INDUSTRIAL DEVELOPMENT CORPORATION

OF SOUTH AFRICA LTD

Strategic Plan

FY2026 – FY2030

FOREWORD BY THE MINISTER

The 2025/26 Strategic Plan of the Industrial Development Corporation (IDC) reflects continued efforts to optimise the Corporation's development impact through effective and sustainable industrial development finance, not only in South Africa but across the African continent. The Strategic Plan contains a bold but realistic set of targets aimed at making a significant contribution to the Economic Cluster Results Framework over the Medium-Term Development Plan (MTDP) period. These national cluster targets include creating 4 million jobs, supporting 441 000 subsistence and small farmers, funding 10 junior miners, and supporting 255 000 SMMEs over the 5-year period. Those priorities are further expanded upon in the revised Government MTDP as compiled by the Presidency and Economic strategy of the Economic Sectors, Employment and Infrastructure Development (ESIEID) Cluster Economic Strategy which is being co-led by the dtic.

The IDC's Strategic Plan is aligned to the national priorities of the 7th Administration. Through its "Pathways to Sustainable Industrialisation" approach, the IDC's investment activities seek to support sustainable industrialisation, framed as the maintenance, expansion and deepening of industrial capacity and capability in a manner that is socially inclusive and environmentally responsible. As a strategic catalyst, the IDC will play a key role in achieving the diversification and decarbonisation of the South African economy, while keeping a strong focus on its financial sustainability.

As part of the dtic family, the IDC's trajectory is firmly rooted in industrialisation, transformation, job creation, and the establishment of a capable and developmental state. The Ministry is supportive of the Corporation's shift away from the sector-based investment approaches towards the value chains approach. The value chain approach promises to optimise the interconnections, overlaps and synergies that arise from development of backward (into upstream input supply) and forward (into downstream beneficiation) linkages that are crucial for industrial development.

The Corporation will utilise its internal resources but also work with other financiers inside and outside the dtic family to provide a robust pool of industrial development funding that can empower a larger number of South Africans to contribute towards our shared prosperity. The Corporation is encouraged to strengthen its focus and ambition and continue to leverage its varied institutional tools to drive meaningful national priorities and thus ensure improved outcomes and positively impact public policies.

Mr Parks Tau, MP
Minister of Trade, Industry and Competition

Signature: ....

Date: 12 June 2025

CHIEF EXECUTIVE OFFICER STATEMENT

The following Strategic Plan for the period 2025/26 – 2029/30 was prepared by the Management of the Industrial Development Corporation and approved by the Board for submission to the Shareholder on 28 February 2025.

As South Africa transitions into a new political era following the elections, the Industrial Development Corporation remains steadfast in its mandate to drive industrial development and economic transformation. Guided by the National Development Plan (NDP), the Medium-Term Development Plan (MTDP), and other key policy frameworks, the IDC is committed to advancing South Africa's industrialisation agenda, fostering innovation, and supporting the growth of high-impact sectors. The post-election landscape presents both challenges and opportunities, requiring a coordinated effort to restore confidence, stimulate investment, and address structural imbalances. As a key development finance institution, the IDC is uniquely positioned to drive economic recovery by leveraging its financial resources, expertise, and partnerships to support critical sectors, create jobs, and promote inclusive development. In this period, our strategic focus will be on ensuring economic resilience, advancing industrialisation, and addressing the pressing needs of underserved communities.

The IDC's strategic plan is anchored in the following key strategic focus areas:

1. **Economic Stabilisation & Recovery:** Prioritising investments in sectors that drive immediate economic impact and job creation, and in investments that preserve industrial capacity and sustain employment.
2. **Industrialisation & Diversification:** Accelerating the development of high-potential industries, e.g., critical minerals and battery minerals value chains, New Energy Vehicles (NEV), Green hydrogen, Agriculture and agro processing, tourism and services as well as fostering innovation to enhance global competitiveness.
3. **Inclusive Growth:** Expanding access to finance for black industrialists, black-owned companies, SMMEs, women, youth owned businesses, and rural enterprises to reduce inequality and promote economic participation.
4. **Regional Development:** Targeting underdeveloped regions within the South African Development Community (SADC) and the rest of the African Continent to reduce disparities and unlock economic potential, while leveraging the African Continental Free Trade Area (AfCFTA) to enhance intra-African trade and economic integration.
5. **Sustainable Development:** Championing green investments and renewable energy projects to support a just transition to a low-carbon economy.
6. **Partnerships and Collaboration:** Strengthening public-private partnerships and international cooperation to mobilise resources and expertise for transformative projects.

To achieve this, the plan advocates a deliberate focus on project implementation, enhancing the organisational culture and capabilities, and strengthening the financial sustainability of the organisation.

Through these strategic focus areas, the IDC will contribute to building a stable, inclusive, and sustainable economy that benefits all South Africans. The economic environment presents opportunities for growth in the medium term, and the Corporation is committed to successfully implementing this plan with the invaluable support of our Shareholder Representative and other key stakeholders, including our funders and clients.

MS MMAKGOSHI LEKHETHE
CHIEF EXECUTIVE OFFICER

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1 ORGANISATIONAL MANDATE

1.1 Our Mandate

1.1.1 Legislative Mandate

The Industrial Development Corporation (IDC) of South Africa Limited was established in 1940 through an Act of Parliament (Industrial Development Corporation Act, No. 22 of 1940) and is fully owned by the South African Government. The IDC's priorities are aligned with the national policy direction as set out in the National Development Plan (NDP), Medium Term Development Plan (MTDP), industry Master Plans, and other relevant policies. The Corporation's mandate includes proactively maximising its development impact through driving an ambitious programme of inclusive and sustainable employment-creating industrialisation in South Africa and the region. At the same time, the IDC needs to ensure its long-term sustainability through prudent financial and human capital management, whilst safeguarding the natural environment and positioning itself as a forerunner in development finance in South Africa and the continent.

1.1.2 Vision

Create globally competitive industries realising Africa's potential.

1.1.3 Mission

To drive an ambitious programme of inclusive and sustainable employment-creating industrialisation in South Africa and the region.

1.1.4 Institutional policies

The IDC's Strategic Plan is aligned to the National Development Plan (NDP) as the economic policy vision of the country, the Economic Reconstruction and Recovery Plan (ERRP) with the overarching goal of creating a sustainable, resilient and inclusive economy. The Medium-Term Development Plan provides a planning framework for the Corporation for the implementation of economic strategies. Further, the IDC is required to contribute more effectively to the 7th administration priorities i.e. a) Driving inclusive growth and job creation, b) Reducing poverty and tackling the high cost of living; and c) Building a capable, ethical and developmental state.

2 OUR STRATEGIC FOCUS

Mission	Values
To drive an ambitious programme of inclusive and sustainable employment-creating industrialisation in South Africa and the region	**Passion** **Partnership** **Professionalism**

CUSTOMER VALUE PROPOSITION

The IDC combines **industry insights and partnerships** to provide **customised, value-adding funding and advisory solutions**, enabling **innovative entrepreneurship** that advances **inclusive industrial development**.

2.1 Situational analysis

2.1.1 External environmental analysis

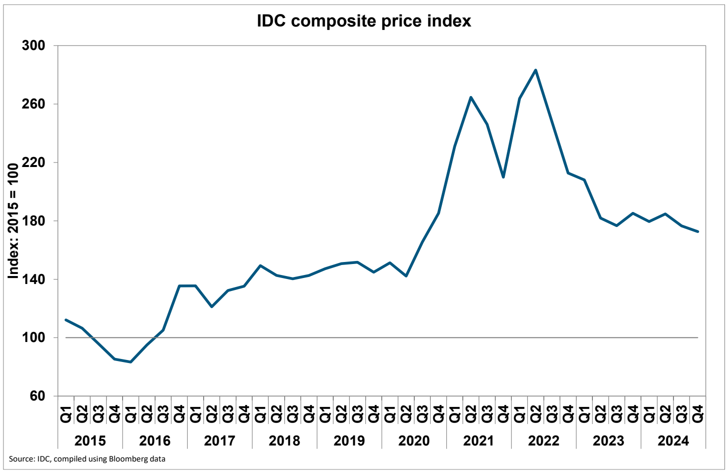
2.1.1.1 Economic environment

The South African economy has experienced a prolonged period of weak growth due to a range of factors negatively impacting economic activity. The factors constraining growth were of both global and domestic in nature.

Longer-term challenges faced by the South African economy include low fixed investment activity, structural unemployment, continued reliance on extractive and related industries, poor productivity growth, and declining competitiveness with limited scope for further value addition. These interlinked factors need to be addressed in a holistic and coordinated manner as a focus on only one or two may result in suboptimal outcomes and resolve the longer-term binding economic growth constraints.

Globally the largest negative impact arose from the relatively weaker performance of the Chinese economy resulting in significant downward pressure on commodity prices, relative to the prices prevailing in 2022 and 2023. In addition, weak growth in the European Union and a general slowdown in the global automotive sector had a negative impact on demand for South African exports, especially in the automotive value chain. In contrast, the United States of America continued to report strong growth despite the significant tightening of monetary policy in previous years. The US Federal Reserve reduced interest rates during the second half of 2024 as inflation moderated in an effort to engineer a soft landing.

The slowing of global growth has resulted in a general weakness in commodity markets relative to 2022 and 2023 when there were significant events pushing commodity prices higher. Slower demand growth has become increasingly evident across a wide range of commodities as diverse as coal, iron ore, platinum and palladium. However, some commodities have seen significant demand such as gold, due to its safe haven status as well as copper and aluminium due to the shift towards renewable energy, new energy vehicles as well as the hardware needs of data

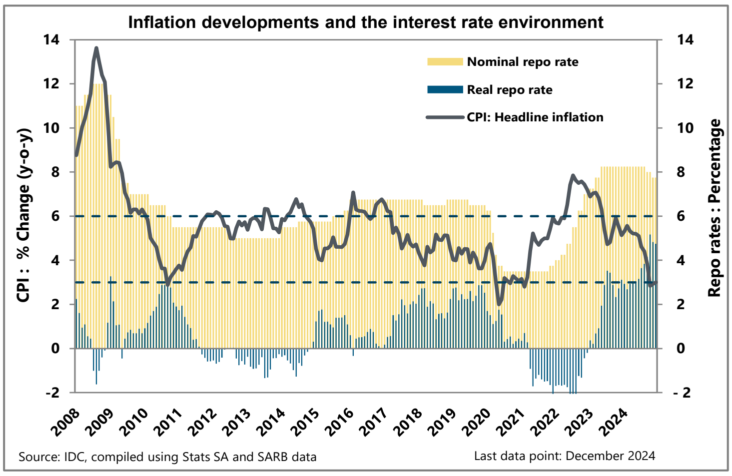


centres as a result of the emergence of generative artificial intelligence

The domestic constraints placed on importers and exporters due to the inefficiencies at South African ports and on the rail network further dampened international trading activity. These logistics inefficiencies impacted the volume of iron ore, coal and agricultural products exported during 2024.

Fixed investment activity contracted by 4.4% during the first three quarters of 2024, compared to the same period in 2023. This was partially due to a decline in the need for alternative power generation capacity as loadshedding was suspended from the end of March 2024, while significant uncertainty regarding the outcome of the national elections paused certain investment decisions.

Interest rates remained elevated during 2024 (its highest level since 2009), impacting investment decision making as well as household spending activity, proving to be a further drag on economic activity. South African inflation continued to moderate after reaching a peak of just below 8% in July 2022, moving below the 6% upper target level a year later in June 2023. However, the SARB maintained interest rates at their highest level since 2009 as inflation remained stubbornly above the 5% level. Inflation declined sustainably to below the 4.5% target mid-point by the middle of 2024, with the Monetary Policy Committee (MPC of the South African Reserve Bank (SARB) starting its current round of monetary policy easing from September 2024, with a cumulative 75 basis point reduction interest rates up in the period to end January 2025.



Since the formation of the Government of National Unity (GNU) business confidence has improved to a reading of 51-points in the final quarter of 2024, above the 50-point neutral mark. Improved sentiment will take time to translate into increased economic activity, with expectations that the economy recorded growth of only 0.8% in 2024.

2.1.2 Economic projections

Expectations are that inflation will remain within the SARB inflation target range of 3% – 6% over the outlook period, enabling the Monetary Policy Committee to reduce interest rates further during 2025. The expected easing of monetary policy should assist in reducing the debt repayment obligations of households and companies, resulting in increased household spending activity and support fixed investment activity. Both these factors will underpin an acceleration in overall economic growth, albeit still at relatively weak levels, resulting in an increase in overall employment in the economy.

The efforts to address various binding constraints in the South African economy are increasingly bearing fruit. The suspension of loadshedding during the last three quarters of 2024 is one of the most visible achievements. However, efforts to improve rail and port efficiencies are underway and making incremental progress. Expectations of further advancements in these and other aspects support the expectation that economic growth accelerates over the 5-year outlook period to 2029, with an average growth rate of 2% projected. This is a marked improvement from the 1.1% achieved in the period 2022 to 2024.

Improvements in electricity availability and logistics efficiency are projected to ease the cost of doing business for South African companies, supporting increased export competitiveness and reducing price pressure in domestic markets. Improved domestic and international competitiveness will increase the utilisation of existing productive capacity, from the current relatively low levels. The sustained increase in the demand for South African goods will require an acceleration in the fixed capital formation of firms, which is expected to achieve an average annual growth of 3.5% between 2025 and 2029. The case for increased investment should be further supported by continued easing in monetary policy as inflationary pressures remain muted. Lower debt repayment obligations by households combined with rising employment levels should drive household consumption spending activity, which is expected to accelerate from 1.8% in 2025 to 2.7% in 2029.

The South African government has indicated that the private sector will have an increasingly important role to play in the rehabilitation and upgrading of especially the electricity transmission and rail networks, providing ample long term financing opportunities that could be of interest to investors. Other investment opportunities that will become attractive as infrastructure efficiencies improve are located in the agriculture and mining sectors, especially commodities used in the battery and electric value chains (e.g. copper, nickel, manganese, lithium and cobalt).

The need to reduce the carbon emissions of the South African economy will require increased focus on the expansion of renewable energy generation capacity, new energy vehicles and the green hydrogen-economy. The various linkages of these sectors will enable the diversification of the manufacturing sector, further enabled by various regional value chain opportunities presented by the continued implementation of the African Continental Free Trade Area (AfCFTA) agreement.

Muted growth in government consumption expenditure is in line with the fiscal consolidation efforts, resulting in a modest improvement of key fiscal metrics such as the budget deficit and government debt as a percentage of GDP. Importantly, expectations are that the public sector, government and SOEs, will increase fixed investment activity, with investments directed to socio-economic infrastructure providing an improved economic foundation for the private sector. The improved economic and fiscal metrics could result in a sovereign credit rating upgrade, although it is not expected that South Africa will achieve an investment grade during the outlook period to 2029.

2.1.3 Projections for key performance indicators of the South African economy (Base case)

Key performance indicators for the South African economy

Variable (% change or % of GDP)	2018	2019	2020	2021	2022	2023	2024e	2025f	2027f	2028f	2029f
Real GDP growth and its components:											
Household consumption expenditure	3.2	1.3	-6.1	6.2	2.5	0.7	1.1	1.8	2.5	2.6	2.7
Government consumption expenditure	1.1	1.8	0.9	0.6	0.6	1.9	1.2	0.8	.9	1.4	1.3
Gross fixed capital formation (GFCF)	-1.2	-1.7	-14.8	-0.4	4.8	3.9	-4.2	1.3	4.2	4.6	4.8
Exports	2.7	-3.3	-12.0	9.7	6.8	3.7	-3.6	4.2	3.3	3.2	4.0
Imports	3.5	0.6	-17.6	9.6	15.0	3.9	-6.2	3.7	4.5	3.8	4.7
GDP	**1.6**	**0.3**	**-6.2**	**5.0**	**1.9**	**0.7**	**0.7**	**1.4**	**2.1**	**2.4**	**2.5**
Consumer price inflation	4.6	4.1	3.3	4.6	6.9	5.9	4.4	3.9	4.4	4.2	4.3
Current account balance (% of GDP)	-2.9	-2.6	2.0	3.7	-0.5	-1.6	-1.0	-2.9	-4.3	-4.8	-5.0
GFCF as % of GDP	15.9	15.5	13.8	13.1	14.1	14.9	14.7	14.7	15.3	15.7	16.1
Repo rate (%) end of period	6.75	6.50	3.50	3.75	7.00	8.25	7.75	6.50	6.50	6.50	6.50
Rand per USD (average per year)	13.23	14.45	16.46	14.78	16.36	18.45	18.34	18.54	18.28	18.43	18.52

Source: IDC, compiled using SARB data, IDC forecasts

The forecasts as presented in the Strategic Plan are aligned to IDC's baseline projections, with real GDP growth projected to increase steadily from 1.4% in 2025 to 2.5% by 2029.

Nonetheless, considering the possibility of better-than-expected growth prospects compared to IDC's Base Case forecasts, an optimistic scenario has also been modelled, based on key assumptions that could underpin an improving economic environment, as well as improving operating and trading conditions. Hence, as the economic environment improves over the outlook period, investor, business and consumer sentiment are likely to increase, in the process resulting in higher fixed investment, production and consumption expenditure. Under the optimistic scenario, the improving economic landscape should propel the economy to a higher growth trajectory over the 5-year outlook period to 2029, with GDP growth forecast at 3.6% by 2029. However, such growth rate needs to be maintained over a prolonged period to meaningfully address the several challenges facing the South African economy.

2.2 SWOT Analysis

Internally, and as depicted in Table 1 below, the Corporation will continue to manage strong headwinds during the planning period to realise opportunities to support economic recovery and create development.

The Corporation undertakes an assessment of its twelve key strategic risks on an annual basis (See Annexure F).

Table 1: Summary of Strengths, Weaknesses, Opportunities and Threats

STRENGTHS	WEAKNESSES
• Knowledge and networks of industrial value chains. • Strong reputation with funders/sources of capital. • Industry planning and research capacity/capability. • Project development capabilities. • Strong corporate governance. • High calibre of professionals. • Increased financial capacity supported by a resilient balance sheet and optimal capital structure. • Effective implementer of government and non-governmental support programmes.	• Portfolio concentration in resource-based sectors and single counters resulting in volatility and income concentration. • Proportion of high-risk legacy clients in portfolio & protracted process in turning around underperforming subsidiaries and significant investments. • Asset quality impacted by high level of impairments and non-performing loans mainly due to challenging legacy exposures. • Slow turnaround times impacting business operations & client satisfaction.
OPPORTUNITIES	**THREATS**
• Diversify the economy towards higher value manufacturing (low-energy, medium/high-tech & job-rich value chain). • Developing industrial ecosystems to catalyse cross-sector collaboration and synergies. • Increasing investment by private firms in electricity generation capacity. • Smarter partnerships with private sector on infrastructure development opportunities to build a strong base for industrialisation. • Contribution to the development and implementation of industry Master Plans to drive development of ecosystems in priority industries such as Cannabis, New Energy Vehicles and Energy Storage. • Further integration of SA businesses into continental and global supply chains as companies all over the world seek to diversify sources of supply of input products. • Competitive import replacement and localisation in the domestic market and export markets. • An increased awareness of the importance of environmental sustainability giving impetus to greening of industries providing opportunities for investment in the Green Economy including Just Transition. • Altering patterns of globalisation, creating opportunities for greater degree of regionalisation, localisation, local beneficiation, and development of opportunities with non-traditional trade partners. • Leverage on the ERRP, MTDP, SA's Presidency of the G20 Summit, & BRICS Grouping to advance socio economic development.	• Public finances facing taking strain, possibility this could lead to a fiscal crisis. • Constrained ability to achieve targets if economic conditions do not improve. • Global geopolitical tensions generating stunted growth and weakened trade opportunities. • Although energy supply has stabilised, substantial investment remains necessary for infrastructure and renewable energy to facilitate the shift to a low-carbon economy. • Inadequate transmission grid threatens South Africa's energy stability, potentially resulting in increased power outages and hindering economic growth. • Infrastructure constraints, including transport logistics deficits and water supply, impacting on development agenda. • High levels of unemployment, especially among the youth could lead to social unrest. • Declining natural gas supply poses a significant threat to industrial operations, potentially leading to increased production costs and disruptions in manufacturing processes. • Carbon Border Adjustment Mechanism (CBAM) trade restrictions could significantly impact South African exports, leading to reduced competitiveness in global markets.

• 4IR, AI challenging existing business models and resultant impact on job creation. • Contributing to spatial equity initiatives to improve economic development in less developed areas (including supporting the development of SEZ's and industrial parks). • Proactively demonstrating IDC's impact on the country's development to improve the organisation's reputation. • Closer cooperation with other DFIs, SOCs and other economic development entities to enable and develop programme initiatives in targeted value chains and implementation of industry master plans.	• Continued low demand for steel threatens the sustainability of the steel industry which could result in job losses and reduced economic activity. • Climate change resulting in a significant negative impact on local and regional socio-economic conditions. • Increased risk of fraudulent behaviour & misrepresentation. • Clients facing financial difficulty and not repaying IDC. • Increasing levels of cyber-crime leaving IDC open to attack.

3 MEASURING OUR PERFORMANCE

In 2024, the Board Human Capital and Nominations Committee (BHCNC) directed management to review and align the IDC's Balanced Scorecard with best practices, a directive reinforced by the new shareholder representative following the establishment of the 7th Administration, focusing on policy alignment, strategic focus, strategic communication, and performance tracking. This review resulted in a reduction of Key Performance Indicators (KPI's) to 17 Primary Indicators. Primary KPIs are KPIs that form part of IDC's compact with the Shareholder Representative whilst Supporting KPIs (See Annexure H) are tracked and monitored at a divisional level and form part of the Corporation's ongoing reporting to the Shareholder Representative.

3.1 Investment impacts in context

The global and regional economic context is marked by shifting trends and dynamics that significantly influence South Africa's industrial development. Globally, there is a growing emphasis on sustainability and digital transformation, which presents both challenges and opportunities for South African industries. Regionally, Africa's increasing integration and economic growth offer potential markets and partnerships.

South Africa's domestic economic landscape is characterised by a mix of promising growth prospects and significant challenges. The economy has shown resilience with improvements in business confidence and a reduction in load-shedding, which have positively impacted key sectors such as renewable energy and technology. However, persistent issues like high unemployment rates and income inequality continue to pose substantial challenges. Sectors like mining and manufacturing face hurdles but also present opportunities for innovation and investment. The transition to a green economy is gaining momentum, offering sustainable growth potential. Overall, while South Africa's economy is on a path to recovery, strategic interventions are crucial to address long-standing issues and capitalise on emerging opportunities.

The IDC is instrumental in aligning with national development priorities, including the National Development Plan (NDP) and the Medium-Term Development Plan (MTDP). By emphasizing sustainable and inclusive growth, the IDC supports vital sectors and promotes innovation, ensuring that South Africa's industrial policy frameworks are effectively implemented to foster long-term economic prosperity. The Corporation's strategy prioritises enhancing development effectiveness through strategic, sustainable, and inclusive industrial investments. Transitioning from sector-based approaches to integrated value chains, the IDC focuses on coordinating upstream and downstream linkages to drive industrial development and structural change.

The IDC aims to create significant development impact in its target industries through substantial investments. Despite a robust financial position, the IDC must strategically leverage its balance sheet to navigate the competitive funding environment. A key focus is managing asset quality to protect the balance sheet and ensure financial sustainability, enabling competitive borrowing and further enhancing developmental impact.

The Strategic Plan, aligned with the approach outlined above, is built upon a robust direct funding strategy, with disbursements totalling R55.9 billion over the next three years, leveraging an additional R92.4 billion from external partners over the same period. Additionally, the IDC aims to facilitate off-balance-sheet funding investments amounting to R9.5 billion and is committed to amplifying its support for developmental activities in alignment with the 7th administration's priorities. The Corporation will engage the relevant authorities to expand access to capital available to stimulate the necessary investments for achieving growth targets and sustaining long-term economic development. Additionally, the Corporation will support interventions to seek consideration of a tax exemption status for the IDC and other DFI's.

These investments aim to create or save over 100,000 jobs in three years, with a focus on township job creation and additional work opportunities. The IDC is committed to supporting transformation, with R17,2 billion committed over three years. Regional development and SME support are also prioritised, with R59.3 billion allocated over three years to improve spatial equity and R17.3 billion for SME development.

Key sectors such as mining, agriculture, manufacturing, and infrastructure will receive targeted investments, including a R400 million Junior Mining Fund and significant allocations for agriculture of R6.7 billion, R10.8 billion for the mining and metal sectors, R18.7 billion towards the manufacturing sector, with R7.4 billion and R9.9 billion allocated towards infrastructure and energy projects respectively.

Furthermore, the IDC will focus on the green economy, technology improvements, and tourism development, aiming to attract international tourists and develop new hotels and leisure resorts. To ensure effective execution, the IDC aims to improve approval turnaround times to within 80% of approved service level agreements. As part of its role in building a capable State, the Corporation will also support the various Omnibus interventions as well support the development of new industries.

3.2 Outcomes and targets

Perspective	Performance indicator	Base (2024) audited	Target 2025/26	Target 2026/27	Target 2027/28
Development effectiveness	DE-1) Value of on-balance sheet funding disbursed (R'm)	15 856	17 880	18 605	19 371
	DE-2) Value of off balance sheet funding disbursed (R'm)	2 796	3 000	3 150	3 300
	DE-3) Value of funding crowded in from other funders(R'm)	33 075	30 063	30 763	31 672
	DE-4) Value of funds disbursed for Transformation (R'm) ****	4 570	4 684	4 801	4 921
	DE-5) Total number of new jobs to be created	23 641	29 784	31 158	32 552
	DE-6) Total number of jobs expected to be saved	9 315	9 362	9 408	9 455
	DE-7) Generating capacity for electricity generation projects approved, including utility scale and small-scale embedded generation (MW)	1 521	553	578	604
	DE-8) Increase in exports generated for intra-regional and global trade through funding activities (R'm)	5 431	14 615	15 290	15 973
	DE-9) Work opportunities created from SEF and other funders (number) ##	58 957	45 673	47 780	49 917
	DE-10) Value of funds disbursed for businesses in SEZs (including economic infrastructure projects that enable SEZs (e.g. energy supply, logistics, water) (R'm)	243	1 005	1 051	1 098
	DE-11) Value of funds disbursed for SMMEs (R'm)	1 234	411	430	449
Financial sustainability	FS-12) Impairment ratio (total book) (%)	36.4%	35.6%	30.9%	27.3%
	FS-13) Non-performing loans (NPLs) (%) (IFRS)	New indicator	38.4%	34.6%	30.8%
	FS-14) Growth in Value of Reserves	-2.80%	Real GDP growth + 3.5 percentage points		

<table>
<tr><th>Perspective</th><th>Performance indicator</th><th>Base (2024) audited</th><th>Target 2025/26</th><th>Target 2026/27</th><th>Target 2027/28</th></tr>
<tr><td></td><td>FS -15) Strategic and Turnaround achievements for key significant exposures</td><td></td><td colspan="3">Foskor:
• Achieve 90% of operating profit.
• Improve production to 95% of Board approved numbers

Cast Products:
• Exit BR
• Alternative/wind-down: Agreement with BRPs on wind-down process.

Kalagadi Manganese:
• Production: Production: 2.5% increase on FY25/26 (base being FY24/25 figures).

BAIC
• Milestones: Start of CKD (Complete Knock-Down) production for third parties OEM (Foton Trucks).</td></tr>
<tr><td>Internal Processes</td><td>IP-16) Turnaround time for transactions (Complex and Non-complex)</td><td>59%</td><td>80%</td><td>80%</td><td>80%</td></tr>
<tr><td>Learning & Growth</td><td>LG-17) Culture entropy score (Barret Survey)</td><td></td><td>25</td><td>25</td><td>25</td></tr>
</table>

3.3 Key emerging risks to implementation of the strategy

Risk	Description	Potential Impact	Mitigation
Deindustrialisation Risks	Decline in manufacturing and industrial sectors, leading to job losses and economic downturn.	Economic instability, social unrest, loss of industrial capabilities.	Diversify economy by investing in innovation and new industries, implement reskilling programs, offer incentives for industrial retention and growth in key sectors.
Social and Environmentally Induced Risks	Stagnant growth, high unemployment and other socio-economic issues raise the threat of social unrests that may have material impact on the IDC, its BPs and employees. Extreme weather conditions have caused devastation and placed notable pressure on infrastructure quality and costs.	Downward trend in business confidence could result in business partners delaying implementation of projects resulting in lower demand for funding for expansions of industrial capacity.	General focus on deal development, proactive assistance for clients to develop credible Value Creation Plans to ensure resilience and improve development impact. Contributing to the implementation of policies and programmes aimed at addressing unemployment and poverty.
Electricity availability & increasing energy prices	Insufficient and Unreliable Electricity Supply Rising costs of energy due to market volatility, geopolitical factors, or supply constraints	Power outages can disrupt critical systems and processes and may give rise to secondary issues and risks including social unrest, criminality and prolonged business and investment disruptions impacting on the operations of the Corporations, including its BPs and Significant Investee Companies. Higher operational costs, reduced profitability, potential disruption of operations, inflationary pressures.	Focus on providing industries with alternative power solutions & alleviating some of the key supply risks through localisation strategies. Leveraging of other renewable energy funding for related infrastructure investments to increase multiplier effect in sector. Implement energy efficiency measures, secure long-term energy contracts, diversify energy sources, invest in renewable energy, conduct regular energy market analyses.
Increased Protectionism	The rise in protectionist policies, such as tariffs, quotas, and trade barriers, aimed at safeguarding domestic industries from foreign competition.	Reduced market access for South African exports, particularly affecting sectors reliant on international trade. Higher costs for imported goods crucial for local manufacturing and industrial processes. Disruption in global supply chains, impacting the availability of raw materials and components for South African industries. Potential retaliatory measures from trading partners, leading to decreased trade and economic growth, and strained diplomatic relations.	Strengthen and diversify trade agreements, focusing on regional partnerships within Africa to secure alternative markets. Invest in domestic production capabilities and local value chains to reduce dependency on imports. Engage in diplomatic efforts to promote free trade and negotiate favourable trade terms with key international partners. Leverage the IDC's role in supporting strategic sectors to enhance competitiveness and resilience against protectionist measures. Develop and implement policies that encourage innovation and efficiency in local industries to mitigate the impact of increased protectionism.
Further downgrade of IDC credit rating	An additional ratings downgrade for IDC over and above the two downgrades in 2020.	The cost of funding for IDC will increase and put pressure to increase pricing to customers. This could lower ability to improve the	IDC’s financial position has improved significantly compared to previous years. Ongoing engagement with broad group of lenders to access alternative sources

		risk profile of portfolio by attracting medium-risk clients. It could also reduce ability to raise funding.	of funding and in developing alternative funding models.
Prolonged greylisting by Financial Action Task Force.	The risk of South Africa remaining on the FATF greylist over a prolonged period would indicate incapability to develop and implement policies to address identified risks.	Confidence on the SA financial system could be weakened, with potential negative impact on accessing external funding to the IDC, its BPs and the South African economy in general	Strong government and financial sector focus in remedying identified gaps with specific timelines. IDC to oversee stakeholder engagement, both internally and externally, and manage risk response strategies to mitigate threats.
Supply chain disruptions	Supply chain disruptions driven by geopolitics, adverse weather, increasing fuel prices, port disruptions etc continue to hold back recovery of the economy.	IDC clients who are disproportionately dependent on imports likely to pay higher prices and face supply constraints which in turn affects profitability and threaten performance. Interruption of service by 3rd parties to IDC services.	Continuous portfolio management to identify and assist clients who are facing difficulties. Review of BCM capabilities for critical service providers to the IDC. Reduction of third-party concentration risks, and retention of critical skills internally.
ESG (Lack of Decarbonisation)	Insufficient efforts to reduce carbon emissions and transition to sustainable practices.	Reputational damage, regulatory penalties, loss of investor confidence, environmental degradation.	Set clear decarbonisation targets, greater investment in renewable energy, improve energy efficiency, enhance transparency in ESG reporting, engage with stakeholders on sustainability initiatives
IDC's Own Carbon Emissions and Reporting	Inaccurate or inadequate tracking and reporting of IDC's carbon emissions.	Regulatory non-compliance, reputational risk, ineffective emissions management.	Implementation of robust carbon accounting systems, ensure accurate and transparent reporting, set emission reduction targets, invest in carbon offset projects, conduct regular audits
Concentration of listed portfolio	Portfolio concentration in resource-based sectors and single counters resulting in volatility and income concentration.	Breaching prudent debt/equity levels and loan covenants.	Implementation of multiple strategy for the listed equity portfolio. Strategies to improve the value in the unlisted portfolio to have a more diversified overall portfolio with less reliance on the performance of listed shares. Portfolio Diversification strategy essential to reduce concentration and volatility risk to the IDC.
Inefficient and insufficient collections	Reduced collections would impact on the capacity of the IDC to meet its development mandate and place strain on its balance sheet.	Economy challenges increasing levels of non-performing loans and impairments. Reduction in cash inflows and liquidity.	Adoption of comprehensive pre- and post-investment strategy that gives better control of the quality of deals as well as the collection of payments due. Robust monitoring processes aligned to IDC mandate creates agility in assisting business partners through difficulties.
Deteriorating Impairment levels	Higher impairment levels than expected.	Negative impact on financial sustainability and impact on cost of borrowings.	
Skills Shortage	Exodus of skills as skilled workers and top talent leave the country. Growing number of young South Africans also emigrating.	Shrinking SA talent pool to fill both critical and junior roles. Negative economic impact.	Focus on investing in education to equip staff to thrive in a competitive global market. Improving non-pay-related incentives such as flexible work policies and greater autonomy.

4 TECHNICAL INDICATOR DESCRIPTIONS

Perspective	Performance area	Performance Indicators	Short definition	Purpose/ importance	Source/ collection of data	Method of calculation	Data limitations	Calculation Type/Reporting cycle	Indicator responsibility
Development effectiveness (Client perspective)	IDC own balance sheet funding	DE-1) Value of on-balance sheet funding disbursed (R'm)	On-balance sheet funding disbursed is funding paid out to clients from IDC's own resources. This includes disbursements on all types of facilities, including grants and project investment facilities but excludes guarantees issued.	Measures the IDC's direct impact on investment through its funding disbursed.	SAP reports ZDRAWS	ZDRAWS report extracted from SAP for the specified company's codes, total amount calculated.	None identified at the start of the financial year	The information is cumulative over a year. Quarterly and annual reporting	Operations Reporting in the Office of the COO Financial Management Department Financial Services Partnership Programmes
	Managed development funds	DE-2) Value of off-balance sheet funding disbursed (R'm)	Off-balance sheet funding disbursed is funding paid out to clients from funds being managed by IDC on behalf of other entities. This includes disbursements on all types of facilities, including grants, but excluding guarantees issued.	Measures the IDC's impact on investment through funds that it manages.	SAP reports ZDRAWS: Company codes relevant to the funds being managed	ZDRAWS report extracted from SAP for the specified companies' codes. Total amount calculated	None	The information is cumulative over a year. Quarterly and annual reporting.	Financial Services Partnership Programmes
	Co-funding leveraged/ syndicated/ catalysed	DE-3) Value of funding crowded in from other funders(R'm)	Other disbursements facilitated include guarantees that were issued during the year as well as the amount of funding committed by other financiers in projects. This excludes contributions by other funders where IDC is a participant in syndicated funding or similar "tag-along" situations (except where IDC is a lead arranger, or its funding plays a major part in unlocking the project)	Measures the IDC's indirect impact on investment through funding from other sources being mobilised.	SAP report ZPAPPR Amount leveraged = (Total investment facilitated* – IDC funding approved + IDC guarantees approved – Off-balance sheet funding approved). New guarantees issued added as funding leveraged.	Sum of the amount leveraged for funds that were committed in the year.	None identified at the start of the financial year	The information is cumulative over a year. Quarterly and annual reporting.	Operations Reporting in the Office of the COO Financial Management Department Financial Services Partnership Programmes

Perspective	Performance area	Performance Indicators	Short definition	Purpose/ importance	Source/ collection of data	Method of calculation	Data limitations	Calculation Type/Reporting cycle	Indicator responsibility
	Funds committed and facilitated to support policy priorities: transformation.	DE-4) Value of funds disbursed for Transformation (R'm)	This indicator measures the value of funds disbursed for priority groups of entrepreneurs for on balance sheet funding. **Priority groups** are: -Black Industrialists -Black-owned companies (>50% shareholding) -Broad-based ownership (>20% shareholding by workers trusts, trade union owned entities or community trusts) -Women-entrepreneurs (>25% ownership by women and operational involvement in the business) -Youth-entrepreneurs (>25% ownership by youth and operational involvement in the business). **Funding is committed** when a transaction has been approved, legal agreements concluded and any conditions that prevent a client from drawing down on the facility have been met (financial close). Measurement for indicators b1.1, b1.2, b1.3 and b1.4 is similar but focuses on specific priority groups and not the consolidated group.	Measures contribution towards empowerment and transformation in SA economy Measures the IDC's impact on own funding for transformation.	SAP report ZPAPPR	Sum of the IDC funding disbursed in the current financial year and with the relevant ownership criteria.	None	The information is cumulative over a year. Quarterly and annually.	Operations Reporting in the Office of the COO
	Job creation and preservation	DE-5) Total number of new jobs created.	This indicator measures the number of full-time equivalent jobs[1] that are expected to be created for transactions where funds have been committed. On -and - off - balance sheet funds	Measures the IDC's direct impact on job creation and retention in South Africa.	SAP Reports ZPAPPR	Sum of the total number of jobs for transactions where CPs have been	None	The information is cumulative over a year. Quarterly and annually.	Operations Reporting in the Office of the COO

[1] In the case of funds such as the Social Employment Fund, IDC will provide reports on the total number of work opportunities being facilitated through the fund, but take into account full-time equivalent jobs when reporting against these KPIs.

Perspective	Performance area	Performance Indicators	Short definition	Purpose/ importance	Source/ collection of data	Method of calculation	Data limitations	Calculation Type/Reporting cycle	Indicator responsibility
			included. In transactions where IDC co-funds with dtic, jobs will be recognised based on IDC's contribution to the transaction. **Funding is committed** when a transaction has been approved, legal agreements concluded and any condition that prevents a client from drawing down on the facility has been met (financial close).			cleared in the current financial year.			
		DE-6) Total number of jobs saved (Number)	This indicator measures the number of full-time equivalent jobs[2] that are expected to be saved for transactions where funds have been committed. On -and-off -balance sheet funds included. In transactions where IDC co-funds with dtic, jobs will be recognised based on IDC's contribution to the transaction. **Funding is committed** when a transaction has been approved, legal agreements concluded and any condition that prevents a client from drawing down on the facility has been met (financial close).	Measures the IDC's direct impact on job creation and retention in South Africa	Operations SBUs inputs	Sum of the total number of jobs for transactions where CPs have been cleared in the current financial year.	The necessity of collection of some data not captured on SAP	The information is cumulative over a year. Quarterly and annually.	Operations Reporting in the Office of the COO, Operations SBUs.
		DE-7) Generating capacity for electricity generation projects approved, including utility scale and small-scale embedded generation (MW)	The indicator measures the impact on megawatt of electricity to be generated for projects for which IDC approved funding in the financial year. On- and off-balance sheet funding included.	This indicator measures the IDC's contribution to alleviating the energy crisis	SAP reports ZPAPPR, Energy SBU	Sum of the total MW for transactions that will result in new electricity being generated.	None	The information is cumulative over a year. Quarterly and annually.	Operations Reporting in the Office of the COO, Energy SBU

[2] In the case of funds such as the Social Employment Fund, IDC will provide reports on the total number of work opportunities being facilitated through the fund, but take into account full-time equivalent jobs when reporting against these KPIs.

Perspective	Performance area	Performance Indicators	Short definition	Purpose/ importance	Source/ collection of data	Method of calculation	Data limitations	Calculation Type/Reporting cycle	Indicator responsibility
		DE-8) Increase in exports generated for intra-regional and global trade through funding activities (R'm)	Value of new annual exports expected to be generated. **Funding is committed** when a transaction has been approved, legal agreements concluded and any condition that prevents a client from drawing down on the facility has been met (financial close).	Measures support for the African continental free trade agreement and other trade initiatives	SAP report ZPAPPR	Sum of the total exports expected to be generated for transactions where CPs have been cleared in the current financial year	None	The information is cumulative over a year. Quarterly and annually.	Operations Reporting in the Office of the COO
		DE-9) Work opportunities created from SEF and other funders (number) ##	The jobs counted under this category are jobs expected to be created / saved under the grant-related financing. Historically the majority of the jobs in this category are created /saved under the Social Employment Fund (SEF) financing. **Funding is committed** when a transaction has been approved, legal agreements concluded and any condition that prevents a client from drawing down on the facility has been met (financial close).	This indicator measures the number of jobs based on work opportunities created. It is based on funds disbursed to the end beneficiary.	Operations SBUs inputs	Sum of the total number of jobs based on work opportunities for transactions where funds have been disbursed to the end beneficiary in the current financial year	The necessity of collection of some data not captured on SAP	The information is cumulative over a year. Quarterly and annually	Operations Reporting in the Office of the COO, Operations
		DE-10) Value of funds disbursed for businesses in SEZs (including economic infrastructure projects that enable SEZs (e.g. energy supply, logistics, water) (R'm)	Included are projects located in an SEZ or projects that will enable SEZ infrastructure. Funds disbursed is funding paid out to clients from IDC's own resources. This includes disbursements on all types of facilities, including grants and project investment facilities but excludes guarantees issued.	This indicator measures the IDC's contribution to equitable spatial development	SAP reports ZPAPPR, Infrastructure SBU	ZDRAWS report extracted from SAP for the specific codes where the development location is in a SEZ or where it will contribute to the infrastructure in an SEZ	None	The information is cumulative over a year. Quarterly and annually.	Operations Reporting in the Office of the COO, Infrastructure

Perspective	Performance area	Performance Indicators	Short definition	Purpose/ importance	Source/ collection of data	Method of calculation	Data limitations	Calculation Type/Reporting cycle	Indicator responsibility
		DE-11) Value of funds disbursed for SMMEs (R'm)	Included is all funding for SMEs as defined by the Department of Small Business Development. Funds disbursed is funding paid out to clients from IDC's own resources. This includes disbursements on all types of facilities, including grants and project investment facilities but excludes guarantees issued.	This indicator measures the IDC's contribution to SME development	SAP reports ZPAPPR	ZDRAWS report extracted from SAP for the SMME codes	None	The information is cumulative over a year. Quarterly and annually	Operations Reporting in the Office of the COO
Financial Sustainability	Financial value creation and preservation	FS-12) Impairment ratio (total book) (%)	This indicator measures the total impairment ratio for the mini-group as reported in the mini-group financials	Measures the extent to which the IDC's efforts to improve the quality of its portfolio, including turning around clients, are successful. Measures the quality of the loan and equity portfolios.	Mini group balance sheet	Impairment ratio as included in the mini-group financial reporting	None	As at a specific reporting date	Financial Management Department

Perspective	Performance area	Performance Indicators	Short definition	Purpose/ importance	Source/ collection of data	Method of calculation	Data limitations	Calculation Type/Reporting cycle	Indicator responsibility
		FS-13) % non-performing loans (NPLs) (IFRS)	This indicator measures the share of exposures for non-performing loans in the mini-group portfolio as a percentage of the total loan exposure. **Loans** are facilities classified as the following product types: 33A (General loan given), 33L (Export Finance loan given non-subsidised), 33K (Export Finance loan given subsidised), 33B (non-market rate loans given), 33I (Trade finance loans given), 33D (Suspensive sales loans given), and 33C (Debentures loans given). A loan is **non-performing** if capital repayments are more than three months in arrears.	Measures the extent to which the IDC's efforts to increase collections is successful and clients repay loan facilities. Also, an indicator for the extent to which efforts to turn around companies in its portfolio is successful (including top-20 NPLs).	SAP reports ZPR	Non-performing loans at a percentage of total loan exposure of the mini group at a specific date.	None	The information is cumulative over a year. Quarterly and annually.	Client Support and Growth, Financial Management Team
		FS-14) Growth in the value of reserves (y-o-y; %)	An overall measure of the extent to which IDC's activities to manage its portfolio (including listed shares) and profitability is resulting in increased value for the Corporation.	IDC mini group balance sheet	The percentage increase/decrease in total equity as at the reporting date compared to the start of the financial year.	This indicator measures the growth in total equity for the mini group. The targets are linked to GDP growth and inflation.	The information as at reporting dates. Reported quarterly and annually.	Financial Management Department	Financial Management Department
		FS-15) Achieve critical milestones in the turnaround plans for Cast Products SA, Foskor, Kalagadi Manganese and BAIC	Measures specific outcomes and milestones in the turnarounds plans of the key investments. Detail of outcomes/milestones defined in Corporate Plan	Measures the extent to which IDC is successfully implementing turnaround plans	Manual gathering of information from relevant units in CSG division	Assessment of whether milestones have been achieved based on actual reports of achievements	None	Progress reported quarterly and annually	Client Support and Growth
Internal Processes	Efficiencies in terms of end-to-end deal process to meet desired service	IP-16) Turnaround time for Transactions (complex and non-complex)	Percentage of applications where the turnaround time from receipt of application to legal agreements having been signed	Measure the IDC's efficiency in dealing with applications for finance	SAP report ZPAPPR	Number of applications concluded within the targeted	None	Non-cumulative. Quarterly and annual reporting	Operations divisions Risk division Legal division

Perspective	Performance area	Performance Indicators	Short definition	Purpose/ importance	Source/ collection of data	Method of calculation	Data limitations	Calculation Type/Reporting cycle	Indicator responsibility
	standards and deliver the right products and solutions to clients		is within the service standard of 64 business days for non-complex transactions and 180 business days for complex transactions (excluding projects and days between ECIC approval and BIC/Board submissions)			number of days as a percentage of the total number of applications concluded.			CSG division
Learning & Growth	Build an organisational culture that is characterised by individual excellence, cross-divisional team collaborations	LG-17) Culture entropy score (Barrett survey)	Results of culture survey	Measures the extent of employee engagement and by extension employee's commitment to the IDC's goals	Staff survey	Survey methodology	Possible low participation rate	Annually	Human Capital Division

5 FINANCIAL PLAN

5.1 Capital Allocation

In line with government priorities, the IDC is investing more in labour intensive sectors aiming to promote industrial development and revive manufacturing.

- Agro- processing, Tourism and Services: R 10.0 bn over three years;
- Infrastructure & Energy: R17.4 bn over three years;
- Manufacturing: R18.7 bn over three years (Includes automotive, chemicals & medical products, machinery and equipment and textiles and wood)
- Mining & Metals: R10.8 bn over three years.

SBU	5-year sector outlook	Exposure at cost Sep 2024 (R'm)	Exposure at cost Sep 2024 (%)	Historical value of funds approved (2021- Sep 2024) (R'm)			Capital allocation			
					2024/25 (Prior Financial Year)	2025/26	2026/27	2027/28	Total	% of total (3 years)
Agro-processing and Agriculture		5 920	6%	2 072	2 728	2 048	2 298	2 403	6 749	11%
Tourism and Services		6 604	7%	2 934	1 795	1 049	1 082	1 125	3 256	6%
Automotive and Transport Equipment		5 289	6%	6 194	1 774	1 536	1 649	1 791	4 976	8%
Chemicals, Medical Products & Industrial Minerals		16 493	18%	8 179	2 143	1 840	1 890	1 962	5 692	10%
Machinery, Equipment & Electronics		3 436	4%	4 700	1 397	1 443	1 492	1 565	4 501	8%
Textiles & Wood Products		4 300	5%	3 744	1 171	1 153	1 182	1 222	3 557	6%
Energy		11 904	13%	5 737	3 544	3 221	3 296	3 405	9 921	17%
Infrastructure		2 123	2%	6 627	3 503	2 397	2 476	2 577	7 450	13%
Mining & Metals		35 353	38%	16 476	4 161	3 469	3 602	3 766	10 837	18%
Project Development		1 572	2%	2 595	670	663	686	718	2 067	4%
Total		**92 995**	**100**	**59 259**	**22 886**	**18 820**	**19 653**	**20 534**	**59 006**	**100%**

5.2 Financial Projections

The financial projections consider the expected delivery on its mandate, balancing this with the affordability of the IDC's planned activities. The budget is based on an optimal level of investment while maintaining financial sustainability.

Mini Group R million	Estimate		Forecast		
Cash flows	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**TOTAL 3 years**
On-balance sheet advances (R'm)	16 500	17 880	18 605	19 371	55 856
External funds raised (R'm)	5 771	5 373	4 971	6 755	17 099
- of which foreign borrowings	2 050	2 873	2 171	681	5 725
Proceeds from sale of shares	562	438	481	438	1 357
Balance sheet	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**end-2027/28**
Financing at market values (R'm)	108 746	113 368	121 620	131 180	131 180
Borrowings (R'm)	30 101	28 296	29 751	32 274	32 274
Debt/equity (%)	34%	30%	30%	30%	30%
Impairments as % of portfolio at cost	39.1%	35.6%	30.9%	27.4%	27.4%
Total Assets	123 651	125 916	134 141	145 626	145 564
Income statement	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**TOTAL 3 years**
Dividend income	3 693	2 854	3 490	2 808	9 152
Interest and fee income	6 258	7 460	8 354	9 330	25 144
Borrowing costs	(3 059)	(2 135)	(2 022)	(2 206)	(6 362)
Impairments and bad debt write-offs	(3 126)	(269)	1 271	658	1 660
Profit Before Tax	1 905	4 634	8 346	7 524	20 505
Net operating income before capital realisations	2 555	4 150	7 224	6 531	17 906

5.3 Risk Appetite

The IDC's Risk Appetite refers to the aggregate level and type of risks the organisation is willing to accept to achieve its strategic objectives. A high-risk appetite will consume a much greater portion of the risk capacity, whilst a low-risk appetite will consume a smaller portion thus providing a greater buffer and reducing the vulnerability of the organisation's capital adequacy. The IDC risk appetite level is aligned to its mandate as a development finance institution and its role in maintaining sustainable industrial capacity and responsible through-the-cycle job preservation. The Corporation continues to effectively implement and monitor interventions to manage the approved Top Twelve Strategic Risks and other Operational Risks. These identified risks remain relevant and appropriate to the Corporation and adequately capture current and emerging challenges, both international and local.

The approved Risk Capital, Limits & Thresholds and Risk Appetite Metrics remain appropriate for the Corporation and are in line with the strategy to progress to a medium to low-risk portfolio for the IDC.

Table 5: IDC Core Risk Appetite Metrics

Metric	Definition	Measurement Methodology	Threshold/ Limit
Average portfolio probability of default	The probability that a borrower/ group of borrowers will default	Measured as an average probability of default based on the IDC internal risk grading model	<21%
Average probability of default on new book	The probability that a borrower/ group of borrowers will default	Measured as an average probability of default based on the IDC internal risk grading model	<20%
Impairment Ratio	Level of cumulative impairments over the total portfolio at cost	Measured as a ratio of total balance sheet impairments over the total portfolio at cost (total impairments =	ECL ratio <25% Total impairment ratio

Metric	Definition	Measurement Methodology	Threshold/ Limit
		cumulative expected credit losses (ECL's) on SPPI facilities plus negative fair value adjustments on non-SPPI facilities)	< 27%
Non-performing loans Ratio	Loan book with capital more than 90 days past due over the loan portfolio at cost	Capital outstanding on loans that are more than 90 days in arrears, expressed as a percentage of the total loan book at cost	<15%
IFRS Non-Performing Loans Ratio	All stage 3 non- performing assets.	All stage 3 Solely Payment of Principal and Interest (SPPI) assets as a percentage of the SPPI book at cost	<25%
Credit Loss Ratio	Level of actual credit losses incurred during the year as a percentage of the total portfolio	Measured as the ratio of the annual impairment charge per the income statement over the portfolio at cost	<5%
Write-off Ratio	Level of debt and equity written off during a financial year in relation to the capital base	Measured as a ratio of total write-offs post recoveries and expressed as a percentage of the IDC's capital	<2% of capital base
Debt to Equity Ratio	It measures the extent of the IDC's interest-bearing debt relative to its equity.	Ratio of total interest-bearing liabilities to the total equity.	60%
Single Name and Group Counterparty loss limit.	The maximum loss that IDC will be willing to accept on a single obligor and group counterparty.	The limit is set based on its impact on the tolerance level of the IDC from a time to recovery perspective, as well as the impact on the leverage ratio and potential loss of capital base.	Single obligor: R1.5bn Group counterparty: R3.0bn
Industry concentration limits	Industry concentration refers to concentrations in areas of the economy in which businesses share similar products or services that are highly correlated.	The acceptable risk levels consider the probability of default as well as the loss given default of the portfolio.	Total loss methodology. R21.7bn Loss Limit based on a Target Loss Ratio of 33% and a Target Weighted Average weighted Total Book PD of 21%
Africa Portfolio limit	Africa Portfolio Limits represent the share of IDC capital allocated for investment opportunities on the continent.	The Africa portfolio limit is set at 30% of IDC shareholder funds. This is further distributed to SADC and RoA portfolios, using a 60:40 split in favour of SADC.	APL: USD1.59 billion SADC: USD957 million ROA: USD638 million
Liquidity Coverage Ratio (LCR)	Short term liquidity risk metric	Measure the IDC's ability to meet liquidity requirements over the next 3 (severe/acute short-term shock) and 12 months (moderate protracted liquidity stress)	≥100%
Net Interest Income at Risk (NII)	NII-at-Risk is a short-term earnings approach	Measures the impact of interest rate shocks on forecasted 12-month NII.	<10%
Net Open Foreign Currency Position (NOFP)	NOFP refers to a methodology of measuring the foreign exchange rate risk	Positions are based on the aggregate of all long and short currency specific positions (both spot and forward transactions) and aim to prevent potential losses resulting from transaction related exchange rate risk.	<USD 25 million
Fraud and Ethical Conduct	The indicator reflects IDC's commitment to maintaining the highest integrity and ethical conduct levels and has no appetite for fraudulent and unethical business activities. Potential conflicts of interest must be avoided and/or managed through appropriate disclosure.	Number of confirmed of fraud / unethical cases.	0

Metric	Definition	Measurement Methodology	Threshold/ Limit
Regulatory Compliance Risk	The risk appetite statement for compliance risk reflects a need for a robust approach that ensures strict adherence to regulatory requirements. The Corporation does not have appetite for non-compliance with key/critical regulatory requirements.	Number of material key/critical regulatory breaches	0
Business Continuity (Operational Resilience)	The risk appetite for Business Continuity Management is to ensure that effective BCM plans are in place for all critical IDC functions and that all vendors supporting critical functions have a robust BCM capability to ensure business continuity.	Recovery Time from a critical operational Risk Event	24 Hours
Operational risk losses	The risk of loss resulting from inadequate or failed internal processes or systems, human error, or from the occurrence of external events.	Rand value of operational risk incidents	Aggregate Operational Risk annual: Max loss R20 million
Environmental, Social, Governance	The IDC will encourage and support businesses to adopt policies that improve Environmental, Social, Resilience and Governance (ESRG) risk factors in alignment with national and global commitments made by the South African government.		

Annexure F provides an overview of the IDC's strategic risks.

5.4 Financial Statements Forecasts – IDC Group

Balance Sheet Forecasts

	2025	2026	2027	2028	2029	2030
ASSETS						
Ordinary shares	24 114	22 193	23 790	24 539	24 914	24 469
Preference shares	13 102	12 805	13 169	13 268	13 062	12 884
Shares	37 216	34 997	36 959	37 808	37 976	37 353
Loans and Advances	52 504	61 710	66 492	72 311	79 240	85 035
Local	44 581	52 362	54 084	57 280	61 668	65 601
Foreign	7 923	9 348	12 407	15 031	17 571	19 435
Provision for d/debts & impairments	(23 632)	(25 321)	(22 458)	(20 099)	(19 873)	(19 289)
Financing at book value	**66 088**	**71 386**	**80 993**	**90 019**	**97 343**	**103 099**
Fair value adjustment	45 790	42 614	42 372	43 405	43 205	46 129
FINANCING - EXTERNAL	27 618	32 131	32 685	34 779	35 013	37 378
Other assets	19 877	26 709	27 286	28 057	28 766	30 497
Money market investments	7 741	5 423	5 399	6 722	6 247	6 882
TOTAL ASSETS	**139 497**	**146 131**	**156 050**	**168 203**	**175 560**	**186 606**
BORROWINGS	30 101	28 296	29 751	32 274	31 443	31 923
Bank loans	7 732	5 649	6 921	5 850	3 857	3 261
Medium Term Notes	5 942	5 941	5 022	11 046	12 846	14 661
Unemployment Insurance Fund	4 274	3 274	3 274	1 274	1 000	-
PIC Green Bond	5 113	4 946	4 613	4 167	3 833	3 500
Third party funds & funds held in trust	2 300	1 801	1 878	1 958	2 044	2 130
Foreign currency - based	4 740	6 685	8 044	7 979	7 862	8 371
Deferred tax	2 893	2 522	2 603	3 930	3 908	4 072
Other liabilities	6 106	6 697	6 930	8 256	8 645	7 122
EXTERNAL FUNDING	39 099	37 516	39 285	44 460	43 995	43 117
Share capital	1 393	1 393	1 393	1 393	1 393	1 393
Reserves	99 004	107 222	115 372	122 350	130 172	142 096
SHAREHOLDER'S FUNDS	100 397	108 615	116 765	123 743	131 565	143 489
TOTAL FUNDS	**139 497**	**146 131**	**156 050**	**168 203**	**175 560**	**186 606**

Income Statement Forecasts

	2025	2026	2027	2028	2029	2030
Financing income	20 284	21 828	24 352	25 839	29 000	30 176
Dividend income	3 693	2 854	3 490	2 808	4 005	3 239
Interest income	4 643	5 993	6 243	7 228	8 162	9 110
Other income	11 947	12 981	14 619	15 803	16 833	17 827
Money market investment income	1 022	93	774	622	642	1 107
Total Income	21 305	21 921	25 126	26 461	29 642	31 283
Borrowing costs	(3 059)	(2 135)	(2 022)	(2 206)	(2 578)	(2 713)
Net interest, dividends & fees	18 246	19 787	23 104	24 255	27 063	28 570
Administration costs	(13 303)	(13 917)	(15 090)	(16 345)	(17 443)	(18 475)
Operating expenses	(12 964)	(13 604)	(14 762)	(16 001)	(17 082)	(18 099)
Social and special enterprise cost	(340)	(313)	(328)	(344)	(361)	(376)
Project costs - general	(308)	(469)	(490)	(513)	(535)	(558)
Impairments and write offs	(3 331)	(281)	1 260	658	(486)	(132)
NET OPERATING INCOME BEFORE TAX	1 304	5 120	8 784	8 055	8 600	9 405
Taxation on operating income	476	(494)	(1 177)	(1 011)	(1 402)	(1 423)
NET OPERATING INCOME AFTER TAX	**1 780**	**4 626**	**7 607**	**7 044**	**7 198**	**7 982**

Forecasted Funds Flow Statement

	2025	2026	2027	2028	2029	2030
Total Financing Advances	15 648	17 046	18 582	19 371	22 000	24 200
Advances: Equity	1 145	894	930	969	1 100	1 210
Advances: Loans	14 503	16 152	17 652	18 402	20 900	22 990
Borrowings repaid	6 061	5 554	3 605	4 271	4 674	4 330
Dividend paid	50	52	54	57	59	62
Tax paid	816	500	1 230	1 140	1 471	1 592
OUTFLOW	**22 575**	**23 153**	**23 472**	**24 839**	**28 204**	**30 184**
Internal funds generated	15 630	15 921	17 997	18 969	21 805	25 181
Repayments received	11 718	13 262	14 733	15 388	17 256	18 812
Net income before tax	3 912	2 659	3 264	3 580	4 548	6 369
External funds raised	4 967	4 475	4 971	6 755	5 086	4 699
Proceeds from sale of shares	562	438	481	438	838	938
INFLOW	**21 160**	**20 834**	**23 449**	**26 162**	**27 729**	**30 818**
NET (OUTFLOW)/INFLOW	**(1 416)**	**(2 319)**	**(23)**	**1 323**	**(475)**	**634**

5.5 Borrowing Programme

Debt Funding Sources	Approved FY2025	Actual FY2025	Budget FY2026
Domestic borrowings	**8 820**	**3 721**	**3 300**
Public bonds (including sustainability bonds)	2 000	1 721	1 300
Public entities (Unemployment Insurance Fund/Public Investment Corporation)	1 000	-	1 000
Development Finance Institutions & Multilateral agencies	1 300	-	1 000
Bank loans	2 850	1 000	-
Private placements bonds	1 670	1 000	-
Foreign borrowings	**2 100**	**2 050**	**3 656**
Development Finance Institutions & Multilateral agencies	700	220	3 656
Foreign Bonds	-	-	-
Bank loans	1 400	1 830	-
Total borrowings	**10 920**	**5 771**	**6 956**

ANNEXURE A: IDC BOARD OF DIRECTORS

Name	**BA Mabuza** (Chairperson)	M Lekhethe: Chief Executive Officer	**BA Dames**	**RM Godsell**	**A Kriel**
Gender	Female	Female	Male	Male	Male
Race	African	African	Coloured	White	Coloured
Qualifications	BA (Mathematics and Computer Science) (Hunter College, City University of NY), MBA (Finance and Information Systems) (Leonard Stern School of Business, NYU)	BCom (Economics), University of Durban Westville, BCom Hons (Economics) (Wits), MSc (International Economics), University of London, SOAS, UK Senior Executive Development Programme, Wits Business School	BSc (Hons) (University of Western Cape); MBA (Samford University); Graduate Diploma in Utility Management (Samford University)	MA (Liberal Ethics) (University of Cape Town), Postgraduate studies (Sociology and Philosophy) (Leiden University), BA (Sociology and Philosophy) (UKZN)	BSocSci (UCT)
Appointment Date	November 2011	February 2025	November 2011	November 2011	April 2016

Name	**SM Magwentshu-Rensburg (Dr)**	**S Mangole**	**NP Mnxasana**	**PM Mthethwa**	**ND Orleyn (Adv)**
Gender	Female	Female	Female	Female	Female
Race	African	African	African	African	African
Qualifications	BA (Management – Accounting and Business Administration) (Webster University Vienna); MBA (Webster University London); DPhil (Business Management) (UJ)	MBA (Henley Business School), Postgraduate Diploma in Management (Henley Business School), Programme in Public Finance Management (Harvard University Kennedy School)	B Compt (Hons) (UNISA), CA (SA)	BA (Economics) (University of the North), MSc (Economics) (University of Paris), MBA (Corporate Finance) (University of Sheffield)	B-Proc (UNISA), B Juris (University of Fort Hare) LLB (UNISA) LLM (Wits) Certificate in Energy Law, Executive Management Programme (Kellogg Business School)
Appointment Date	November 2011	June 2024	February 2015	November 2011	February 2015

ANNEXURE B: BOARD COMMITTEES

BOARD OF DIRECTORS

The Corporation has a unitary Board structure, currently comprising one executive and 11 non-executive directors. This enables the Board to obtain the desired level of objectivity and independence in Board deliberations and decision-making. The Board is assisted by board committees, duly formed considering the guidelines in King IV Report on Corporate Governance and the Public Finance Management Act.

The size of the Board is provided for in Section 6 (2) of the Industrial Development Corporation Act, No. 22 of 1940 ('IDC Act'), as amended, which permits a minimum of five and a maximum of 15 directors appointed by the Executive Authority. In line with the recommendations of King IV, the positions of Chairman and Chief Executive Officer are separately held to ensure a clear division of duties.

The Directors have diverse backgrounds and expertise to ensure a balance of skills, or wide range and appropriate mix of skills, facilitating independent judgement and effective deliberations in the decision-making process whilst pursuing the Corporation's strategic objectives.

The Board has a charter which is regularly reviewed. The Board Charter sets out the Board's responsibilities which include the adoption of strategic plans, developing a clear definition of materiality, monitoring of operational performance and management, determination of policy processes to ensure the integrity of the Corporation's risk management and internal controls, communication policy, and director selection, orientation, and evaluation. The Board Charter is supported by the IDC Act and Regulations.

The Board also considers transactions that will result in any risk limit, including the counterparty limit being breached.

The Board has established five sub-committees, being the Investment Committee, Human Capital and Nominations Committee, Audit Committee, Risk and Sustainability Committee, and Social and Ethics Committee, all of which are ultimately accountable to the Board.

Board Investment Committee (BIC)

The purpose of the Board Investment Committee (BIC) is to act on behalf of the Board by considering transactions mandated to it by the Board which would, prior to the creation of the committee, vest with the Board. The BIC considers transactions where IDC transaction exposure is above R250 million and/or the counterparty exposure is between R1 billion and R7 billion. The BIC also considers transactions where the sector, transaction and/or regional limit, or the counterparty limit is breached, and it makes recommendations to the Board.

Board Human Capital and Nominations Committee (BHCNC)

The main objective of the Human Capital and Nominations Committee (BHCNC) is to assist the Board in the development of compensation policies, plans and performance goals, as well as specific compensation levels for the IDC. The BHCNC manages the Board's annual evaluation of the performance of the Chief Executive Officer and assists the Board in fulfilling its oversight responsibilities relating to succession planning as well as overall compensation and human capital policies for all IDC employees.

Board Audit Committee (BAC)

In terms of the Companies Act it is mandatory for state-owned companies to appoint an audit committee. The Audit Committee is therefore a statutory committee, and its members were appointed by the Executive Authority at the Corporation's last annual general meeting.

The committee monitors the adequacy of financial controls and reporting; reviews audit plans and adherence to these by external and internal auditors; ascertains the reliability of the audit; ensures that financial reporting complies with IFRS and the Companies Act; ensures the integrity of integrated reporting; ensures that there are effective measures in place on Information Technology risks as they relate to financial reporting; reviews and makes recommendations on all financial matters; and recommends the appointment and removal of auditors to the Board.

Board Risk and Sustainability Committee (BR&SC)

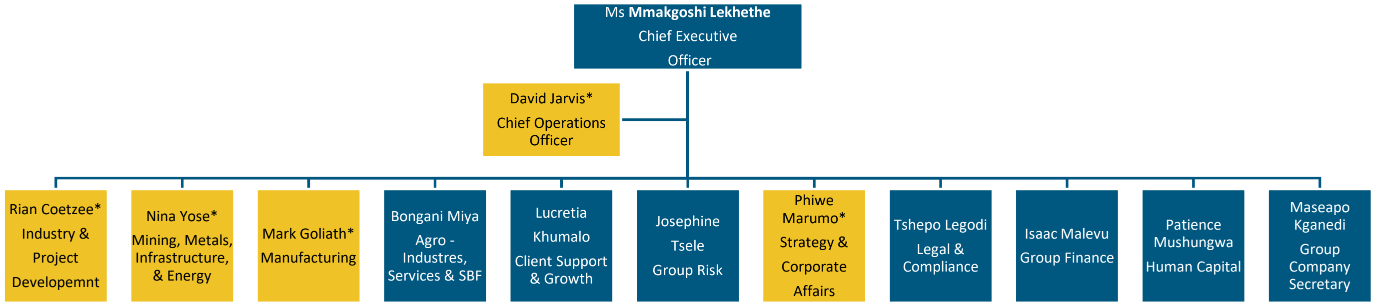
The primary duty of the Board Risk and Sustainability Committee is the governance of risk. It also assists the Board to determine the maximum mandate levels for the various Credit and Assets and Liabilities Committee decisions and reviews the effectiveness of the risk management process. The committee assists management with the responsible stewardship of sustainability, including stakeholder impact, management of material issues, sustainability governance and reporting.

Board Social and Ethics Committee (BSEC)

In terms of the Companies Act, Regulations 43(1) (c), it is provided that “a Social and Ethics committees must be established for every state-owned company”. The main purpose of the BSEC is to advise the Board generally on corporate governance and ethics matters. The BSEC aims to promote the ideals of corporate fairness, transparency, and accountability as well as to assist the Board in vetting funding applications, projects, and any matter in which a director of the IDC has an interest.

ANNEXURE C: EXECUTIVE MANAGEMENT

Figure 8: Executive Structure



**Acting*

M Lekhethe: Chief Executive Officer
BCom (Economics), University of Durban Westville, BCom Hons (Economics), (Wits)
MSc (International Economics), University of London, SOAS, UK
Senior Executive Development Programme, Wits Business School
Joined the IDC and was appointed to Executive Management in 2025.
(Gender: Female; Race: African)

DA Jarvis: Divisional Executive – Strategy and Corporate Affairs
BSoc Sci (Hons) (UKZN), Masters in Industrial Organisational and Labour Studies (UKZN)
Joined the IDC in 2013 and was appointed to Executive Management in 2015.
(Gender: Male; Race: White)

I Malevu: Chief Financial Officer
BCom (Wits), Accounting (Hons) University of Natal, CA (SA)
GIBS leadership program
Senior Executive Development Program (London Business School)
Joined the IDC and was appointed to Executive Management in 2020.
(Gender: Male; Race: African)

Vacant: Chief Operations Officer
Recruitment Underway

Vacant – Industry and Project Development
Recruitment Underway

J Tsele: Chief Risk Officer
Bachelor of Arts (Hons) Economics and Government (University of Essex – UK) 1992
Certificate Programme in Finance and Accounting (Wits Business School).
Global Masters in Business of Administration (GMBA) (Cum Laude), (Bayes Business School (formerly CASS), City, University of London)
Joined IDC and was appointed to Executive Management in 2020.
(Gender: Female; Race: African)

Vacant – Mining, Metals, Infrastructure and Energy
Recruitment underway

Bongani Miya: Divisional Executive – Agro-industries, Services, and Small Business Finance
BSc. Mathematics and Econometrics, Wits University, 2004,
Private Equity Executive Course, Harvard Business School, 2018.
Joined the IDC and was appointed to Executive Management in 2022.
(Gender: Male; Race: African)

Vacant – Manufacturing
Recruitment Underway

T Legodi: General Counsel and Divisional Executive – Legal and Compliance
BA Law LLB (University of Natal), LLM (Tax) (University of Johannesburg), Programme for Management Excellence (GIBS), Mining and Minerals Technology & Business Overview Programme (University of Johannesburg)
Joined IDC in 2017 and appointed to Executive Management in 2021.
(Gender: Female; Race: African)

TL Khumalo: Divisional Executive – Client Support and Growth
BSc Electrical Engineering (Wits), MBA (UCT)
International Leadership Development Programme (Advanced Management Programme) (Harvard Business School)
Joined the IDC and was appointed to Executive Management in 2018.
(Gender: Female; Race: African)

TP Mushungwa: Divisional Executive – Human Capital
BAdmin (UDW), BAdmin Hons (UNISA), Programme in Business Leadership (UNISA School of Business Leadership)
Joined the IDC and was appointed to Executive Management in 2019.
(Gender: Female; Race: African)

M Kganedi: Group Company Secretary
LLM (University of Johannesburg), LLB (University of Johannesburg), BProc (Law) (University of Johannesburg), Diploma in Legislative Drafting (University of Johannesburg),
Certificate in Pension Law, Certificate in Corporate Governance (UNISA)
Joined the IDC and was appointed to Executive Management in 2022.
(Gender: Female; Race: African)

ANNEXURE D: DIVIDEND POLICY

The dividend policy was approved by the Board on 29 July 2024 on the following basis:

The amount of dividend to be declared per annum, is at the discretion of the Board, after considering the following factors:

- the important role which the IDC plays as a driver of industrial development in the economy;
- the strategic objectives outlined in the annual Strategic Plan; and
- the financial sustainability of organisation.

The following are the key principles to apply in the determination of the dividend to be declared:

- Dividend targets and actual payments are set by consultation between the shareholder and the board.
- IDC 's support for key industrial development initiatives that have an effect on its profits (e.g., industry targeted incentivised rate schemes and job creation initiatives) may be taken into account in determining the dividend amount.
- The consideration of dividend to be declared requires a balance between the funding needs of the IDC to secure long-term value creation, social delivery.
- Where there are significant variations to revenues and/or capital expenditure requirements, lower dividends may be required, but with strict constraint of ensuring the maintenance of the Board approved capital structure range.
- Dividends targets will be negotiated annually between the Shareholder and the board in line with the financial plan of the IDC.
- Dividend declaration should only be considered after the approval of the audited annual financial statements.
- Appropriate measures must be applied to ensure compliance with the legal and regulatory framework of the IDC.
- The amount of dividend to be declared per annum is at the discretion of the Board, after considering factors indicated above.

ANNEXURE E: MATERIALITY AND SIGNIFICANCE FRAMEWORK

MATERIALITY LEVELS FOR REPORTING IN TERMS OF SECTION 55(2)(B)(I) OF THE PFMA

Section 55(2)(b)(i) of the PFMA states that the annual report and financial statements should include particulars of any material losses through criminal conduct and irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year. The term material has not been defined in the Act. The IDC adopted a definition in terms of the monetary impact for the purposes of this section as R40 million.

The IDC will monitor and take appropriate action for all losses through criminal conduct and irregular and fruitless and wasteful expenditure that occurred during the year.

The IDC will, however, only report any losses through criminal conduct and irregular expenditure and fruitless and wasteful expenditure in excess of R40 million in its annual report and financial statements.

The R40 million is below the IDC's Group audit materiality as determined by the external auditors.

SIGNIFICANCE LEVELS RELATED TO SECTIONS 51(1)(G) AND 54(2) OF THE PFMA

Sections 51(1)(g) and 54(2) of the PFMA read in conjunction with the related practice note requires the use of a significance framework. Based on the guidelines in the practice note and after evaluating the total assets, total revenue, and profit after tax for the IDC Group, a significance level of R500 million has been adopted.

ANNEXURE F: STRATEGIC RISKS AND GOVERNANCE

RISK MANAGEMENT FRAMEWORK

The Enterprise Risk Management Framework (ERMF) provides clear direction on managing risks that may prevent IDC from meeting its goals. The ERMF is aligned to the principles of good corporate governance and based upon internally and externally verified best practice. The IDC recognises the need to proactively maximise its mandate of development impact through effective and sustainable industrial development in South Africa and across the continent. The Corporation further recognises that it engages in operations that may carry significant risks but also that all deals are considered strictly on their economic merits. It therefore has a robust Enterprise Risk Management process for identifying, assessing, and appropriately mitigating any risks that may affect its ability to achieve its strategic objectives.

Risk Assessment Process

The components of the IDC's risk assessment process are illustrated and explained below.

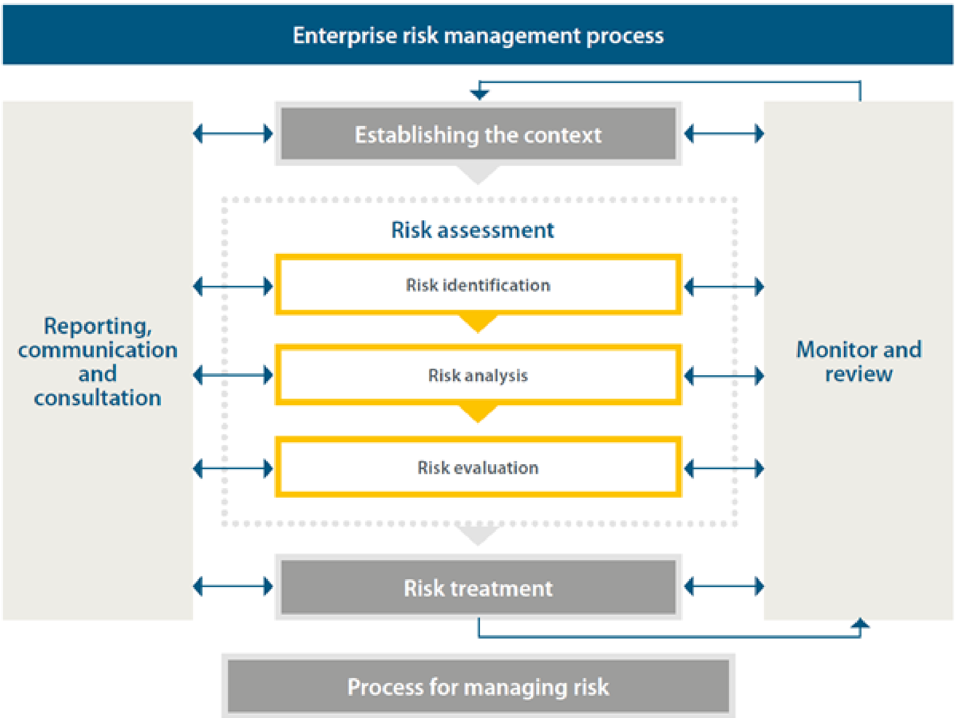


Figure 9: Schematic of the Risk Assessment Process (Source: ISO 31000 standards)

Establishing the Risk Assessment Context

This aspect provides perspective and assists with understanding the nature of the impact of the risk on the business, including the critical strategic, financial, governance, operational and IT governance risks we face.

Risk Assessment

The risk assessment process enables management to gain an understanding not only of the probability that a risk may materialise but also its impact on the Corporation. The risk assessment methodology provides management with a portfolio view of risks (i.e., a risk profile). The risk assessment process is broken down into the following phases:

- Risk identification – the process of considering the causes and sources of the risk, and its positive and negative consequences.
- Risk analysis – the process of considering the risk's potential positive and/or negative consequences, and the probability of those consequences occurring.
- Risk evaluation – the process which compares the risks against risk evaluation criteria, resulting in a map of risk priorities.

Risk treatment

The objective of risk treatment is to determine how the IDC should respond to events and associated risks. The IDC's risk response strategies can broadly be categorised as follows:

- Terminate: eliminate, redesign, avoid or substitute the threat
- Transfer: where possible and advantageous move the threat to another party
- Treat (further): mitigate or control the threat by implementing additional measures to reduce the likelihood and/or consequence before the threat materialises
- Tolerate: retain the threat after careful consideration of its consequences for a predefined duration

Risk reporting and escalation

It is important to keep the Board, executive management, the Board Risk and Sustainability Committee and the Board Audit Committee abreast of key risks and the actions resulting from risk management activities. This component of the framework outlines the process for reporting risk management information to these governance entities on a consistent and timely basis. The IDC Board is the ultimate custodian and steward of the IDC risk appetite and approves the appropriate parameters for risk management.

Monitor and review

Monitoring refers to the consistent application of the ERM Framework across the Corporation, the effectiveness of the ERM policies and procedures, as well as the identification of weaknesses demanding corrective action.

Communication and consultation

Effective communication and consultation increase the awareness of the Risk Management Programmes. Workshops are held with relevant stakeholders and risk owners to assess and discuss the strategic risks.

Strategic Risks

The table below indicates the IDC's 12 key strategic risks that have been identified and assessed by management. These risks are aligned to the IDC's strategic objectives to ensure that they are governed in a way that supports the Corporation in setting and achieving its strategic objectives and are assured through annual control testing, and quarterly Key Risk and Control Indicator Monitoring.

Risk name and description	Risk mitigation
Strategic pillar: **Increased industrial development**	
1. Macro-economic conditions and developments Adverse macro-economic conditions (domestically and/or globally) and/or sovereign credit downgrades affecting the IDC's business and its ability to achieve strategic targets	• Continuous monitoring of economic developments globally and domestically • Monitoring of sectorial developments through output indicators. (Manufacturing, Mining, Agriculture, Services) - Sector Trends reports, summary performances per SBU. • Monitoring of client quarterly performance indicators (IMC). • Annual scenario analysis and impact on IDC contingency plans. • Research and analysis of economic, political, industrial and other pertinent development.
2. Developmental impact risk Strategy implementation failures, resulting in the IDC not meeting its strategic objectives and having the desired developmental impact	• There are clear developmental KPIs, which cascade from the corporate plan to the divisions and Individuals which include: Total investment facilitated and committed, Funding facilitated and committed for transformation, Jobs created or saved through IDC funds and preferential pricing. These KPIs are closely monitored at both divisional and corporate levels involving tracking turnaround times, identifying and addressing bottlenecks, and effectively managing the pipeline. • To ensure that that there is adequate Financial Resources to Support Strategy Implementation of the developmental mandate, the annual borrowing programme and Funding Gap Analysis of the IDC is compiled for the succeeding financial year which considers anticipated receipts and expected financial requirements of the Corporation including planned disbursements, operational costs.
Strategic pillar: Maintain financial stability	
3. Concentration risk Concentration in the IDC's portfolio, affecting diversification, dividend income and strength of the balance sheet	• Diversification strategies to mitigate the risk of equity concentration. • Component Value at Risk Methodology used to aid the calculation (identification) of concentration risk. • Industry/Sector Limit monitoring: Aids the process to identify and avoid over concentration against target limits in specific industries.
4. Significant investments risk Financial viability of significant investments and their ability to deliver effectively on their required strategy	• There is a post investment process by CSG to monitor the performance of investments. Some of the activities include: ➢ Implementing value creation plans to assist underlying investee companies in the execution of their strategies. ➢ Providing business support intervention to Business Partners to address specific deficiencies and vulnerabilities. ➢ The turnaround of clients in financial distress. • IDC Representatives are nominated to sit on the boards of some of IDC investee companies.
5. Credit and investment portfolio risk Non-payment by the IDC's business partners and non-recoverability of investments	• Credit risk origination team provides upfront credit risk input and review of deals during origination stage. • Well-defined Credit and Investment Policy in place to manage investment decision making.

Risk name and description	Risk mitigation
	• Independent Credit Risk Review of transactions which includes review by the Head of Credit Risk to ensure material credit related issues are addressed as well as review by the relevant credit committee in line with the delegated matrix prior to approval. • Value Creation Planning strategy assists in underlying investee companies in the execution of their strategies, including implementation and monitoring interventions. • Enhanced Due Diligence Process on all deals is deployed. • CS&G division provides ongoing risk monitoring on investment portfolio to reduce arrears and nonperforming loans levels, provides business support intervention to Business Partners to address specific deficiencies and vulnerabilities and assist with the turnaround of client in financial distress. • Monitoring of the top 20 Non-Performing Loans and top 20 Impairment contributors by Monthly CSG Legotla Forum. • Watch-list framework is in place as an early warning trigger tool to identify early signs of potential distressed clients. • Risk Governance and Portfolio Management provides periodic monitoring and assurance of the investment portfolio.
6. Liquidity and funding risk The IDC is unable to maintain or generate sufficient cash resources to meet its payment obligations and fund transactions	• Robust policies, models, methodologies and governance structures. • Funding plan rigorously managed across different areas. • Strong and enhanced relationship with funders/sources of capital. • Liquidity cash preservation processes and weekly meetings. • Co-funding arrangements with other financial institutions. • Prioritisation and close monitoring of disbursements and collections. • Liquidity and funding risk monitoring and oversight by the ALM and Market Risk department. The ALM team monitors liquidity risk profile of the IDC through the Liquidity Coverage Ratio (LCR)-Short-term methodology and the Structural Liquidity Mismatch (SLM)-Long-term methodology. • Alco and BRSC oversight: Over the outcomes of liquidity and funding monitoring activities. All risks are monitored monthly and reported to the ALCO quarterly
Strategic pillar: Human, social, natural and manufactured capital	
7. People risk/organisational culture risk Failure to recruit, develop and retain the best talent and create a conducive work environment that enables high-performance and client-service culture	• People Risk is managed through implementation of Talent Acquisition Policy which outlines the guidelines and procedures for attracting and recruiting talent consistently and fairly, Employee Value Proposition that details the benefits for employees of the IDC, Performance Management Policy is in place to govern performance reviews, Leadership pipeline programme.; comprehensive wellness program that drive employee wellness support.
8. Governance, ethical conduct and behaviour Non-adherence to good corporate governance standards and the risk of internal/external financial crime, including unethical business practices and behaviour	• Governance structures are in place including: the comprehensive delegation matrix which delegates powers and authorise performance of duties by the staff, committees or other structures of the Corporation, Board Charter, delinquent panel committee responsible for adjudicating/ considering and decide on applications for listing of Affected Persons on the Delinquent Register as recommended by Internal Audit and conflict of interest policies.
9. Reputational risk Potential or actual damage to the IDC's image through factors (negative media reports) that may impair the	• IDC's Social Media Policy is in place to guide IDC conduct & response to stories on social media platforms. There is ongoing engagement of key stakeholders to provide periodic update on IDC key strategic initiatives. IDC has partnered with a media monitoring company, that tracks and provides, month and quarterly media reports.

Risk name and description	Risk mitigation
profitability and sustainability of the business	• Customer Experience unit manages complaints and conducts Customer satisfaction surveys to assess IDC's client service levels, client experience and how our clients perceive the IDC. • Ongoing engagement of key stakeholders to provide periodic update on IDC key strategic initiatives.
10. Legal and regulatory compliance IDC and business partners not meeting their legal/contractual and regulatory requirements	• Compliance department (CRAD) monitors the regulatory acts as per the approved compliance annual programme through conducting compliance reviews to determine the adequacy and effectiveness of controls in place to mitigate against compliance risks. Updates on legislation changes are received from SABINET/World check to ensure IDC remains up to date. • CRAD and the L&D department implement a training program for the whole IDC, making sure that all high-risk Acts that affect the IDC are addressed. (e.g. PFMA, AML, PEP, FIC, RMCP, PRECCA,). New employees are also required to do the same training online. • All legal agreements are drafted by the Legal services department to ensure they are legally sound and aligned with the IDC interest. • To minimise the impact of internal resource capacity to manage legal matters, Legal Services and RBI leverage on external pool of Legal Advisors/panel of attorneys when required.
11. Business continuity and Information Technology risk Business disruption due to an internal or external business continuity or IT-security-related event	• IDC maintains up to date Disaster Management Plan and Business Continuity Management Policies which provides guidelines and procedures to ensure preparedness against harmful effects of a disaster event. The Annual Business Impact Analysis process is facilitated and documents critical business processes within the IDC and captures appropriate response plans in case of disruptive event. There is also IT Disaster Recovery (ITDR) test conducted annually by the IT department to test and validate the effectiveness of the IDC disaster recovery plan.
11B. SR11B- Cyber Security Risk The risk of loss, disruption, or damage to the reputation of IDC due to ransomware, phishing, data leakage, hacking etc.	• There are preventative and detective mitigation strategies to manage cyber risk including: fire walls, intrusion detection and prevention systems safeguarding IDC network infrastructure, multifactor authentication as an additional layer of security to access control and Virtual private network access (Global Protect) that provides access safeguards on remote connections by encrypting data transmission and authenticating users.
12. Sustainability and responsible investment risk Risk that IDC is not able to identify, evaluate, manage and report on emerging ESRG and Sustainability Impact risks as well as failure to grow new industries and value chain opportunities at a pace that would drive low carbon growth and the Just Transition.)	• The Responsible Investment Policy provides the Exclusion and Restricted Lists of activities that stipulates what sectors are to be excluded/funded and restricted activities considered on a case-by-case basis to ensure funds are not used for restricted activities. Additionally, there is an approved Environmental, Social Resilience and Governance Risk (ESRG) Policy in place which seeks to show IDCs commitments into integrating and managing ESRG risks and consider opportunities. • There is robust environmental and social risk assessment conducted by ESH at pre-investment and DD stages on transactions (e.g. Check if the client has the valid licence to operate).

ANNEXURE G: FINANCIAL CRIME PREVENTION POLICY & PLAN

POLICY ON FINANCIAL CRIME AND ASSOCIATED IRREGULAR CONDUCT

The Financial Crime Prevention Policy sets out the Corporations stance on financial crime, associated irregular conduct and the reporting thereof. Hereinafter, all references to the concept financial crime should be read to include the acts of theft, corruption, fraud and associated irregular conduct. The policy was established to facilitate the development of controls that will aid in the detection, prevention, investigation, and the reporting of fraud against the Corporation. It is therefore the intent of the Corporation to promote consistent organisational behaviour by providing guidelines and assigning responsibility for the development of controls and conduct of investigations.

1 POLICY STATEMENT

Financial crime represents a significant risk to the IDC, its business operations, and all other relevant stakeholders. The IDC will not tolerate fraudulent or corrupt activities, whether internal or external. It will pursue, prosecute, and take appropriate action against any parties, which engage in such practices or attempt to do so.

The objectives of this policy are to:

1. Engender and promote an attitude of honesty and integrity in the IDC.
2. Encourage and enable all IDC stakeholders to report any improper or suspicious conduct.
3. Reassure all IDC stakeholders that they are protected from any reprisals or victimization because of a bona fide and protected disclosure.
4. Ensure that every genuine disclosure of improper conduct is investigated, and appropriate is taken where necessary.
5. Facilitate the establishment of a culture of disclosure to prevent financial crime or improper conduct from occurring and
6. Provide a platform for anonymous reporting of any improper conduct and/or financial crime.

2 BACKGROUND

The IDC subscribes to the principles of good corporate governance, which requires the conducting of business honestly and transparently. Accordingly, the IDC had adopted the policy, to strengthen a culture of honesty, reliability, transparency, and care amongst all stakeholders (internal and external).

The provisions of Section 51(1)(b)(ii) of the Public Finance Management Act 1 of 1999 (PFMA) stipulates that the Accounting Authority must take effective and appropriate steps to prevent irregular expenditure, fruitless and wasteful expenditure, losses resulting from criminal conduct, and expenditure not complying with the operational policies of the public entity.

Treasury Regulations sections 3.2.1 read with section 27.2.1 the accounting authority must facilitate a risk assessment to determine the material risks to which the institution may be exposed and to evaluate the strategy for managing these risks. Such a strategy must include a financial crime risk management policy. The strategy must be communicated to all employees and stakeholders to ensure that financial crime risk management is incorporated into the IDC’s language and culture.

The policy sets out the IDC stance against financial crimes and the reporting thereof. As such, the prescripts of the policy have been integrated into and synchronised with the overall business strategies of the IDC Strategic Business Units as well as the supporting departments. In that way, the policy will facilitate the effective management of financial crime risk activities and ensure that all financial crime incidences are attended to in a coherent and integrated manner, whilst promoting ethical conduct.

The protection of whistle-blowers in terms of the Protected Disclosure Act 26 of 2000 (PDA) is a key enabler of any financial crime risk management strategy. PDA makes provision for employees and all stakeholders to report unlawful, irregular conduct or any improper conduct or suspected financial crime activities by employees and all stakeholders while providing for the protection against the occupational detriment of anyone who blows the whistle on such activities.

3 SCOPE OF THE POLICY

This policy applies to any actual or suspected irregularity involving IDC assets by employees, suppliers, contractors, business partners, and /or any other parties with a business relationship with the Corporation

Zero Tolerance to financial crime as referred above under the purpose serves as the basis of the IDC financial crime policy. Reported financial crime activities will be investigated and followed up by the application of all remedies available within the full extent of the law as well as the application of appropriate prevention and detection controls. These prevention controls include the existing financial and other controls and checking mechanisms as prescribed in the systems, policies, procedures, rules, and processes of the IDC.

In addition, Internal Audit Department (IAD) will conduct awareness of this policy amongst IDC employees, contractors, business partners.

4 THE RESPONSE PLAN TO FINANCIAL CRIME RISK MANAGEMENT

The IDC has adopted the policy to create and promote a culture of honesty and integrity. The aim is to encourage and enable employees and stakeholders to report any improper conduct and to reassure employees and stakeholders that they are protected from any reprisals or victimisation because of a *bona fide* and protected disclosure. Moreover, these mechanisms will facilitate the establishment of a culture of disclosure and provide a platform for anonymous reporting of any improper conduct, the investigation and taking of appropriate action where necessary.

4.1 PREVENTION PROGRAMMES

The most effective ways to deal with the problem of financial crime is to adopt methods that will decrease motive, restrict opportunity, and limit the ability of potential offenders to rationalise their actions. The aim of preventative controls is to reduce opportunity and eradicate temptation from potential offenders. Prevention techniques include the introduction and implementation of policies, procedures and controls, and activities such as training and financial crime awareness. The details of the role players and the activities that they perform to prevent financial crimes at the IDC are listed in the table below:

No	Department	Role
5.1.1		i. Investment appraisal processes/ due diligence ii. Cross-verification of information received from applicants iii. Technical due diligence iv. Marketing due diligence and v. Financial due diligence vi. Applications of funds review vii. Legal due diligence
5.1.2	Compliance and Regulatory Affairs	Compliance with anti-money laundering and financial crime prevention legislative regimes that are pertinent to the IDCs financing activities, they conduct: i. Customer Due Diligence by performing AML and Sanctions background screening.

No	Department	Role
		ii. FICA verification i.e., collecting ''Know Your Client'' documentation. iii. Reviews of the IDCs financial crime prevention and detection control environment including adherence to the requirements of the Public Finance Management Act No.1 of 1991 and related Treasury Regulations and Notices.
5.1.3	Financial Management	Accounting and operational policies that are designed to prevent commercial crimes including. i. strict verification of banking details before disbursements, ii. segregation of duties in vendor creation, iii. invoice verification, iv. the detection of duplicate payments, v. the reconciliations of Electronic Funds Transfer (EFT), petty cash payments and all bank accounts, vi. the prevention, detection and reporting of unauthorised, irregular, and fruitless and wasteful expenditure etc.
5.1.4	IT Department	i. Prevent cybersecurity threats and or financial crime that may result in financial loss. ii. Develop and implement of a cybersecurity policy iii. Protection of critical information infrastructure, situational analysis and iv. Conduct awareness campaign concerning the cybercrime threats.
5.1.5	Procurement Department	All employees must adhere to the procurement policies during the procurement process by: i. complying with the prescripts of the Prevention and Combating of Corrupt Activities Act, Act 12 of 2004. ii. setting ethical standards for all IDC employees who are involved in the procurement of goods and services. iii. fair dealing and integrity in the conducting of its procurement activities. iv. engaging with suppliers in a manner that encourages good supplier relations. v. promoting competition and in compliance with the law.
5.1.6	Human Capital	i. The appointment of any employee is preceded by relevant background check6.1.10 Employment Practices. ii. To protect the IDC and its client's information employees are prohibited from divulging or communicating to any persons/s or organisation or make use of any information which they may acquire in relation to the corporation's property, trade, business or general affairs or any trade secret of the working of any process or invention carried on or used in the corporation's business. iii. Managing and implementing disciplinary code and procedure where applicable.
5.1.7	Corporate Secretariat	Maintains policies that are aimed at enhancing efforts in the fight against financial crime: i.e. i. Code of Business Ethics and Conduct.

No	Department	Role
		ii. Corporate Governance Framework for Subsidiaries and Investee Companies. iii. Board of Directors Conflict of Interest Policy. iv. Corporate Governance Framework for Financing Subsidiaries; and v. Delinquent Register.
5.1.8	Facilities Management	Physical Security: • at the IDC Head Office and Regions, • Mothballed factories and other IDC assets

4.2 DETECTION PROGRAMMES

The primary responsibility for detecting financial crime lies with management through the implementation, documentation, and operation of effective systems of internal control.

No	Department	Role
5.2.1	Client Support and Growth	After disbursement of the approved loan the IDC conducts post investment activities aimed at detecting financial crimes through: i. business partner (client) review, ii. monitoring of undertakings, iii. reviewing of annual financial statements, management accounts, iv. conducting application of funds review.
5.2.2	Internal Audit (IAD)	IAD conducts risks assessment process in performing an audit, as per the Institute of Internal Auditors (IIA) standards i.e. • exercise due professional care by considering amongst others the probability of significant errors, financial crime, or noncompliance with laws and regulations and • assesses the potential for the occurrence of financial crime in all audited areas.
5.2.3	Financial Crime Risk Awareness and Training	Training and awareness related to financial crimes is provided to all employees and business partners on an annual basis.

4.3 INVESTIGATION PROCEDURES

The financial crime response plan is a formal means of setting down the arrangements which are in place for dealing with detected or suspected criminal cases. It is intended to provide procedures that allow for evidence gathering and collation in a manner that will facilitate informed decision-making while ensuring that evidence gathered will be admissible in the event of any, disciplinary hearing, civil or criminal action including internal blacklisting.

No	Department	Role
5.3.1	Investigation of incidents reported	Once a financial crime report has been received by IAD, it will be evaluated and depending on the merits the matter will be rejected or investigated accordingly. In some instances, an investigation or part thereof may be outsourced.
5.3.2	Investigation procedure	Include but not limited to the collection of direct, physical, and circumstantial evidence and analysis of documentary, video, audio, photographic, electronic information, or any other related material, conducting interviews and any other investigative techniques as necessary to conduct the investigation.
5.3.3	Failure to report	• Employees will be subjected to the disciplinary procedures • Other stakeholders may be listed in the IDC Delinquent register, or possible legal action will be instituted.

4.4 REPORTING AND ESCALATION OF REPORTED INCIDENTS

If a whistle-blower or any stakeholder who had reported an incident using any of the channels listed below does not get acknowledgement within a period of 21 day of receiving the compliant, they may escalate the incident to the next level as detailed below. If there is an investigation the whistle-blower will be provided with an update within a period of two (02) months until the investigation is finalised

Internal reporting and escalation process

Internal Reporting Process	Reporting Channel	Turnaround time
Employees and all other stakeholders are expected to report their suspicion as soon as they became aware of any financial crime being committed.	The reporting channels are: • Tip Off's Anonymous" **IDC@TIP-OFFS.COM or call 0800 30 33 36 or SMS 39640.** • forensic@idc.co.za; • Head of Internal Audit,	Acknowledgement within 21 Days of reporting
	Internal Escalation process	
	• General Counsel (GC),	If there is no acknowledgement within 21 days of reporting employees may escalate the incident to the General

		Council who will try to intervene within 14 days.
	• Chief Executive Officer (CEO),	If there is no intervention from the General Council, the employee may escalate to the CEO and thereafter to the Board Audit Committee and Board Chairperson.
External reporting and escalation process		
	• Chairperson of the Board Audit Committee, • Chairperson of the Board. • Minister of Trade, Industry and Competition www.dtic.gov.za or by telephone 012 394 3747.	The external reporting and escalation process is a continuation of the internal escalation process, however, if there is no response from both the Chairperson of the Board Audit Committee and Chairperson of the Board. The incident may be escalated to the Minister of Trade, Industry & Competition.

4.5 POST INVESTIGATION PROCEDURES

The findings and recommendations of the investigation will be discussed with the relevant Divisional Executives, CEO, and General Counsel for their management comments and then submitted to EXCO and BAC. If there are significant disagreements relating to the IAD's findings, the affected party (except for IR and Criminal issues) may be requested to submit a report to EXCO through the respective Divisional Executive for deliberations and the Chairperson of the BAC for resolution.

Any financial crime committed by an employee, or any other person will be pursued through investigation and to the full extent of the law, including (where appropriate) disciplinary action, instituting civil action to recover the loss, criminal prosecution by reporting the matter to the SAPS or any other relevant law enforcement agency, any other appropriate legal remedy available and regulatory bodies.

In instances where investigation had proven that financial crimes had been committed against the IDC; the perpetrators are listed in an internal delinquent register to prohibit them from entering a further business relationship with the IDC.

5 PROTECTED DISCLOSURE

The IDC has recognised that the disclosure of information is the greatest enabler of financial crime risk management. All parties who intend to make a disclosure or those who had already disclosed information in good faith are protected against any occupation detriment in terms of the PDA.

All stakeholder who suspects or report suspected dishonest activity or such activity that he/she witnessed should be afforded the opportunity to remain anonymous should this be he/her wish. To this end, the IDC has availed the "Tip Offs Anonymous" hotline to all stakeholders wishing to make an anonymous report.

6 ROLE PLAYERS

It is the responsibility of everyone in the organisation, service providers and business partners to participate in the detection, prevention, investigation, and resolution of financial crimes.

No	Department	Role
7.1	Board of Directors and BAC	i. Financial crime risk management oversight: ii. approve the financial crime risk management policy and amendment. iii. monitor and implement the financial crime risk management policies. iv. ensure that adequate and effective systems of internal controls are in place to detect and prevent financial crime. v. ensure that the company has appropriate arrangements in place for the balanced and independent investigation of whistleblowing reports and for taking any action necessary because of such reports.
7.2	Executive Authority	• takes an interest in financial crime risk management to the extent necessary to obtain comfort that properly established and functioning systems of risk management are in place to protect the IDC against significant financial crime risks. • ensure the development of the policy and supervise the effective implementation of the financial crime risk management policy and procedures.
7.3	The Risk Management Department	Provide an independent risk assessment and assist in determining risk capacity, risk appetite allocation policies and structures in managing the risk, its effectiveness, the key financial crime risks, and the responses to address those risks.
7.4	Internal Audit	Provide an independent, objective assurance on the effectiveness of the IDC's system to prevent (financial crime training and awareness) and detect financial crime risk.
7.5	External auditor	Provides an independent opinion on the effectiveness of financial crime risk management. They identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to financial crime or error, design and perform audit procedures responsive to the said risks.

7 CONFIDENTIALITY

All confidential information provided or received shall be used solely for the detection, prevention, investigating, and response to the allegations of financial crimes and shall not be disclosed to any unauthorised third party. The foregoing shall not apply to any information that is publicly available when provided or thereafter becomes publicly or that is required to be disclosed to any Regulatory Authority, any auditor of the parties hereto, or by judicial or administrative process or otherwise by any applicable law.

The IAD is bound by the Code of Ethics which requires an Internal Auditor to amongst others uphold the principle of confidentiality. Thus, on an annual basis, each member of the IAD is required to sign a declaration to the effect that they shall be prudent in the use and protection of information acquired in the course of their duties and shall not use the information for any personal gain or in any manner that would be contrary to the law or detrimental to the legitimate and ethical objectives of the IDC.

8 NON-ADHERENCE TO POLICY

Disciplinary, civil, criminal action and/or any other applicable action will be instituted or taken against those who fail to comply with this Policy.

9 COMMUNICATION OF THE POLICY

IAD is responsible for ensuring that the policy is approved by the BAC, informing all relevant stakeholders of the approved policy and the publication of the policy on the IDC intranet.

10 MAINTAINING OF THE POLICY

The policy shall be effective from the date it is approved by the BAC and it will be reviewed every three (3) years or as and when necessary.

11 ALIGNMENT OF POLICIES TO OTHER POLICY/IES OR PROCEDURE/S

This policy, to an extent, is aligned and can be read together with the conditions on employment and other applicable policies of which some of them are listed below, frameworks and/ or procedures as published in the IDC's intranet.

No	Department	Policy
12.1	Corporate Secretariat	i. Board of Directors Conflict of Interest Policy. ii. Code of Business Ethics and Conduct. iii. Confidentiality Agreement Policy. iv. Conflict of interest policy v. Corporate Governance Framework for Financing Subsidiaries vi. Corporate Governance Framework for Subsidiaries and Investee Companies. vii. Policy on Delinquent Register for Existing and Potential Clients.
12.2	Compliance & Regulatory Affairs	• Anti-Money Laundering, Counter-Terrorism Financing & Sanctions Policy.
12.3	Risk Management	• Enterprise Risk Management Framework and Policy.
12.4	Human Capital	• Industrial Relations Policy and Work rules. • Recruitment Policy.
12.5	Procurement	• Procurement Policy
12.6	CRM	• Client Complaints Management

ANNEXURE H: SUPPORTING INDICATORS

Strategic Priority Area	Supporting Measures For Operational Focus
Approvals	Net Approvals
Total investments	Total investments (R'm)
Funds committed (financial close reached) to support policy priorities: transformation	Output growth by Black Industrialist clients (Annual %)
	Black Industrialists (IDC funding committed) (R'm)
	Black Industrialists (number supported)
	Women-entrepreneurs (IDC Funding) (R'm)
	Women-entrepreneurs(number supported)
	Youth-entrepreneurs (IDC Funding) (R'm)
	Youth-entrepreneurs (number supported)
	Worker Share Ownership (number of workers)
	Junior Mining Fund (in conjunction with DMPR and Council of Geoscience) (R'm)
	Black Junior Miners supported via Junior Mining Exploration Fund (number supported)
	Small-scale farmers (in conjunction with Industrial Processors & FMCG companies) (number supported)
Funds committed to support policy priorities: Master Plans and IDC Industry Priorities	Industry Master Plans and IDC Industry Priorities (funds committed) (R'm)
	Implementation of Autos, Furniture, Sugar, Digital economy Master Plans
	Number of projects (in NEV's, critical minerals, green hydrogen value chains) being funded either through project development or transactional funding
	Progress against Green Economy implementation milestones
Funds committed to support policy priorities: Spatial equity	Total funds committed to improve spatial equity (investment outside 6 main metro municipalities (IDC Funding and Facilitated) (R'm)
	Total funds committed for businesses in SEZs (including economic infrastructure projects that enable SEZs (e.g. energy supply, logistics, water) (IDC Funding and Facilitated)
Funds committed to support policy priorities: SME development	Total funds committed for SMEs (IDC Funding and Facilitated)
	Number of SMEs (number supported)
Job creation and preservation	Township economy jobs (number)
	Internships (number of interns)
High-impact projects and high-value services	High-impact projects (number of projects graduated)
	International tourists (number of tourists)
	Hotel room keys (number of rooms)
Environmental sustainability	Progress milestones in the implementation of Sustainability Action Plan