discussions, however, are a means to the end, which is to create the conditions necessary to uplift those who were excluded from the economy by providing sustainable employment opportunities.

What are the opportunities for the Africa of the future? The answer is to be found in the South African industrial revolution, and how we can take advantage of the existing edge in Africa by developing it as the driver of the South African industrial revolution to address the challenges of the continent.

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**Africa must expand its high-skilled talent pool by developing future-ready curriculums**  
Reverend Frank Chikane

Publication: Sunday Times (Business Edition), Business Times  
Date: Sunday, October 22, 2017  
Page: 7

Advertorial

# Partnerships to improve education

**REBEKAH MPHAHLE**  
Executive Director  
Department of Education  
Cape Town

Why do we need to focus on the high-skilled talent pool? The answer is to be found in the South African industrial revolution, and how we can take advantage of the existing edge in Africa by developing it as the driver of the South African industrial revolution to address the challenges of the continent.

schools in the Three Metropolitan Areas? What are the reasons for this? The answer is to be found in the South African industrial revolution, and how we can take advantage of the existing edge in Africa by developing it as the driver of the South African industrial revolution to address the challenges of the continent.

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Publication: Sunday Times (Business Edition), Business Times  
Date: Sunday, October 22, 2017  
Page: 7

Advertorial

# Overcoming poverty, sustainably

How do we overcome poverty sustainably? The answer is to be found in the South African industrial revolution, and how we can take advantage of the existing edge in Africa by developing it as the driver of the South African industrial revolution to address the challenges of the continent.

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**PHIL MHLAHLA**  
Executive Director  
Department of Education  
Cape Town

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Publication: Sunday Times (Business Edition), Business Times  
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Publication: Mangaung Issue  
Date: Wednesday, October 25, 2017  
Page: 7

## Eskom partners with FS Education Dept.

The Eskom Development Foundation will help fund the Free State Mathematics Competition which is hosted yearly by the FS Education Department and Kagiso Trust. The two entities sealed the partnership and announced it on 19 October at Gonyane Primary School in Bloemfontein during this year's edition of the Mathematics competition. It will run annually for the next three years attracting 45 000 learners across the province. In photo: Eskom Corporate Affairs Chose Choeu, Free State MEC Education Tote Makgoe and Acting CEO, Eskom Development Foundation Cecil Ramanonotsi. By Teboho Masakala



# Kagiso Trust in the Media (continued)

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Chidozie Chimezie Kagiso Trust Executive

## Financial sustainability remains critical for Kagiso Trust

BY PRESS RELEASE ON DECEMBER 11, 2017 ENTREPRENEURSHIP

How has Kagiso Trust managed to be self-sustainable after the 1994 funding from European Union and Japanese government was redirected?

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## South African schools to be digitally connected by 2018

9 AUG 2017 | EMAIL | PRINT | PDF |

At the second Education Conversations event of 2017, held at the University of Johannesburg Soweto Campus on 25 July, Deputy Minister of Basic Education, Enver Surty, said every South African school would be digitally connected by 2018.



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## ALL SA SCHOOLS TO BE ONLINE IN 2018

26 SHARES

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Deputy Minister of Basic Education, Enver Surty, says every South African school will be digitally connected by 2018. "The intention is that, by the end of next year, every single school must be connected. As we speak, 98% of schools are connected for purposes of administration," he said. Surty made the statement during his keynote address at the second Education Conversations event.

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**LOUIS TRICHARDT** THIS WEEK'S SPECIALS!

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## King and Kagiso Trust kick start the save Lwamondo Secondary fund

News - Date: 01 July 2018  
Written by: Simon Tshikudo / Views: 844

King Tori Molephu Ramabulana has urged the community of Lwamondo not to sit down and wait for handouts to save Lwamondo Secondary School from collapse.

Molephu set the stage and urged others to follow when he donated R20 000 to boost the Save Lwamondo Secondary School fund.

This was during the school's 50<sup>th</sup> anniversary celebrations, held at the school premises at Lwamondo last Saturday.

The event was attended by, among others, the chairperson of the House of Traditional Leaders of the Vhembe District, Thovhwe Vele Kutama, Thovhwe Calvin Nkomo, former principals, educators, current and many former learners of the school, some of whom are doing extremely well and making



King Tori Molephu and others who donated cash to the fund to save their school during the event at Lwamondo Secondary School.

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## Kagiso Trust develops tool to improve service delivery

Shared by Editor on 12/21/2017 in [Business](#) | Comments: 0



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## THE LEGACY OF KAGISO TRUST: INVESTING IN SOUTH AFRICAN COMMUNITIES

14/7/2017 | Author: Simon Tshikudo, Editor: Peter, On the 14

6 SHARES

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What Kagiso Trust began its development work in 1993, it was a vehicle to promote the struggle

# Leadership

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## FINANCIAL SUSTAINABILITY FOR SUSTAINABLE DEVELOPMENT

It is not unusual to come across the mention of 'poverty' and 'Africa' in the same sentence. Our...

September 13th, 2017 [I person liked this article](#)

*Tags: africa, kagiso trust, sustainable development, education development, finance*

This association of Africa as the poverty-stricken continent is one which is being fiercely contested. Africa will become a prosperous continent, according to the African Union's Agenda 2063, even if it takes decades. This transition requires, among other factors, a focus on sustainable development.

This focus on sustainable development is being championed locally through the National Development Plan (NDP) and abroad, notably through the United Nations' Sustainable Development Goals (SDGs). Sustainable development ensures that as we meet our present needs, future generations will, too, have the ability to meet their own needs. At the heart of sustainable development is the need to provide people with quality of life, a life not plagued by poverty.

As one of South Africa's leading development agencies, Kagiso Trust (KT, the Trust) appreciates the fact that our country's sustainable development efforts will ultimately be impacted by the continent's own. South Africa's development resolves cannot escape the context of its geographic location. It is, therefore, through this understanding that Kagiso Trust's development work is aligned with both the NDP and SDGs, and through its entity Kagiso Africa Investments (KAI), endeavours to share best practice and garner lessons from other African countries.

The Trust has resolved to overcome poverty in South Africa through the implementation of its tried and tested, replicable and sustainable development models. KT's programmes are focused on its four strategic objectives: Education Development, Socio-economic Development, Institutional Capacity Building and Financial Sustainability. The latter focus area is one which we identified as obligatory to share with fellow not-for-profit organisations (NPOs). The logic is straightforward: without financial sustainability, there is no sustainability and growth for NPOs to associate their development work in communities. While Kagiso Trust actively supports local NPOs through the Institutional Capacity Building's civil society programme, the Trust set up KAI to play a similar role outside the country. KAI's footprint is currently 4000km away with the Kenya Community Development Foundation (KCDF) a Nairobi-based development organisation.



## THE LEGACY OF KAGISO TRUST: INVESTING IN SOUTH AFRICAN COMMUNITIES

14/11/2017 • Latest News, National News, On the Go

6 SHARED [SHARE](#) [TWEET](#)

When Kagiso Trust began its development work in 1985, it was a vehicle to promote the struggle against apartheid. It was in this context that Archbishop Desmond Tutu, Dr Beyer Naudé, Reverend Frank Chikane, Reverend Alan Boesak, Dr Max Coleman, Eric Moloib and other political leaders were trying to persuade the European Union (the European community at the time) to impose complete sanctions on the South African apartheid government.

Persuading the EU was a difficult task and in 1985 the EU agreed to impose only partial sanctions on South Africa, the EU also decided through its Special Programme for the victims of apartheid to support projects that promoted non-racism and capacity development among those disadvantaged by apartheid.

The EU indicated that it wanted to allocate development funds using three channels namely South African Council of Churches (SACC) and the South African Catholic Bishops conference and a third secular channel.

The third secular channel gave birth to Kagiso Trust (KT) on the 10<sup>th</sup> July 1986 the EU donated an initial sum of ECU 5 million (R 10 million) which was used to fund 30 projects. The Trust and those associated with it had to withstand strong opposition from the apartheid government, Eric Moloib was detained under Regulation 3 of the Internal Security Act in 1987. Archbishop Tutu, Yunus Mohamed, Dr Abe Niemo, Rev Frank Chikane and Father Mkhathshwa continued to be detained and harassed for their involvement and KT. Dr Beyer Naudé despite the banning order had been lifted he still received unwelcome attention from the security police due to his commitment and tireless work for the Trust.

Between 1986 and 1993 the EU was KT's largest donor (R634 million) and between 1987 and 1987 KT managed to secure donor funds from the Japanese government (R107.6 million) to cover staff

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### Kagiso Trust's legacy of excellence in Free State schools

To inculcate a culture of excellence in education, Kagiso Trust has been working with schools in the Free State for the past ten years. Kagiso Trust has implemented its District Whole School Development Programme (DWSDF) model in partnership with the Free State Department of Education as well as through Kagiso Shanduka Trust (KST), a partnership with the Cyril Ramaphosa Foundation.

Kagiso Trust congratulates the Free State on attaining 86% for the 2017 NSC, placing the Province in first position for a second consecutive year. In addition, the Free State's Fezile Dabi and Thabo Mofutsanyana are the top performing districts nationally with pass rates of 90.2% and 90% respectively.

**A holistic methodology**

The DWSDF model adopts a holistic approach in addressing challenges faced by schools. The model puts emphasis on ensuring a collaborative effort to improving education. This is done by ensuring active participation from a provincial level right through to districts and the schools themselves. The District Whole School Development Programme model's areas of focus include development and assistance with:

- Leadership
- Curriculum
- Basic and Incentive Infrastructure
- Social economic challenges

What makes the model unique is that it looks at supporting the entire school's system by adopting a district approach to maximise the impact of the programme. The model was first implemented in the Thabo Mofutsanyana district in 2007 with 166 schools. Over the past four years, 225 schools from the Fezile Dabi and Mthethwa districts, have benefited and received support to address capacity building, governance and stakeholder engagement, key socio-economic issues as well as ensuring a sustainability roadmap is in place for sustained impact.

The model is also driven by the theory of change. The theory states that if educators are capacitated through professional development and training and the school environment is improved through investment in

Publication: Transition SA  
Date: Tuesday, August 15, 2017  
Page: 33

LEADER PROFILE



*The Trust is a 31 year old organisation with a developmental focus. It was started to support victims of apartheid. The strategy has since morphed towards the creation of inclusive, prosperous societies in South Africa. A South Africa anchored on social justice.*

Kagiso Trust continues to demonstrate its commitment to economic, social and environmental development through its various programmes and projects.

The Trust is proud to have been selected as a partner for the 2017 National Development Plan (NDP) implementation strategy. This is a testament to the Trust's commitment to social justice and its role in the development of South Africa.

Headline SA spoke to Chief Executive Officer (CEO) Eric Moloib who explained the trust's role in the development of South Africa and the challenges it faces. He also spoke to the trust's role in the development of South Africa and the challenges it faces.

Moloib said the trust works with various organisations such as the Cyril Ramaphosa Foundation and the Department of Education to ensure that the trust's role in the development of South Africa is maximised.

Moloib said the trust has been successful in its role in the development of South Africa and the challenges it faces. He also spoke to the trust's role in the development of South Africa and the challenges it faces.

**KAGISO TRUST**  
Creates opportunities for a better society

# Kagiso Trust Events

## Local Government Collab

The Local Government Collab (the Collab) was part of The Heart of Gold Campaign which was aimed at unpacking the Kagiso Trust strategy, calling for collaboration and partnerships for our programmes through effective thought leadership and advocacy.

The Collab, which took place on the 27<sup>th</sup> of October 2017, was themed 'Indigent Management' and was intended to validate aspects of the envisaged local government support model.

KT shared insights from its local government programme implementation and specifically how KT's data management tool can assist with highlighting indigent communities and households for better Local Government Support. The overall objective was to identify ways of exiting identified households from their indigent status through local economic support.

The Collab commenced with a panel discussion. Panellists included Mr Simphiwe Dzengwa, SALGA Executive Director: Municipal Finance; Ms Nontokoza Gala, Deputy Director of Indigent Policy Coordination and Support; Jugal Mahieir, Local Government Lecturer: University of Johannesburg.

The panel discussion was followed by breakaway sessions with municipal officials. They deliberated over the following topics:

Session	Topic	Key Outcomes
Session 1	Develop solutions that support indigent households by restoring dignity and alleviating poverty.	<ul style="list-style-type: none"> <li>• Indigent registration and validation</li> <li>• Incentivising indigent households to register</li> <li>• Local Economic Development (LED) and job creation</li> </ul>
Session 2	Policy and Implementation	<ul style="list-style-type: none"> <li>• Review target strategy: per household or blanket approach?</li> <li>• Linkages of infrastructure maintenance: bulk service costs vs prepaid system</li> <li>• Use of technology to address challenges and increase efficiency</li> </ul>
Session 3	How do we efficiently implement an indigent policy for social cohesion in a difficult economic climate whilst sustaining a financially viable municipality	<ul style="list-style-type: none"> <li>• Ensuring an efficient registration process</li> <li>• An accurate indigent customer classification</li> <li>• Exit strategy for indigent customers through LED (skills and capacities)</li> </ul>



# Education Conversations

Hosted in partnership with the University of Johannesburg (UJ) Faculty of Education, the Education Conversations were established in 2012 as a platform for education stakeholders, and society at large, to engage in issues critical to educational reform. Participation and engagement increased significantly in 2017/18.

The main theme for the 2018 Education Conversations was the Fourth Industrial Revolution (4IR). The theme proved relevant, topical and allowed various stakeholders to lend their voice to how South African education can and should embrace the 4IR.

Topic	Speaker/s	Date	Venue
Our Vision for South African education	Mr Enver Surty, Deputy Minister of Basic Education Mr Abram Mkhari, Founder and Executive Director of Oratile Early Childhood Development Centre Mr Koketso Nthimbane, then UJ Education Honours Student	25 July 2017	University of Johannesburg, Soweto Campus
Understanding the 4IR and its impact on the education system	Mr. Godwin Khosa, NECT Chief Executive Officer Dr Jacqueline Batchelor, UJ Faculty of Education	17 April 2018	University of Johannesburg, Auckland Park Kingsway Campus



# Beyers Naudé Memorial Lecture

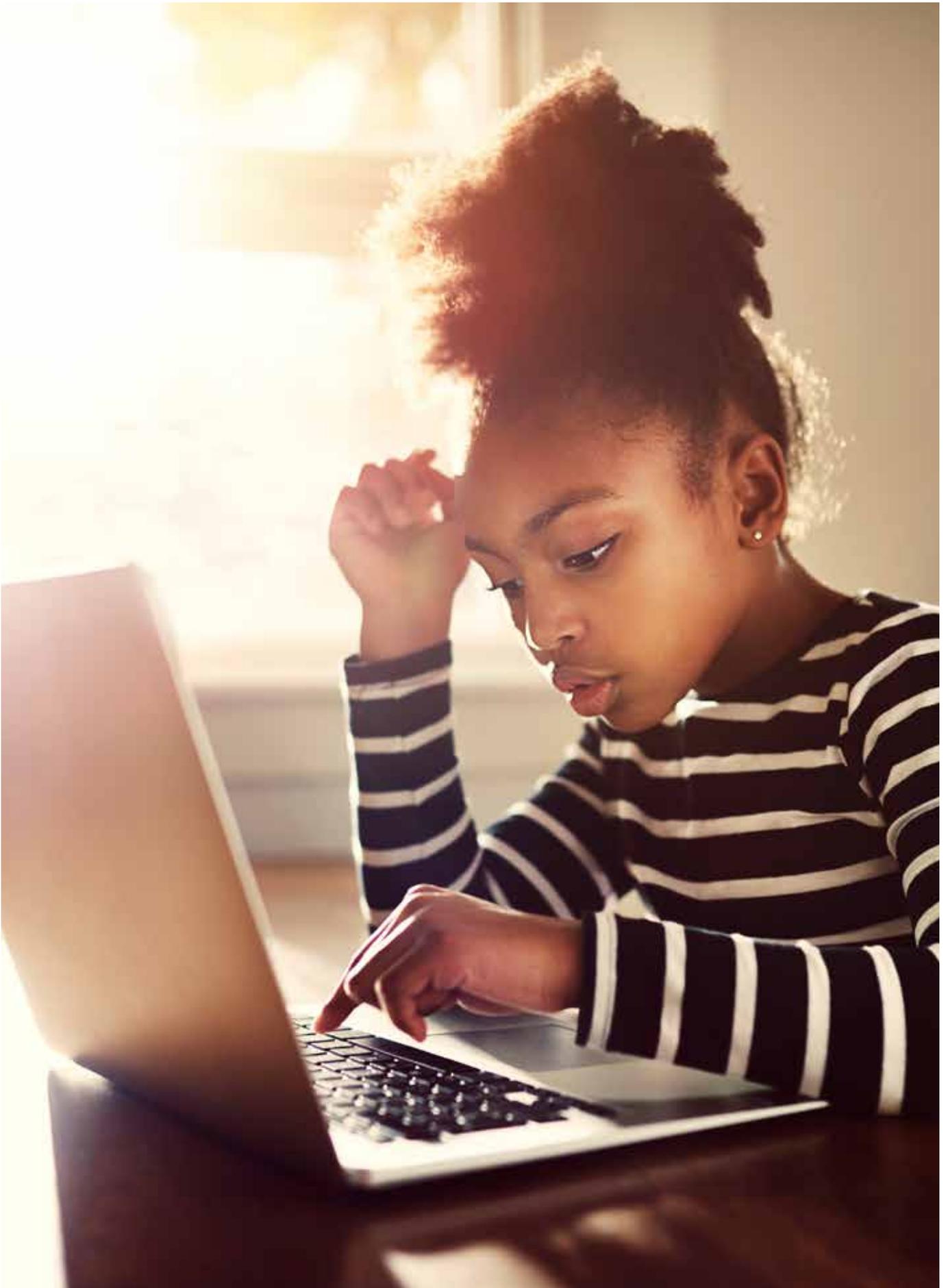
The Beyers Naudé Memorial Lecture series is an exciting initiative through which students are provided with the opportunity to be exposed to public interest topics related to societal values and leadership in honour of one of Kagiso Trust’s founding patrons Dr. Beyers Naudé.

The first Annual Lecture was hosted at the University of Pretoria in 2003, with Archbishop Emeritus Tutu as the guest speaker. The lecture is hosted with different universities on a three-year cycle to reach a wider and diverse audience and encourage the participation of a wider society in dialogue.

A partnership between Kagiso Trust and the University of Zululand (UniZulu) was formed in 2017. UniZulu’s inaugural Beyers Naudé Memorial Lecture was held at the University on Tuesday, 27<sup>th</sup> March 2018. The theme for the lecture was ‘The Evil in our Midst: Women and child abuse in present South Africa’. Both Kagiso Trust and the University felt it imperative for the issue of violence against women and children be addressed, particularly in view of the large number of reported incidents in 2017.

The keynote address was delivered by former Public Protector, Professor Thuli Madonsela. Her address was followed by a panel discussion which included Commissioner Mbuyiselo Botha, Commission for Gender Equality; Ms. Nomaswazi Dlamini, Lecturer at the University of Zululand; Mr. Kwesela Chaeabwa, Student at the University of Zululand; and Ms. Aaliya Fransch, LifeLine Social Work Manager.









## Acknowledgement of Partners

# List of Partners and Sponsors

The following partners and sponsors have contributed to the impact Kagiso Trust is making across the country:



## Free State Department of Education

**Programme:** District Whole School Development Programme

**Capacity:** Co-funding; Partner

## Semenya Furumele Consulting

**Programme:** Eric Molobi Scholarship Programme

**Capacity:** In-Service Training

## Limpopo Department of Education

**Programme:** District Whole School Development Programme

**Capacity:** Co-funding; Partner

## Mvelase Engineering Service (Pty) Ltd.

**Programme:** Eric Molobi Scholarship Programme

**Capacity:** In-Service Training

## Cyril Ramaphosa Foundation

**Programme:** District Whole School Development Programme

**Capacity:** Co-funding; Partner



## FirstRand Foundation

**Programme:** District Whole School Development Programme

**Capacity:** Co-funding; Partner

## Kaya FM

**Campaign:** Heart of Gold

**Capacity:** Media Partnership

## University of Johannesburg's Faculty of Education

**Programme:** Education Conversations

**Capacity:** Co-funding; Partner

## Sunday Times

**Campaign:** Heart of Gold

**Capacity:** Media Partnership



**Gauteng Provincial Government**

*Programme:* Local Government Programme

*Capacity:* Project Sponsorship

**South African Supplier Diversity Council (SASDC)**

*Programme:* SED Programme (Property)

*Capacity:* Partner

**Department of Cooperative Governance and Traditional Affairs**

*Programme:* Local Government Programme

*Capacity:* Project Sponsorship

**Motseng Investment Holdings**

*Programme:* SED Programme (Property)

*Capacity:* Partner

**University of Zululand**

*Programme:* Beyers Naude Memorial Lecture

*Capacity:* Co-funding; Partner





Kagiso Trust  
Working towards  
creating a prosperous,  
peaceful, equitable  
and just society.



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