

**A NATION BRAND
THAT INSPIRES ITS
PEOPLE AND IS
ADMIRERD GLOBALLY**

#PlayYourPart

2022 | 23
ANNUAL REPORT



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List of Abbreviations/Acronyms

AfCFTA	African Continental Free Trade Area
AGSA	Auditor-General of South Africa
APP	Annual Performance Plan
ARCO	Audit and Risk Committee
AV	Audiovisual
AU	African Union
B-BBEE	Broad-Based Black Economic Empowerment
BRICS	Brazil, Russia, India, China and South Africa
CAETE	China Africa Economic and Trade Expo
CALS	Centre for Legal Studies
COSAS	Congress of South African Students
COSATU	Congress of South African Trade Unions
COVID-19	Coronavirus Disease
CTFL	Clothing, Textile, Footwear and Leather
CWP	Critical Workforce Positions
DIRCO	Department of International Relations and Cooperation
DoH	Department of Home Affairs
the dtic	Department of Trade, Industry and Competition
EBII	Emerging Business Intelligence & Innovation
EFF	Economic Freedom Fighters
ERRP	Economic Reconstruction and Recovery Plan
EwB	Education without Borders
EWP	Employee Wellness Programme
ExCo	Executive Committee
FDI	Foreign Direct Investment
FOCAC	Forum for China-Africa Cooperation
FOSAD	Forum of South African Directors
FTP	File Transfers Protocol
GBF Africa	Global Business Forum Africa
GBV	Gender-Based Violence
GCIS	Government Communication and Information System
GDP	Gross Domestic Product
GSA	Global South Africans
GRAP	Generally Recognised Accounting Practice
HCRSEC	Human Capital, Remuneration, Social & Ethics Committee
HR	Human Resources
IATF	Intra-Africa Trade Fair
ICT	Information and Communication Technology
IDC	Industrial Development Corporation of SA
IEC	Independent Electoral Commission

IESBA	Ethics Standards Board for Accountants
IoDSA	Institute of Directors in South Africa
IOL	Independent Online
IRC	Investments Risks and Compliance
IRS-CI	Internal Revenue Service Criminal Investigation
ISA	International Standards on Auditing
JCPS	Justice, Crime Prevention, and Security
MARCO	Marketing Committee
MASA	Marketing Association of South Africa
MDDA	Media Development and Diversity Agency
NDT	Department of Tourism
NFVF	National Film and Video Foundation
OAU	Organization of African Unity
PFMA	Public Finance Management Act
PMDS	Performance Management and Development System
PPA	Public Audit Act
PPE	Personal Protective Equipment
PYP	Play Your Part
RAG	Risk Audit and Governance Committee
RMC	Risk Management Committee
SABPP	South African Board for People Practices
SADC	Southern African Development Community
SADTU	South African Democratic Teachers Union
SAIC	South African Investment Conference
SAICA	South African Institute of Chartered Accountants
SAiD Institute	Society for Africans in Diaspora
SANSA	South African National Space Agency
SAPS	South African Police Service
SARA	South African Reward Association
SARIPA	South African Restructuring and Insolvency Practitioners Association
SARS	South African Revenue Service
SAT	South African Tourism
SA Tourism	South African Tourism
SAFTAs	South African Film and Television Awards
SHE	Safety, Health and Environment
SONA	State of the Nation Address
SAAHK	Southern African Association of Hong Kong
UAE	United Arab Emirates
UN	United Nations
WOSA	Wines of South Africa

Part A
GENERAL
INFORMATION

Public Entity's

General Information

REGISTERED NAME OF THE PUBLIC ENTITY Brand South Africa

**REGISTRATION NUMBERS AND/OR
OTHER RELEVANT NUMBERS** IT1986/02

REGISTERED OFFICE ADDRESS 103 Central Street, Houghton, Johannesburg, 2041

POSTAL ADDRESS PO Box 87168, Houghton, 2041

CONTACT TELEPHONE NUMBERS 011 483 0122

EMAIL ADDRESS info@brandsouthafrica.com

WEBSITE ADDRESS www.brandsouthafrica.com

**EXTERNAL AUDITOR'S INFORMATION -
EXTERNAL AUDITOR'S NAME AND ADDRESS** Auditor-General South Africa
39 Scott Street
Bramley
Johannesburg
2090

**BANKER INFORMATION -
NAME OF BANK AND ADDRESS** Nedbank Limited
1st Floor
Lakeview
Constantia Kloof
Roodepoort
1709

BOARD SECRETARY Adv. Sifiso Nyoni
Director: Governance, Legal and Board Secretariat



Foreword by the Minister and Deputy Minister in the Presidency

I take pleasure in presenting the Brand South Africa Annual Report for the 2022/23 financial year. This report provides an overview of the operations, financial performance and development across all performance targets as encapsulated in the 2022/23 Annual Performance Plan (APP).

During the period under review, Brand South Africa continued with its mandate to strategically position South Africa as a preferred investment, tourism, study destination; a partner global governance, and enhance a coherent and integrated Nation Brand to enable delivery on national strategic objectives. Both the Deputy Minister, Honourable Nomasonto Motaung, and I are pleased to note the achievements that Brand South Africa records in this Annual Report and congratulate the entity on achieving an unqualified audit and its commitment to compliance with statutory requirements during the period under review.

At the beginning of the financial year Brand South Africa, under the oversight of the Government Communication and Information Systems (GCIS) department was tasked to align to the objective described by the statement "Leave No One Behind". To achieve this objective Brand South, developed several strategic campaigns and activities aimed at influencing and improving perceptions about South Africa through showcasing investment opportunities as well as building and protecting the Nation Brand reputation. To that end, Brand South Africa launched its international campaign themed "Grow with South Africa". South Africa is an attractive investment destination with an established list of blue-chip investors who have been in South Africa for as long as 100 years and a pipeline of investments of over R1 trillion, from investors who "believe in South Africa", committed through the South African Investment

Conference. Key global players such as Toyota and Johnson & Johnson have built long-standing relationships of investment with South Africa. It is important for the world and South Africans to be aware of the heritages as well as recent significant investments from global business players which reaffirm their confidence in our country.

The year under review was not without challenges, some of which had the potential to impact the Nation Brand Reputation of the country. The floods experienced in KwaZulu-Natal (KZN) during the financial period under review were of great significance. Not only was the economy of the country affected (as KZN is the second largest province in South Africa by GDP), but more importantly people's lives and livelihoods were lost. The South African National Defence Force deployed 10 thousand troops to assist with relief efforts in the province showing South Africa's commitment to intervene and support its citizens in times of crisis. Additionally, several organisations and individuals, such as the Gift of the Givers heeded the call to 'play their part' assist communities in the province.

The energy security remains as one of the most critical tasks that South Africa must tackle in order to continue to attract investments. Government departments have been at the fore of fighting the impact of load-shedding in South Africa, with inter-ministerial committees, government department committees and a Minister of Electricity having been introduced during the period under review. The Government of South Africa remains confident on being well poised to manage this challenge and is optimistic on eventually eradicating the power shortages. Brand South Africa will continue to share factual information, with key audiences, on the country's progress in managing the impact of load-shedding.

"As Brand South Africa, we encourage the Nation to collectively build upon our thriving democratic dispensation as enshrined in our Constitution."

It is important to note that the year also saw the launch of Brand South Africa findings of the Global Reputation Study which monitored the country's performance on a range of competitiveness, reputation, and governance related indicators. Results show that South Africa continues to remain top of mind in Investments, Exports, Tourism and Talent Attraction. Investment-wise, 59% respondents say they would invest in the country, while 75% indicated they would do business with South Africa. International audiences rate the country among the Top 5 places to visit, invest or do business, and relocate. These sentiments are directly attributed to South Africa's ease of doing business environment, largely regarded as having low operating costs, an appealing regulatory environment, and a vibrant entrepreneurial landscape.

The year 2022 marked the 20th anniversary of Brand South Africa. The entity has over the years proved its commitment to the mandate to manage South Africa's Nation Brand image and reputation to improve the country's global attractiveness and competitiveness. As we honour this milestone, we also celebrate Brand South Africa consistent efforts in encouraging Active Citizenship amongst South Africans through its Play Your Part programme, which has been one of its most dynamic and positive contributions to communities across the country. As

Brand South Africa we encourage the Nation to collectively protect and promote our thriving democratic dispensation as enshrined in our Constitution.

I would like to thank the former Board of Trustees, whose term ended during the month of November 2022, for steering the organisation in the right direction. We look forward to overseeing a Brand South Africa that is a highly effective and capable entity, which undertakes programmes in partnership with other institutions that engage the nation in shaping the national identity and prepares people and businesses to 'live the brand.'

I thank all stakeholders and together with Brand South Africa, we remain committed to having the organisation continue as the centre of Nation Brand excellence and intelligence, respected internationally, competitive, and internally beneficial.



Khumbudzo Ntshavheni

Minister in the Presidency



Acting Chief Executive Officer's *Overview*

I introduce the 2022/23 Annual Report with pride and optimism. During the period under review, South Africans and the South African economy continued to illustrate a clear resilience amidst the challenges that presented themselves. Brand South Africa is no different, I am delighted at how the team continues to rise and meet every challenge. I am pleased to report that the organisation achieved all its performance obligations as stipulated in the 2022/23 Annual Performance plan.

Brand South Africa continued to implement several strategic activities resulting in key achievements for the period under review.

Domestically, Brand South Africa initiatives aimed to articulate the national identity as well as promoting active citizenship, nation brand pride and social cohesion. An audiovisual (AV) themed "This is Who We Are," was launched and it focused on articulating the identity of South Africans. The positioning and posture of the Play Your Part programme was anchored on encouraging a spirit of entrepreneurship, thereby contributing to self-sufficient culture of South African people. To this end, Brand South Africa introduced PYP Ignite and the business academy.

In partnering with stakeholder with whom common objectives are shared and meaningfully interface with those who influence the Nation Brand and its reputation, Brand South Africa also collaborated with the Nelson Mandela Foundation, Constitution Hill, and Proudly South African amongst others, with the aim to coordinate approaches on how to market the Nation Brand's identity and promote the Nation's value proposition.

The Sixth National Brand Forum (NBF) was hosted under the theme, "Grow with South Africa—An inclusive partnership to

rebuild the economy and drive the nation's competitiveness". South Africa, as the continent's most developed economy with world-class infrastructure, has long been considered a strategic location for driving investment in the continent. The opportunities presented by the African Continental Free Trade Area (AfCFTA) agreement, to open borders and accelerate trade across Africa, South Africa's membership of BRICS and the country's robust Economic Reconstruction and Recovery Plan (ERRP) to rebuild the economy, puts it in an enviable position as a proven and attractive destination for sustainable investment and growth opportunities.

Internationally, Brand South gained much insights on the Nation Brand performance from the launch of the Global Reputation Study in collaboration with Bloom Consulting, a research organisation which specialises in Nation Branding and Place Branding.

In working towards increased Nation Brand advocacy, attractiveness and competitiveness, Brand South Africa supported State visits and executed the Global South Africans programme in various markets targeted at South Africans living abroad.

At the 2023 World Economic Forum Annual Meeting in Davos, Brand South Africa focused on positioning the country as a competitive business and investment destination of choice, as well as showcasing a united public-private-partnership and its successes.

Other collaborations executed internationally, include the partnership between Brand Southern and the South African Film Festival on fourth Premiere Festival which was utilised to

"The partnership between Brand South Africa and the South African Film Festival on the fourth Premiere Festival in 2022 was utilised to strengthen relations between Australians and South Africans living in Australia and raise awareness of the country's remarkable possibilities."



" Brand South Africa continued to implement several strategic activities resulting in key achievements for the period under review. "

strengthen relations between Australians and South Africans living in Australia and raise awareness of the country's remarkable possibilities. The collaboration with Thatcher and Co. and the South African mission to the United Nations (UN) to provide support by leveraging the presence of the South African delegation to build and manage the reputation of the Nation Brand in the USA. In Ghana, Brand South Africa in collaboration with the South African High Commission hosted activities aimed at positively positioning the country in the Ghana market.

Brand South Africa achieved an unqualified audit opinion from the Auditor-General, a key milestone for the organisation. The organisation achieved a 93 % overall organisational performance rating for the 2022/23 financial year against the approved Annual Performance Plan targets.

I wish to thank the GCIS for its oversight and the outgoing Board for their steadfast leadership and unwavering support of the Brand South Africa team during their term. I commend

and am grateful to the members of the executive committee who have led their team members with tenacity and diligence. The dedication of all staff members is reflective of a strong and determined and united Brand South Africa team.

I look to the future of the Nation Brand with a deep sense of pride, as I am confident in the Brand South Africa team's competence. May we achieve excellence in the execution of our mandate in the upcoming year and continue to demonstrate stand unified against all odds.



Ms Sithembile Ntombela

Acting Chief Executive Officer



Statement of Responsibility

To the best of my knowledge and belief, I confirm the following:

- All information and amounts disclosed in the annual report are consistent with the annual financial statements audited by the Auditor-General.
- The annual report is complete, accurate and free from any omissions.
- The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.
- The Annual Financial Statements (Part F) have been prepared in accordance with the Generally Recognised Accounting Practice (GRAP) standards applicable to the public entity.
- The accounting authority is responsible for preparing the annual financial statements and for the judgements made on this information.
- The accounting authority is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the

integrity and reliability of the performance information, the human resources information and the annual financial statements.

- The external auditors are engaged to express an independent opinion on the annual financial statements.
- In our opinion, the annual report fairly reflects the operations, performance information, human resources information and the entity's financial affairs for the financial year ended 31 March 2023.

Yours faithfully,



Ms Sithembile Ntombela

Acting Chief Executive Officer





About Brand South Africa

Brand South Africa was established in 2022, as the International Marketing Council in terms of the Trust Property Control Act No. 57 of 1988 (as amended). Brand South Africa is a Schedule 3A Public Entity in terms of the Public Finance Management Act No. 1 of 1999 (PFMA), which reports to the Presidency as its Executive Authority. Brand South Africa is strategically positioned as the official marketing agency of South Africa.

Purpose and Primary Objective

The primary objective of the Trust is to develop and implement proactive and coordinated marketing, communication and reputation management for South Africa. The aim is to contribute toward economic growth, job creation, poverty alleviation and social cohesion by encouraging local and foreign investment, tourism and trade through the promotion of Brand South Africa.

Mandate

To build South Africa's Nation Brand reputation in order to improve South Africa's global competitiveness. Arising from its mandate, Brand South Africa exists to build South Africa's Nation Brand in order to:

- Build investor confidence and contribute towards attracting global investors, tourists, and increasing consumers of South African goods and services;
- Enhance South Africa's international stature;
- Develop and disseminate key messages that effectively and positively tell the unique story of South Africa;
- Inspire pride, patriotism, social cohesion, nation building and positive change in South Africa;
- Inspire loyalty and advocacy in expatriate South Africans;
- Counter negative messages and impressions of South Africa;
- Showcase achievements of the NDP;
- Assist government and the private sector in aligning their country communication strategies; and
- Leverage on strategic global events and engagements to bring the Brand story to life and to create lasting brand moments.



Strategic *Overview*

Vision

A Nation Brand that inspires its people and is admired globally.

Mission

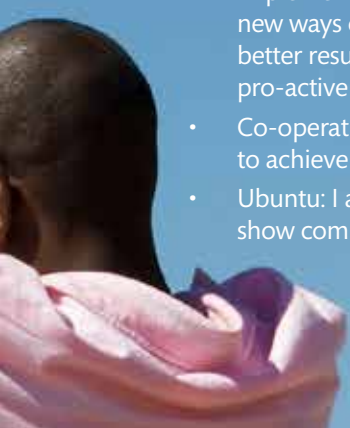
To be the authority on the Nation Brand and develop and implement proactive and coordinated marketing, communication and reputation management strategies by:

- Developing and articulating a South African Nation Brand identity that will advance South Africa's long-term positive reputation and global competitiveness;
- Seeking the involvement and cooperation of various stakeholders in building awareness and the image of the Nation Brand domestically and internationally;
- Seeking to build individual alignment to the Nation Brand in South Africa, as well as pride and patriotism amongst South Africans.



Values

Our values are as follows:

- **Determination:** We have the ability to refuse to give up despite the challenges. We keep our eye on the objective, we stay focused and persevere. We remain driven and keep going at it.
 - **Integrity:** We do the right thing regardless of whether it is popular or not. Whether we are being seen or not. We mean what we say and we do what we say. We consistently act with honesty, trustworthiness and ethically.
 - **Diversity:** Diversity comes from the word different – we accept, understand and embrace the differences between us; our backgrounds, cultures and views.
 - **Innovation:** Innovation is something unique but based on an insight; it must fulfil an organisational need. Innovation isn't only the idea, it is the implementation of the unique idea. We always find new ways of doing things so that we can achieve better results. We stay ahead of the curve by being pro-active and pre-emptive.
 - **Co-operation:** We work together as a cohesive unit to achieve a common goal.
 - **Ubuntu:** I am who I am because of who we are. We show compassion, humanity and humility.
- 

Legislative and other Mandates

Brand South Africa is a Schedule 3A public entity, registered as a trust in terms of the Trust Property Control Act No. 57 of 1988. The organisation's Executive Authority is the Minister in the Presidency. As a government-funded agency, Brand South Africa is regulated by the Public Finance Management Act No 1 of 1999 (as amended) and the National Treasury Regulations, 2005 (as amended).

Organisational Structure





Part B
PERFORMANCE
INFORMATION

Auditor's Report: Predetermined Objectives

The AGSA currently performs the necessary audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 98 to 100 for the Auditor's Report, published as Part F: Financial Information.



PROGRAMME 1: ADMINISTRATION

OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE 2020/2021	AUDITED ACTUAL PERFORMANCE 2021/2022	PLANNED ANNUAL TARGET 2022/23	ACTUAL ACHIEVEMENT 2022/23	DEVIATION FROM PLANNED TARGETS TO ACTUAL ACHIEVEMENT	REASONS FOR DEVIATIONS
OUTCOME 1.1: IMPROVED REPUTATION OF BRAND SOUTH AFRICA AS AN ENTITY							
1.1.1. Unqualified audit opinion outcome obtained	1.1.1.1. An unqualified audit outcome obtained annually	An unqualified audit opinion in financial statements and other matters	An unqualified audit outcome	An unqualified audit outcome, with no other matters	An unqualified audit outcome, with no other matters	Target met: An unqualified audit outcome, with no other matters	No deviations
1.2.1. Payments made to suppliers within 30 days	1.2.1.1. Percentage of valid payments made to suppliers within 30 days from the date of receipt of an invoice	100% of valid payments made to suppliers within 30 days from the date of receipt of an invoice	91% of valid payments made to suppliers within 30 days from the date of receipt of an invoice	100% of valid payments made to suppliers within 30 days from the date of receipt of an invoice	Target met: 100% of valid payments made to suppliers within 30 days from the date of receipt of an invoice	No deviation	No deviation
1.3.1. B-BBEE scorecard rating	1.3.1.1. B-BBEE scorecard rating level	68% spend on B-BBEE level 1 suppliers	56% spend on B-BBEE level 1 suppliers	Level 6 B-BBEE score card rating level	Target not met: The BBBEE rating level for the period under review is non-compliant.	Level 2 BBBEE score card rating	Reason for Deviation: The organization did not accumulate points for organizational control, supplier, enterprise, and socio-economic development.
1.4.1. Vacancy rate	1.4.1.1. Percentage of vacancy rate	14,04% vacancy rate	25% vacancy rate	10% vacancy rate	Target not met: The vacancy rate for the period under review is at 26%	16% vacancy rate	Reason for Deviation: The organisational target was not met due to the moratorium that was placed on Brand South Africa by the Minister in the Presidency on the filling of permanent positions. Action Plan Interventions were made in appointing people to act in vacant positions as well as appointing people fixed contract positions.
1.5.1. Organisational performance	1.5.1.1 Overall percentage rating on organisational performance	86% overall organisational performance rating	91% overall organisational performance rating	90% overall organisational performance rating	Target met. (exceeded): 93% overall organisational performance rating	3% overall organisational performance rating	Reason for Deviation: Catch up plans were implemented to ensure that the Annual Targets are met.
1.6.1 IT systems availability	1.6.1.1. Percentage availability of all IT	Approved IT Strategy	99% system availability at the DR Site, with planned downtime	98% availability of all IT systems	Target met. 98% availability of all IT systems	No deviation	No deviation

PROGRAMME 2: BRAND, MARKETING AND REPUTATION MANAGEMENT

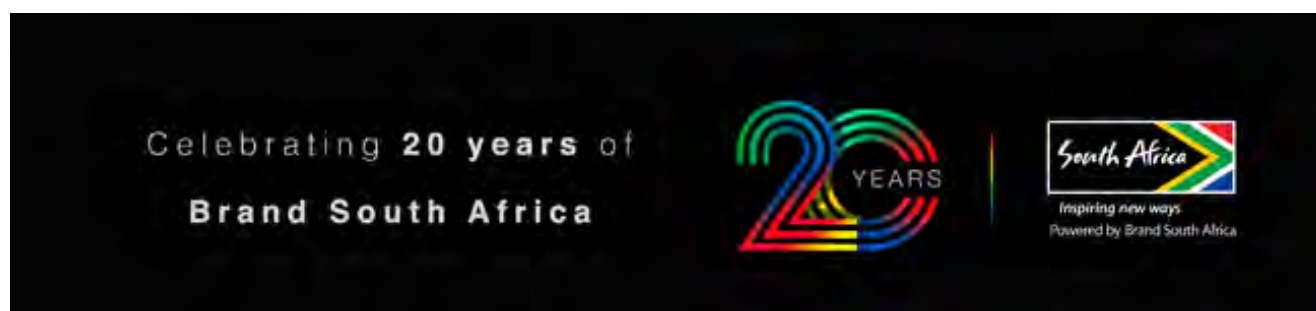
OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE 2020/2021	AUDITED ACTUAL PERFORMANCE 2021/2022	PLANNED ANNUAL TARGET 2022/23	ACTUAL ACHIEVEMENT 2022/23	DEVIATION FROM PLANNED TARGETS TO ACTUAL ACHIEVEMENT	REASONS FOR DEVIATIONS
OUTCOME 2.1: INCREASED ATTRACTIVENESS AND THEREBY COMPETITIVENESS OF THE NATION BRAND							
2.1.1. Marketing campaigns that illustrate the attractiveness of the Nation Brand to domestic audiences	2.1.1.1. Number of marketing campaigns aimed at positioning SA as a preferred destination to domestic audiences	6x marketing campaigns that illustrate the attractiveness of the Nation Brand to domestic audiences	7x marketing campaigns that illustrate the attractiveness of the Nation Brand to domestic audiences	4x marketing campaigns aimed at positioning SA as a preferred destination to domestic audiences	Target met. (exceeded): 5x marketing campaigns aimed at positioning SA as a preferred destination to domestic audiences	1x marketing campaign aimed at positioning SA as a preferred destination to domestic audiences	Reasons for Deviation: Brand South Africa leveraged on the Loeries Awards through a campaign to influence a broad community of Creatives in order for them to carry Nation Brand messaging in their creative.
2.1.2. Marketing campaigns that illustrate the attractiveness of the Nation Brand to international audiences	2.1.2.1. Number of marketing campaigns aimed at positioning SA as a preferred investment destination to international audiences	6x marketing campaigns that illustrate the attractiveness of the Nation Brand to international audiences	5x marketing campaigns that illustrate the attractiveness of the Nation Brand to international audiences	4x marketing campaigns aimed at positioning SA as a preferred investment destination to international audiences	Target met. (exceeded): 5x marketing campaigns aimed at positioning SA as a preferred investment destination to international audiences	1x marketing campaign aimed at positioning SA as a preferred investment destination to international audiences	Reasons for Deviation: Brand South Africa strategically selected markets aligned to Presidency State visit to position the Nation Brand through a campaign. Tactical Opportunities Exporting South Africa to South Korea Campaign
2.1.3. Integrated Nation Brand reputation programmes implemented for strategic platforms domestically.	2.1.3.1. Number of integrated reputation & communication activities implemented for strategic platforms domestically	3x integrated reputation & communication activities implemented for strategic platforms domestically	3x integrated reputation & communication activities implemented for strategic platforms domestically	2x integrated reputation & communication activities implemented for strategic platforms domestically	Target met. (exceeded): 3x integrated reputation & communication activities implemented for strategic platforms domestically	1x integrated reputation & communication activities implemented for strategic platforms domestically	Reasons for Deviation: Mining Indaba was held twice this financial year, as the February 2022 event was postponed to May 2022 due COVID.
2.1.4. Integrated Nation Brand reputation programmes implemented for strategic platforms internationally.	2.1.4.1. Number of integrated reputation & communication activities implemented for strategic platforms internationally	4x integrated reputation & communication activities implemented for strategic platforms internationally	9x integrated reputation & communication activities implemented for strategic platforms internationally	8x integrated reputation & communication activities implemented for strategic platforms internationally	Target met. (exceeded): 13x integrated reputation & communication activities implemented for strategic platforms internationally	5x integrated reputation & communication activities implemented for strategic platforms internationally	Reasons for Deviation: The organisation received a request from the Department of Human Settlements to assist with South Africa's participation at the World Urban Forum Summit. Brand South Africa was part of the ongoing BRICS programme, as part of the build-up for SA hosting the summit. The UK State Visit was an important platform for the organisation to support as it was the King's first hosting of a Head of State. The organisation leveraged on an opportunity to position the Nation Brand through the Global Soft Power Summit. Brand SA supported the JSE SA Tomorrow conference in the USA, which is aligned to the Investment Drive. Tactical opportunities: 1. BRICS Collaboration op-ed 2. MaXhosa Africa Activation – Stakeholder Relations 3. Africa Leaders' Summit – US -Trade and Investment Forum on the margins of the US Africa Leaders' Summit 4. Africa-Thai Economic Summit

OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE 2020/2021	AUDITED ACTUAL PERFORMANCE 2021/2022	PLANNED ANNUAL TARGET 2022/23	ACTUAL ACHIEVEMENT 2022/23	DEVIATION FROM PLANNED TARGETS TO ACTUAL ACHIEVEMENT	REASONS FOR DEVIATIONS
OUTCOME 2.1: INCREASED ATTRACTIVENESS AND THEREBY COMPETITIVENESS OF THE NATION BRAND							
2.1.5. Nation Brand performance monitoring	2.1.5.1. Number global reputation and competitiveness indices analysed for Nation Brand performance monitoring	13x internal analysis pieces produced	15x Nation brand performance monitoring analysis pieces	15x global reputation and competitiveness indices analysed for Nation Brand performance monitoring	Target met. (exceeded): 16x global reputation and competitiveness indices analysed for Nation Brand performance monitoring	1x global reputation and competitiveness indices analysed for Nation Brand performance monitoring	Reasons for Deviation: Target was exceeded due to increased interest in indicators linked to Nation Brand Hexagon. Tactical opportunities: 2022 Brand Finance –Nation Brands Report Analysis
2.1.6. South African global reputation study conducted	2.1.6.1. Number of reports that track South Africa's global reputation and brand familiarity	Initiate development, and procurement of SAGP study	4x South African global reputation study reports produced	4x reports that track South Africa's global reputation and brand familiarity	Target met: 4x reports that track South Africa's global reputation and brand familiarity	No deviation	No deviation
2.1.7. Research reference groups conducted	2.1.7.1. Number of research reference groups conducted	4x research reference groups conducted	3x research reference groups conducted	4x research reference groups conducted	Target met: 4x research reference groups conducted	No deviation	No deviation
2.1.8. Communication pieces	2.1.8.1. Number of communication pieces that position the country positively globally	68x positive communication pieces	60x Communication pieces	60x communication pieces that position the country positively globally	Target met: 60x communication pieces that position the country positively globally	No deviation	No deviation
2.1.9. Thought leadership pieces	2.1.9.1. Number of thought leadership pieces that position the country positively published	10x positive thought leadership pieces	8x Thought leadership pieces	8x thought leadership pieces that position the country positively published	Target met: 8x thought leadership pieces that position the country positively published	No deviation	No deviation
2.1.10. Content pieces emanating from media engagements published	2.1.10.1. Number of content pieces aimed at influencing domestic and international media to promote a positive narrative of the Nation Brand published	10x content pieces published emanating from media engagements	11x content pieces published emanating from media engagement	11x content pieces aimed at influencing domestic and international media to promote a positive narrative of the Nation Brand published	Target met. (exceeded): 12x content pieces aimed at influencing domestic and international media to promote a positive narrative of the Nation Brand published	1x content pieces aimed at influencing domestic and international media to promote a positive narrative of the Nation Brand published	Reasons for Deviation: The media partnership with Newzroom Afrika presented more opportunities for Team SA to be interviewed on the ground in Davos.
2.1.11. Nation Brand messaging on Brand South Africa's digital platforms	2.1.11.1. Number of content pieces published on Brand South Africa's digital platforms	15% growth in user engagement on social media platforms	99x content pieces posted on website. 155x content pieces posted on PYP social media platforms (FB & Twitter)	120x content pieces published on Brand South Africa website. 250x content pieces published on PYP social media platforms	Target met. (exceeded): 121x content pieces published on Brand South Africa website. 250x content pieces published on PYP social media platforms.	1x content piece published on Brand South Africa website.	Reasons for Deviation: Website: High volume of activities were implemented which allowed for additional content to be published on the website
2.2.1. Activities that promote active citizenry through the Play Your Part programme	2.2.1.1. Number of activities that promote active citizenry through the Play Your Part programme	16x provincial PYP activities implemented	16x Play Your Part activities implemented	9x activities that promote active citizenry through the Play Your Part programme	Target met. (exceeded): 14x activities that promote active citizenry through the Play Your Part programme	5x activities that promote active citizenry through the Play Your Part programme	Reasons for Deviation: Miss South Africa, for the first time in 2 years (due to the relaxation of COVID regulations) was able to host the top 10 announcement event live with the media. Therefore, as a partner, Brand South Africa was featured in the event. Sunday times Generation Next added value as a build up to the main event, and Brand South Africa was a headline partner.

OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE 2020/2021	AUDITED ACTUAL PERFORMANCE 2021/2022	PLANNED ANNUAL TARGET 2022/23	ACTUAL ACHIEVEMENT 2022/23	DEVIATION FROM PLANNED TARGETS TO ACTUAL ACHIEVEMENT	REASONS FOR DEVIATIONS
OUTCOME 2.2. INCREASED NATION BRAND ADVOCACY AND ACTIVE CITIZENSHIP							
2.2.1. Activities that promote active citizenry through the Play Your Part programme (continued)							The organisation leveraged on an opportunity to facilitate activations through Gen Next Awards & Sports Awards which are long standing partners. In line with the recommendation by the Executive Authority for Brand South Africa to increase its focus on international markets, the PYP Advocacy campaign was implemented. There was also a continuation of the GSPort activity. Tactical opportunities: Africa day cookout Screen excellence awards targeting youth in the TV & film industry
2.2.2. PYP ambassador engagements to amplify national priority pillars	2.2.2.1. Number of national priority pillars amplified through PYP ambassador engagements implemented	80x PYP ambassador engagement activities implemented with civil society, government, business & PYP Ambassadors	83x PYP ambassador engagements supported	16x national priority pillars amplified through PYP ambassador engagements implemented	Target met. (exceeded): 20x national priority pillars amplified through PYP ambassador engagements implemented.	4x national priority pillars amplified through PYP ambassador engagements implemented.	Reasons for Deviation: The responsive uptake in Quarter 1 from stakeholders who proactively aligned to issues in their communities was a positive win for Brand South Africa In Quarter 2, the PYP ambassadors were proactive on issues that are affecting society.
2.2.3. Constitutional awareness campaigns aimed at promoting constitutional values	2.2.3.1. Number of constitutional awareness campaigns aimed at promoting constitutional values	3x constitutional awareness campaigns	4x constitutional awareness campaigns	4x constitutional awareness campaigns aimed at promoting constitutional values	Target met: 4x constitutional awareness campaigns aimed at promoting constitutional values	No deviation	No deviation
2.2.4. Constitutional awareness activations	2.2.4.1. Number of constitutional awareness activations to promote constitutional values	10x constitutional awareness activations	10x constitutional awareness activations	10x constitutional awareness activations to promote constitutional values	Target met. (exceeded): 12x constitutional awareness activations to promote constitutional values	2x constitutional awareness activations to promote constitutional values	Reasons for Deviation: Brand South Africa leveraged the following opportunities in Quarter 3: - GBV focused activity in Venda in commemoration of 16 days of activism campaign - Mental Health focused activity in KZN
2.2.5. Implementation of Global South Africans activities	2.2.5.1. Number of GSA activities that promote Nation Brand advocacy to South Africans living abroad implemented in key markets	19 x Global South Africans activations implemented	19x Global South Africans activities implemented in key markets	17x GSA activities that promote Nation Brand advocacy to South Africans living abroad implemented in key markets	Target met. (exceeded): 18x GSA activities that promote Nation Brand advocacy to South Africans living abroad implemented in key markets	1x GSA activities that promote Nation Brand advocacy to South Africans living abroad implemented in key markets	Reasons for Deviation: GSA Friends of South Africa activity was implemented during the Presidential State Visit in the UK. The state visit was an unplanned activity; however Brand South Africa supported the Presidential programmes, including state visits as and when required. Tactical opportunities: Caleb Payne Digital GSA Activation GSA Banyana-Banyana – UK
2.2.6. Domestic perceptions research study	2.2.6.1. Number of domestic perceptions research study	1x domestic perceptions research study conducted	4x domestic perceptions research reports	4x domestic perceptions research reports	Target met: 4x domestic perceptions research reports	No deviation	No deviation

PROGRAMME 3: STAKEHOLDER RELATIONS

OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE 2020/2021	AUDITED ACTUAL PERFORMANCE 2021/2022	PLANNED ANNUAL TARGET 2022/23	ACTUAL ACHIEVEMENT 2022/23	DEVIATION FROM PLANNED TARGETS TO ACTUAL ACHIEVEMENT	REASONS FOR DEVIATIONS
OUTCOME 3.1: ALIGNED NATION BRAND EXECUTION AND EXPERIENCE DOMESTICALLY AND INTERNATIONALLY.							
3.1.1. Collaborative activities implemented with local and/or foreign public sector stakeholders domestically	3.1.1.1. Number of collaborative activities implemented with local and/or foreign public sector stakeholders domestically.	14x collaborative activities implemented in partnerships with public sector stakeholders domestically	15x collaborative activities with public sector stakeholders domestically	14x collaborative activities implemented with local and/or foreign public sector stakeholders domestically	Target met. (exceeded): 16x collaborative activities implemented with local and/or foreign public sector stakeholders domestically	2x collaborative activities implemented with local and/or foreign public sector stakeholders domestically	Reasons for Deviation: Brand South Africa collaborated with GCIS on the Culture and Heritage activity. This allowed the organisation to build awareness on the SA Global reputation Study. A collaboration with the GCIS, DIRCO and the IDC on the SADC Awards allowed the organisation to showcase how responsible journalism plays its part in a vibrant constitutional democracy. Tactical opportunities: SA/Uganda State Visit 2SA/Tanzania State Visit SA/Belgium State Visit
3.1.2. Collaborative activities implemented with local and/or foreign civil society stakeholders domestically	3.1.2.1. Number of collaborative activities with local and/or foreign civil society stakeholders domestically	14x collaborative activities implemented in partnerships with civil society stakeholders domestically	15x collaborative activities with civil society stakeholders domestically	14x collaborative activities implemented with local and/or foreign civil society stakeholders domestically	Target met. (exceeded): 16x collaborative activities implemented with local and/or foreign civil society stakeholders domestically	2x collaborative activities implemented with local and/or foreign civil society stakeholders domestically.	Reasons for Deviation: Brand South Africa leveraged on an opportunity to partner with the KZN Flood Relief programme aimed at supporting those affected by the floods in the region. The Nelson Mandela Annual Lecture, which was postponed in Quarter 2 was finally hosted in Quarter 3 of the year under review. Tactical opportunity: What About The Boys project launch
3.1.3. Collaborative activities implemented with local and/or foreign business stakeholders domestically	3.1.3.1. Number of collaborative activities implemented with local and/or foreign business stakeholders domestically	14x collaborative activities implemented in partnerships with business stakeholders domestically	12x collaborative activities with business stakeholders domestically	14x collaborative activities implemented with local and/or foreign business stakeholders domestically	Target met: 14x collaborative activities implemented with local and/or foreign business stakeholders domestically	No deviation	No deviation
1.1.4. Nation Brand Forum aimed at positioning the country positively targeting domestic and international audiences implemented.	3.1.4.1. Number of Nation Brand Forums aimed at positioning the country positively targeting domestic and international audiences implemented	The Nation Brand Forum project will not be implemented during this fiscal due to funds being re-channelled to COVID-19 initiatives	1x Nation Brand Forums held	1x Nation Brand Forum aimed at positioning the country positively targeting domestic and international audiences implemented	Target met: 1x Nation Brand Forum aimed at positioning the country positively targeting domestic and international audiences implemented.	No deviation	No deviation



PROGRAMME 3: STAKEHOLDER RELATIONS

OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE 2020/2021	AUDITED ACTUAL PERFORMANCE 2021/2022	PLANNED ANNUAL TARGET 2022/23	ACTUAL ACHIEVEMENT 2022/23	DEVIATION FROM PLANNED TARGETS TO ACTUAL ACHIEVEMENT	REASONS FOR DEVIATIONS
OUTCOME 3.1: ALIGNED NATION BRAND EXECUTION AND EXPERIENCE DOMESTICALLY AND INTERNATIONALLY.							
3.1.5. Collaborative activities implemented with stakeholders in targeted markets aimed at positioning the country positively internationally	3.1.5.1. Number of collaborative activities implemented with stakeholders in targeted markets aimed at positioning the country positively internationally	20x collaborative activities implemented in partnerships with public sector, business and/or civil society stakeholders internationally	23x collaborative activities with public sector, business, and/or civil society stakeholders internationally	20x collaborative activities implemented with stakeholders in targeted strategic markets aimed at positioning the country positively internationally	Target met. (exceeded): 22x collaborative activities implemented with stakeholders in targeted strategic markets aimed at positioning the country positively internationally	2x collaborative activities implemented with stakeholders in targeted strategic markets aimed at positioning the country positively internationally	Reasons for Deviation: The Organisation leveraged opportunities to further amplify the Nation Brand positioning through a showcase of African Music and an activity focused on Women empowerment in the USA. Tactical opportunities: Canon Collin education trust. A collaboration that provided post graduate scholarships to Southern African citizens (South Africa, Botswana Namibia) Brand South Africa NASCAR Marketing Program Dawn Ultra 150 ARCA Series Race, Mid-Ohio Sports Car Club, 9th July 2022, USA Brand South Africa NASCAR Marketing Program Wawa 250 NASCAR Xfinity Series Race and Coke Zero Sugar 400 NASCAR Cup Series Race, Daytona International Speedway: 26th to 27th August 2022 NASCAR Xfinity Series Race
3.1.6. Nation Brand alignment training workshops delivered	3.1.6.1. Number of Nation Brand alignment training workshops delivered	4x provincial Nation Brand alignment trainings conducted	4x Nation Brand alignment trainings delivered	4x Nation Brand alignment training workshops delivered	Target met: 4x Nation Brand alignment training workshops delivered	No deviation	Tactical opportunities: KZN COGTA Training

10 YEARS OF PLAY YOUR PART
THANK YOU, SOUTH AFRICA.



Service Delivery *Environment*

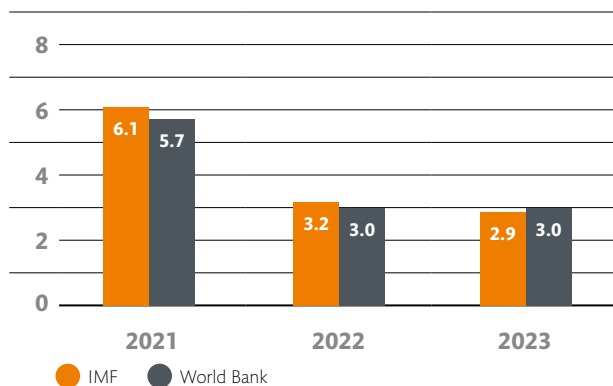
On 24 February 2022, a long simmering conflict between the Russian Federation and Ukraine escalated into war, further destabilising an already fragile global economy as the two countries are important sources of agricultural and energy commodities. China is the world's second largest economy and has a significant influence on overall global growth prospects. Instability in the Chinese property sector as well as ongoing 'zero Covid' lockdowns in large cities and significant production hubs in the country have adversely affected the country's growth as significantly impacted Global value chains.

The world economy is facing what could be a lengthy period of stagflation, where inflation and unemployment are high, and growth is low. This presents a challenge for governments because interventions designed to curtail inflation may well exacerbate unemployment, and policies designed to lower unemployment may stoke inflation higher. According to the World Bank, markets expect inflation to peak in mid-2022, but levels will remain high for some time to come, necessitating continued hikes in interest rates¹. Global growth has trended downwards since the beginning of 2022 and is expected to remain subdued for the remainder of the decade when compared to the 2010s. The IMF baseline forecast is for global growth to slow from 6.1% in 2021, to 3.2% in 2022, and 2.9% in 2023². The World Bank's forecasts follow a similar pattern, 5.7% in 2021 followed by 3% in both 2022 and 2023.

The IMF makes the point that inflation could be more difficult to bring down than anticipated and create tighter global financial conditions. Problems with the real estate sector and Covid outbreaks in China could further suppress growth in that crucial market, and 'geopolitical fragmentation could impede global trade and cooperation'³. Should these risks become reality global growth could drop as low as 2.6% and 2% in 2022 and 2023 respectively, some of the worst growth figures since the 1970s.

Key commodities exported by Russia and Ukraine, particularly energy and food, saw sharp and unexpected price increases that have since rippled through global value chains. The World Bank forecasts that energy prices will rise by 52% in 2022, forty-seven percentage points higher than previously projected. Russia is the world's largest exporter of fertilizers, and as a result of new quotas and restrictions on exports, fertilizer prices are expected to increase by nearly 70% in 2022. Russia and Ukraine are key exporters of wheat, together accounting for about a quarter of global exports. Agricultural prices are forecast to rise 18% in 2022, again higher than previous projections, reflecting weaker grain production in Ukraine as well as much higher input costs, including for fuel, chemicals, and fertilizers⁴.

GLOBAL GDP PROJECTIONS FROM IMF AND WORLD BANK



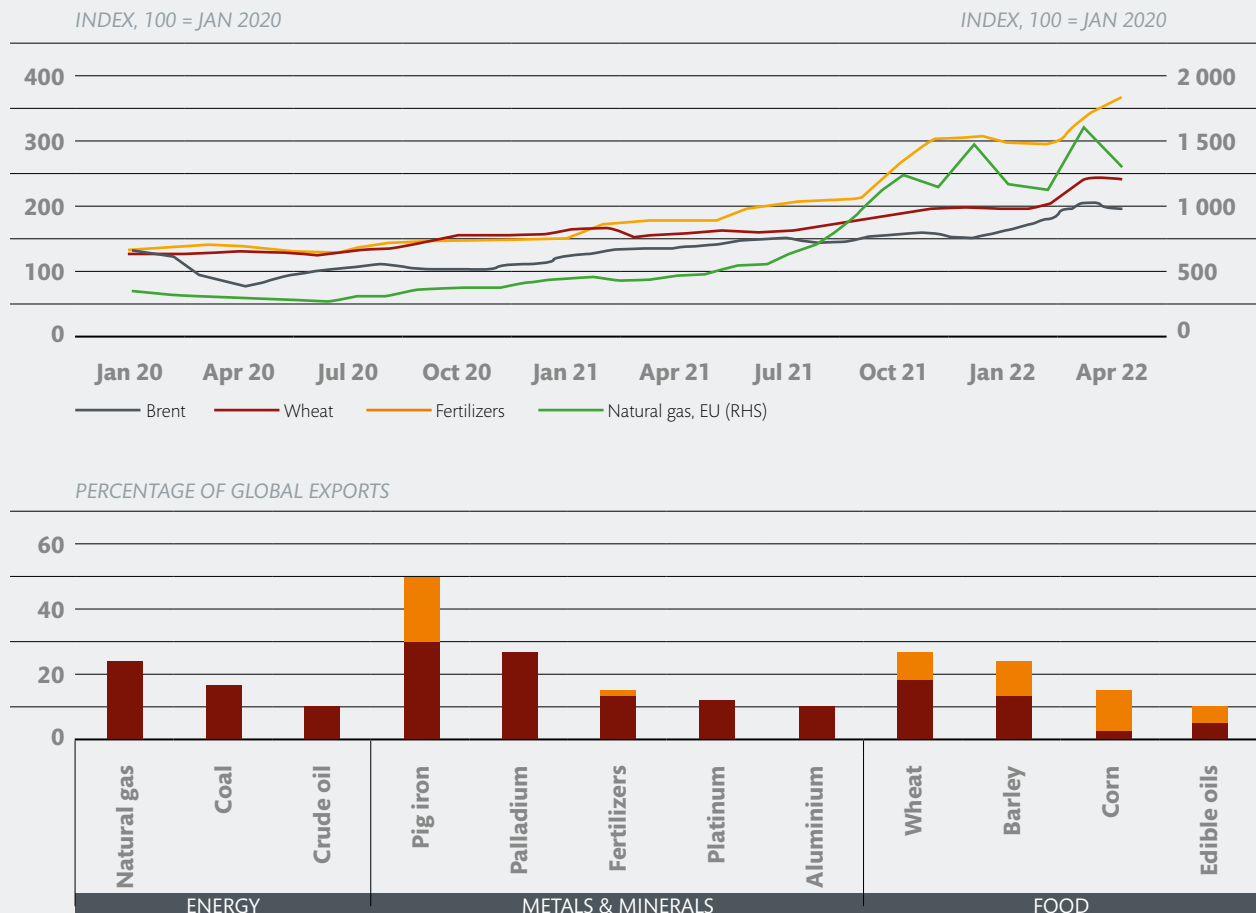
1 World Bank. 2022. Global Economic Prospects, June 2022. Washington, DC: World Bank. doi: 10.1596/978-1-4648-1843-1.

2 IMF World Economic Outlook, July 2022 Update

3 IMF World Economic Outlook, July 2022 Update

4 World Bank. 2022. Global Economic Prospects, June 2022. Washington, DC: World Bank. doi: 10.1596/978-1-4648-1843-1. License: Creative Commons Attribution CC BY 3.0 IGO.

COMMODITY PRICE CHANGES, AND RUSSIA AND UKRAINE COMMODITY EXPORTS



Metal prices made substantial gains in 2021, and prices continued to climb in 2022. Aluminium and nickel rose by around 30% as Russia is an important exporter. Metal prices are expected to rise 12% for the year. Most prices are expected to moderate in 2023⁵. In advanced economies trade in services has largely returned to pre-pandemic levels, driven primarily by a rebound in non-tourism services. Tourism activity has begun to recover in AEs as well but remains generally subdued in EMDEs. The recovery from the stagflation of the 1970s required steep increases in interest rates by major central banks to quell inflation, which triggered a global recession and a string of financial crises in EMDEs. If the current global economic pressures persist, it seems likely that emerging markets and developing economies may once again be in for a tumultuous time.

5 World Bank. 2022. Global Economic Prospects, June 2022. Washington, DC: World Bank. doi: 10.1596/978-1-4648-1843-1. License: Creative Commons Attribution CC BY 3.0 IGO.

POLITICAL	Growing tensions between the world's most powerful players threaten to disrupt the decades old economic and political status quo and reshape global cooperation and trade patterns. • The July 2021 riots raised questions about the South African government's ability to enforce the law, protect property, and maintain public order. • Policy uncertainty, lack of clarity on economic recovery plans, and looming inefficiencies in decision-making driven by coalition management of municipalities is further eroding the credibility of public institutions. • The government will come under increasing pressure to curb spending and increase revenue as the tax base comes under pressure due to low growth, and taxpayers feel the pain of high inflation. • Food inflation will affect the poor and unemployed dramatically, potentially sparking more widespread unrest than seen in July 2021. A cash strapped government will be unable to offer much in the way of relief.
ECONOMIC	• Having just begun to emerge from the massive disruption and economic losses caused by COVID-19 mitigation efforts, the global economy is again on shaky ground as long-standing geopolitical tensions boiled over into war in Ukraine. • Global growth estimates have been revised downwards and are likely to contract further as high inflation persists for longer than forecast, creating concerns that constricting global growth will develop into a global recession. • Tightening monetary policy and rising interest rates in advanced economies will make debt more expensive for emerging markets and create downward pressure on their currencies. • Global supply chains are likely to see more regular disruptions due to an increasingly fractious geopolitical environment and bottlenecks in the system. Trade patterns are being rethought as fragilities and inefficiencies are exposed. • South Africa needs to be cautious of an overreliance on buoyant commodity prices and focus on building a diverse and robust local economy poised to take advantage of recovery opportunities. • Agriculture contributes around 2.5% of total GDP and employs around 5% of the workforce, so may be a sector with room to expand. The sector also provides some opportunity for less highly skilled jobseekers. • In South Africa, business and investor sentiment was dealt a serious blow by the July 2021 unrest events in KwaZulu-Natal and Gauteng.
SOCIAL	• Widespread poverty, fuelled by mass unemployment, is an urgent challenge. Structural and socio-economic inequality was deepened by the pandemic, and gaps continue to widen as unemployment rises, especially among the youth. • Socio-economic challenges are exacerbated by the underperformance of the education system, with low pass rates generally, and specifically poor results in science, technology, engineering, and mathematics (STEM). As STEM subjects are key to employability in technical and professional occupations, the education system is not delivering the skills youth need to thrive in the current and future economy. Early childhood development is critical to successful outcomes later in the educational process. • In a report compiled by the World Economic Forum "Social cohesion erosion" was considered a short-term threat in 31 countries, including Argentina, France, Germany, Mexico, and South Africa.

TECHNOLOGICAL	• Rapid technological change has produced a handful of giant corporations that dominate global internet infrastructure, operating systems, and key platforms and access portals. • At the same time, the advent of the World Wide Web has dramatically improved free access to information, and created unprecedented opportunity for small, independent start-ups of all types: online, offline, and everywhere in-between. • Digitalisation and automation of administrative, organisational, and management processes may facilitate greater efficiencies. • In many industries technology has lowered barriers to entry, provided affordable business administration and support tools, and supplied access to global markets. • Access to technology in South Africa mirrors the patterns of general inequality in the country. Whilst most of the country is covered by cellular networks 2, 3 and 4G, the price of data remains prohibitively high, and speeds are not always adequate. Reliable, high-speed, cost-effective internet access through fibre and 5G remain the dominion of the privileged. • The downside to reliance on technology is its fragility and susceptibility to attack and disruption. Technology does not work without electricity, and most transactions conducted today are completely reliant on technological systems to complete them. • Increasingly sophisticated automation and robotics threaten jobs across all sectors of the economy.
ENVIRONMENTAL	• Fixed investment in infrastructure and the Green Economy (including renewable energy and climate friendly industrial processes) is expected to accelerate, supporting the emergence of 'green' industries and occupations. • South Africa is the largest greenhouse gas (GHG) emitter in Africa, and the 12th largest globally. The country has committed to ambitious climate change targets in line with the National Development Plan and net zero emissions by 2050 commitments. • Developed nations are in talks with the South African government regarding loans and funding for the transition away from coal to green energies.
LEGAL/REGULATORY	• A factor perennially accused of suppression of investment and economic growth is overly rigid labour regulation. Wage bargaining is conducted at a relatively high level and negotiated terms are automatically extended to smaller firms, negatively affecting the development of small business, and hindering employment of youth.



Organisational *Environment*

PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

PERFORMANCE RESULTS

The Trust Deed directs the mandate of Brand South Africa, which is “To build South Africa’s Nation Brand reputation to improve South Africa’s global competitiveness.”

A key term contained in the mandate statement is “Nation Brand”, which should be understood.

- The concept of “Nation Brand” is essentially a composite construct that aims to present a coherent image and country message to domestic and international audiences.
- Brand South Africa’s strategy is built on Simon Anholt’s Nation Brand Hexagon framework.
- Research studies devoted to identifying the reputational standings of nations, or nation brands, typically measure the reputation of a nation on a limited number of core pillars.
- Anholt’s Nation Brand Hexagon focuses on the below six pillars.



Figure 1: Nation Brand Hexagon

- A Nation Brand encompasses all the attributes, strengths, and innovations that a nation offers the world in all its spheres of activity (business, arts, tourism, science and innovation, infrastructure, manufacturing, and governance), and depends on much more than government activity, policy, or leadership alone.
- Building a Nation Brand is, therefore, a collective national effort and means that the reputation of a Nation Brand is determined by a multitude of activities driven by the citizens, businesses, universities, civil society, and government institutions.

MEASURING OUR PERFORMANCE

IMPACT STATEMENT

Informed by the legislative and policy mandates and the strategic focus, the 2020-2025 Strategic Plan presents the impact statements of Brand South Africa as:

- A prosperous Nation Brand.
- A patriotic and socially cohesive nation.

IMPACT STATEMENT 1: A PROSPEROUS NATION BRAND.

A prosperous Nation Brand can be articulated as state of success whereby South Africa would be seen as preferred investment destination that is able to attract investment, tourist, talent, and the global community to study in South Africa.

In the quest to position South Africa as a prosperous nation brand, Brand South Africa continues to embark on a series of different projects that seek to provide insights on the country's various strengths in the spheres of prosperity. The most significant project has been the 2021 Global Reputation study, which commissioned through Bloom Consulting, and proved to be effective in placing many of the Nation Brand indicators that we currently follow into context.

The Global Reputation Study's best performing dimensions were Investments and Exports, which according to audiences in 13 Markets across the world, see South Africa as an attractive destination to both invest in and export from. A total of 59% of respondents expressed a keen interest in wanting to invest in the country, while 76% stated that they would do business with South Africa. This confirms the country's ranking in the latest Global Enabling Trade Index, which ranked South Africa 55 out of 136, indicating that we remain a favourable destination for International Trade. From a business perspective, our vibrant Entrepreneurial landscape is also highly regarded as recognized by the Global Entrepreneurship Index, which ranked South Africa 31 out of 129. This index was effective in highlighting the enabling environment the country provides for Global Entrepreneurship, citing our well-developed broadband networks and infrastructure as key enablers for business. Respondents from the Global Reputation study further cited that low operating costs and appealing incentives also served as attractive opportunities for investing in the country.



According to Global audiences South Africa is perceived very positively from the experience perspective, especially as a place to do business with and buy products and as a place to invest. South Africa is as strong as the United Arab Emirates, Turkey, Thailand, and Brazil — business audiences rate South Africa among the Top 5 countries to do business with. At the same time, investors, and businesspeople familiar with the country rate their experience in the country as among the best along with the United Kingdom, the United Arab Emirates, and Turkey. Over 76% of surveyed individuals would be interested in purchasing South African exports, 59% in investing in the country, 74% in touring, with studying and work scoring the lowest at 55% and 51% respectively. The sentiments shared by the respondents is also well reflected in the Global Opportunity Index, which assesses a country's attractiveness to international investors using a combination of economic, financial, institutional, and regulatory factors, ranks South Africa 27 out of 40.

Significantly, 55% of surveyed individuals saw South Africa as positive in relation to studying, providing an incentive for government, especially when the fact that around 250 thousand searches were carried out in relation to studying in the country in 2021 is accounted for. This recognition of South Africa's Global appeal in the field of higher education is reflected by the University of Cape Town's ranking as the top University on the African Continent according to the 2022 Best Global University Index at 109-1700 and is also ranked top on all the five major university ranking indexes[i]. Further, 6 South African universities ranked in the top five hundred on the index, the University of Cape Town (109), the University of the Witwatersrand (212), Stellenbosch University (317), the University of Johannesburg (417) the University of Pretoria (434) and the University of KwaZulu Natal (371).

[i] <https://www.news.uct.ac.za/article/-2021-08-20-uct-ranks-top-in-africa>

[ii] https://issuu.com/medauras/docs/gci_1.5_edition

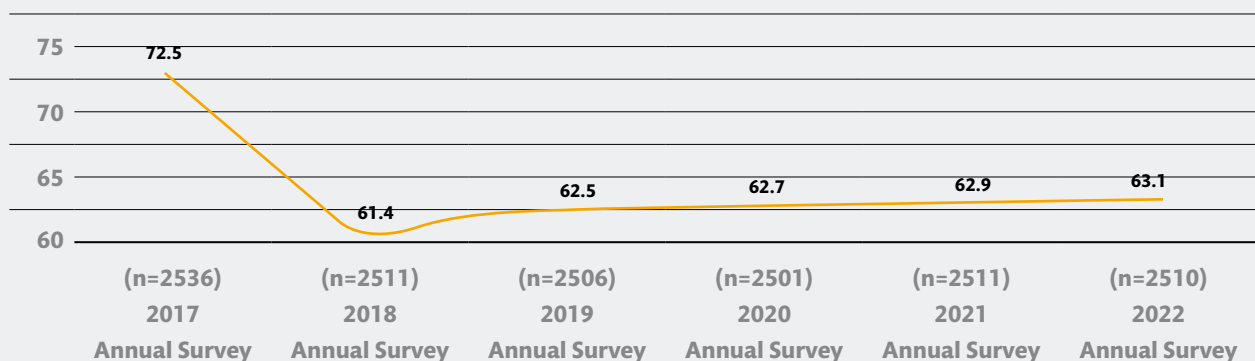


IMPACT STATEMENT 2: A PATRIOTIC AND SOCIALLY COHESIVE NATION.

Impact statement 2 is aimed at ensuring that Brand South Africa contributes towards encouraging patriotism and social cohesion amongst South Africans. A patriotic nation is a proud population that ensures there is unity in positive discourse regarding the Nation Brand. A socially cohesive nation is a well knitted society that shares common values that can be coordinated towards the development of the country.

Brand South Africa annually tracks indicators related to Social Cohesion, National Pride and Active Citizenship. The Domestic Perceptions Research study is also an effective tool that Brand South Africa uses to determine the pulse of South Africa, which in simple terms refers to who and what defines South African identity.

In the social cohesion construct analysis, the dependency on the government in a post-COVID-19 reality is evident as people navigate their way through a decade of slow economic growth, many jobs that were lost as a result of the pandemic coupled with developing political tension. Below is a screenshot presenting Social Cohesion trends from 2017 to 2022:



The Social Cohesion construct scores has seen a steady increase since the 2018 reset when the level of corruption and mismanagement emerged and the nation realised what happened during the reign of Jacob Zuma. The evidence suggests that there are several activities from an Active Citizenship and National Pride perspectives that emerged and these are likely to increase Social Cohesion in time. Social Cohesion takes longer to settle but positive to date.

Institutional Programme PERFORMANCE INFORMATION

Programme 1: **Administration**

OUTCOME 1: IMPROVED REPUTATION OF BRAND SOUTH AFRICA AS AN ENTITY

This programme provides strategic leadership, management and support services to the core business functions of Brand South Africa and is responsible for ensuring effective corporate governance, strengthening monitoring and

compliance. The programme ensures organisational capacity and capability to enable a culture of high performance, productivity and optimal utilisation of available capital and resources.

FINANCIAL MANAGEMENT

LINKING PERFORMANCE WITH BUDGETS

PROGRAMME/ACTIVITY/ OBJECTIVE	2022/23			2021/2022		
	BUDGET R'000	ACTUAL EXPENDITURE R'000	(OVER)/UNDER EXPENDITURE R'000	BUDGET R'000	ACTUAL EXPENDITURE R'000	(OVER)/UNDER EXPENDITURE R'000
Personnel Costs	78 849	69 010	9 839	75 169	68 286	6 883
Brand Communication and Reputation	112 358	132 474	(20 116)	109 901	104 535	5 366
Capital Expenditure	1 305	1 615	(309)	1 533	1 340	193
Operating Expenses	25 610	21 720	3 890	26 749	27 689	(940)
Total	218 122	224 818	6 695	213 352	201 849	11

SOURCES OF REVENUE

SOURCES OF REVENUE	2022/23			2021/2022		
	ESTIMATE R'000	ACTUAL AMOUNT COLLECTED R'000	(OVER)/UNDER COLLECTION R'000	ESTIMATE R'000	ACTUAL AMOUNT COLLECTED R'000	(OVER)/UNDER COLLECTION R'000
Grants and Subsidies	218 122	218 122	0.00	213 352	213 352	0.00
Other Income	0.00	4 333	(4 333)	0.00	249	249
Finance Income	0.00	2 605	(2 605)	0.00	1 124	1 124
Total	218 122	225 060	6 938	213 352	214 726	(1 374)

CAPITAL INVESTMENT, MAINTENANCE, AND ASSET MANAGEMENT PLAN

PROGRAMME/ACTIVITY/ OBJECTIVE	2022/23			2021/2022		
	BUDGET R'000	ACTUAL EXPENDITURE R'000	(OVER)/UNDER EXPENDITURE R'000	BUDGET R'000	ACTUAL EXPENDITURE R'000	(OVER)/UNDER EXPENDITURE R'000
Capital Expenditure	1 305	1 615	(309)	1 533	1 340	193
Total	1 305	1 615	(309)	1 533	1 340	193

Programme 2: Brand Marketing and Reputation Management

This programme seeks to develop and articulate a Nation Brand identity that will advance South Africa's long-term positive reputation and global competitiveness. This includes a focus to research and monitor sentiment and performance of the Nation Brand, to analyse trends and provide insights to inform decision-making and communication, and to both proactively and reactively communicate the country's value proposition, values, and highlight progress being made.

Programme 2 activities are structured within the following outcomes:

- Increased attractiveness and thereby competitiveness of the Nation Brand; and
- Increased Nation Brand advocacy and active citizenship.

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS

OUTCOME:2 INCREASED ATTRACTIVENESS AND THEREBY COMPETITIVENESS OF THE NATION BRAND

To achieve the entity's mandate of managing the Nation Brand's reputation, to improve the country's global attractiveness and competitiveness, various strategic marketing and reputation management initiatives were implemented. The objective of these campaigns was to promote South Africa's competitive strengths and communicate how the country is dealing with challenges faced both domestically and internationally. As an official custodian of the Nation Brand responsible for managing the Nation Brand's reputation, it remains imperative that Brand South Africa take the lead in showcasing authentic South African products, services and talent, both domestically and internationally.

OUTPUT: DOMESTIC MARKETING CAMPAIGNS THAT ILLUSTRATE THE ATTRACTIVENESS OF THE NATION BRAND TO DOMESTIC AUDIENCES

Brand South Africa's strategy emphasised the need to focus on developing creative material beyond the usual audiovisual material, which was packaged using thematic approaches and aired on digital platforms. The focus for the fiscal was to highlight South Africa's strengths as per the Nation Brand hexagon pillars; support the investment drive; and address the prevailing negative perceptions amongst South Africans. The domestic campaigns focused on the distinctive strengths and achievements of the Nation Brand. Domestically, a critical job was to increase Nation Brand advocacy, active citizenship and to promote South Africa as a preferred destination. The aim was to also build pride amongst citizens to showcase strong reasons to believe in support of an authentic Nation Brand identity. The targeted number of campaigns was exceeded by delivering one additional campaign, which yielded superb results by generating increased reach and engagement.

KEY ACHIEVEMENTS

"THIS IS WHO WE ARE" CAMPAIGN ON DIGITAL, PRINT AND RADIO PLATFORMS.

The "This is Who We Are" campaign aimed to ensure that citizens are reminded of who we are as South Africans and reconcile by returning to who we are at the core. The campaign focused on the following themes: sacrifice, respect, creativity, gender-based violence, as well as leveraging Reconciliation Day and believing in South Africa. The campaign was implemented in the form of digital banners, audiovisual ad, radio advert and print.

The campaign was promoted on Brand South Africa's social media platforms (Facebook, Instagram, Twitter and LinkedIn), print and radio platforms during the 2022/3 fiscal and achieved 21 027 735 impressions, achieving an audience reach in excess of 8 893 668.

The organisation will continue fighting the campaign on strategic Above The Line platforms throughout the 2023/24 financial year to continue strengthening Nation Brand associations and evoking the interests in the minds of local citizens, potential investors, and tourists by showcasing the Nation Brand's strength to South Africans so it can evoke emotions of pride and enhancing Nation Brand awareness as well as its reputation.



LOERIES AWARDS

Brand South Africa leveraged on the Loeries Awards through a campaign to influence a broad community of creatives in order for them to carry Nation Brand messaging in their creative.

Brand South Africa had the privilege of presenting the Loeries Young Creative Award, won by Raphael Janan Kuppasamy. This award recognised talented young minds in the industry on a trajectory of sustained creative excellence. As a partner, Brand South Africa hosted the judges' wrap on the 5 October 2022 at the Desmond & Leah Tutu foundation that was attended by more than 150 people locally and from abroad.

The finale was attended by over 1000 people. Over 7000 impressions were made, reaching over 15 000 people on social media platforms.

CAMPAIGNS THAT ILLUSTRATE THE ATTRACTIVENESS OF THE NATION BRAND TO INTERNATIONAL AUDIENCES

Countries compete for the same investment, tourism and trade share of wallet from investors, and as the official marketing agency, Brand South Africa leverages the country's key features and advantages in order to strengthen the nation brand. As part of the key initiatives that are aimed at building the Nation Brand internationally, Brand South Africa has previously produced and flighted Audiovisuals / positioning advertisements on television and digital platforms (and at strategic events), as well as print advertisement (though to a limited extent in the recent past). Each time, the communication has sought to showcase South Africa's achievements, world-class capabilities and unique offering – thus reinforcing how we, as a country, inspire new ways in everything that we do. The most recent strategy and campaign before the 2022/23 fiscal was the 'Believe in SA' campaign, which ran from September 2021 to March 2022 and produced favourable results.

An in-depth understanding of South Africa's Nation Brand insights from an international perspective provided a robust foundation that underpinned all strategic communications – which, coupled with the identification of real/proven assets residing within key stakeholders' industry sectors, will facilitate credible and strategically sound communications. In this regard, Brand SA is in possession of extensive qualitative and quantitative research (in the form of indices, internal analyses, commissioned studies etc.) that highlights key findings relating to the current standing of the Nation Brand. Furthermore, Brand SA has recently partnered with the international nation brand insights agency, Bloom Consulting, in order to access rich insights into the standing of South Africa's Nation Brand across the world.

South Africa is an attractive investment destination with an established list of blue-chip investors who have been in South Africa for as long as 100 years and a pipeline of investments of over R1 trillion from the recent South African Investment Conference for investors who "believe in South Africa". The targeted number of campaigns was exceeded by delivering one additional campaign, which yielded superb results by generating increased reach and engagement. Key highlights include:





Brand South Africa's '#GrowWithSouthAfrica' campaign leveraged on significant investments from global players which reaffirm their confidence in our country. The strategic aim of the campaign is to leverage the 'endorsement' of these blue-chip investors to demonstrate South Africa's proven pedigree as an attractive and sustainable investment destination for investors who are seeking growth opportunities in Africa.

The international campaign launched in June 2022 and with the new material flying throughout the fiscal on digital media platforms. The campaign targeted business and investor audiences in all the major markets internationally. The content and messaging in the creative was rotated to focus on each of the key economic sectors so as to achieve all-round exposure and appeal to a wide range of prospective investors. The international campaign achieved an audience reach in excess of 62 065 682 on Facebook, Twitter and LinkedIn.

EXPORTING SOUTH AFRICA TO SOUTH KOREA CAMPAIGN

The Nation Brand is at the centre of the African creative industry. In enhancing and diversifying how the Nation Brand is projected in the Asian markets, Brand South Africa focused on Creative Exports as a strategic hub that is charged with the aim of bringing the South African creative industry together and collaborating to export South Africa to the world. The strategy was to leverage influential springboards within South Korean bloggers and influencers for the best amplification, in order to generate awareness of the Nation Brand proposition. To this

end, a website and a social media Instagram account, called FashionZar was created to create awareness on South Africa's culture, innovation, and heritage through fashion.

FashionZar is where local South African innovation becomes bold global influence. With Creativity at its core, Black Coffee, David Tlale and Maxhosa were chosen to use Fashion as vehicle to export the South African brand to Asia, namely South Korea. The campaign was promoted on social media and YouTube. It reached 470 050 people and 76 776 engaged with the content. Website engagement created awareness about South African fashion and South Africa as a nation brand. 66% of users that visited the website were South Korean with traffic coming organically from social media. We also see a spill over into other Asian countries, namely Japan, China, and Taiwan.

PLAY YOUR PART ADVOCACY

PYP advocacy was created from the strategic direction decided by the executive authority that the organisation should focus more of its mandate positioning the brand on international platforms to international audiences. Some of the activities meant for domestic platforms and domestic audiences were rechannelled and refocused on international audiences. PYP's refocus needed to be more on Nation Brand advocacy work by talking to and addressing reputational dimensions from the Future Brand Index, Bloom Consultancy, Nation Brand Index, Best Countries Index, amongst others to include messaging around being open for business, active citizenship, quality of life, culture, heritage, entrepreneurship, power etc.



Through the Play Your Part Advocacy platform, Brand South Africa targeted international audiences/communities, especially international communities investing in South Africa such as Asia, America, UAE and Europe: because of their leadership role as well as some investments made into South Africa from those regions.

Brand South Africa also supported the Presidential State Visits and as part of an integrated programme of the strategic platforms, and targeted the State Visit markets to create awareness on the country profile and to enhance the awareness of the Nation Brand, image and reputation through the placement on Digital Media in pre, during and post State visits.

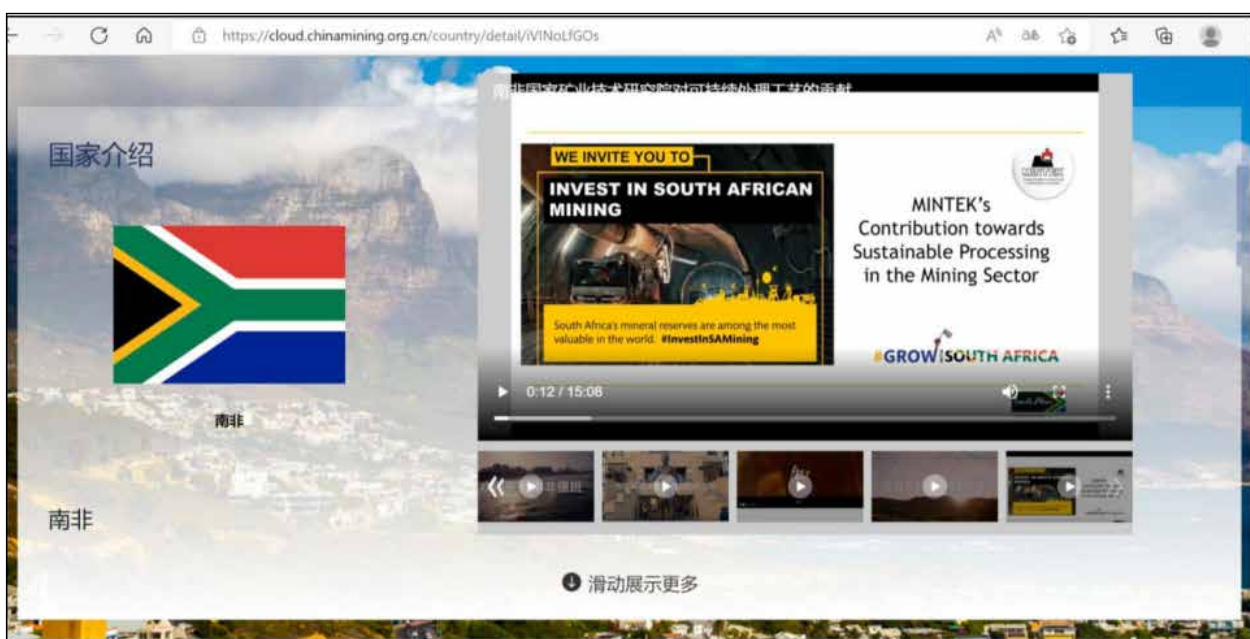
The Advocacy AV focusing on South African exports was flighted in key markets, such as Japan, India, Malaysia, Uganda, Egypt, Nigeria, as well as Saudi Arabia, United Arab Emirates and United Kingdom. The total reach achieved was 2,8 million impressions across digital platforms.



OUTPUT: INTEGRATED REPUTATION & COMMUNICATION ACTIVITIES IMPLEMENTED FOR STRATEGIC PLATFORMS DOMESTICALLY.

Strategic platforms are independent global events that are leveraged by Brand South Africa to position the country as attractive destination for investment and trade. A number of strategic platforms were postponed and Brand South Africa was able to adjust its execution model for activities that were postponed to ensure that the annual target was met.

KEY ACHIEVEMENTS



MINING INDABA

Brand South Africa collaborated with the Department of Mineral Resources and Energy, the Department of Trade, Industry and Competition and its partners in the execution of the Team South Africa Investing in Africa Mining Indaba Conference. The organisation's main objectives were to execute an integrated marketing and communications strategy for the engagement as well as to elevate the efforts of South Africa's mining industry to position it as a destination of choice for international investments.

Brand South Africa took a prominent and strategic role in the formulation of key messaging for the engagement as well as the development of creative assets that would be disseminated ahead of the conference. All Team South Africa activities were flighted on the organisation's Twitter platform of 158 000 followers.

JOBURG INTERNATIONAL FILM FESTIVAL

Brand South Africa partnered with the Joburg International Film Festival as a means to promote South Africa not only as a preferred filming destination, but also as the home to diverse and vibrant cultures and stories. The partnership helped shine a light on South Africa and the continent's rich cultural heritage through compelling storytelling.

The partnership with the Joburg Film Festival launched at the end of January 2023 to show unwavering support for and raise the profile of the country's strengths in the industry to local and international audiences. The festival seeks to grow cultural tourism not only for the city of Joburg and the Gauteng province, but for the country as a whole.

OUTPUT: INTEGRATED REPUTATION & COMMUNICATION ACTIVITIES IMPLEMENTED FOR STRATEGIC PLATFORMS INTERNATIONALLY.

The targeted number of integrated reputation and communication activities for strategic platforms internationally was exceeded by delivering 5 additional activities, which yielded superb results by generating increased reach and engagement.

KEY ACHIEVEMENTS



WORLD ECONOMIC FORUM ANNUAL MEETING IN DAVOS 2023

Brand South Africa participated at the 2023 WEF Davos meeting that brought together over 4,000 leaders and experts from around the world. The organisation implemented a stakeholder and communications programme at WEF Davos 2023 to position the Nation Brand.

The objective of 2023 Annual Meeting (according to WEF) was aimed at finding ways to reinstitute a collective sense of agency and to turn defensive measures into proactive, vision-driven policies and business strategies.

Brand South Africa coordinated the Team South Africa programme for WEF Davos 2023. Participation from both Government and Business was led by Minister Enoch Godongwana (the Minister of Finance), who was accompanied by Minister Mmamoloko Kubayi, (the Minister of Human Settlements), Minister Naledi Pandor (the



Minister of International Relations and Cooperation), Minister Ebrahim Patel (The Minister of Trade, Industry and Competition) and over 40 private sector and civil society participants.

The Team SA programme was structured as follows:

- **Team SA messaging:** Brand South Africa worked with National Treasury to develop the country messaging for WEF Davos 2023. The messaging was shared with business and used by the Ministers and business stakeholder at WEF Davos.
- **Team SA Breakfast:** The organization also arranged a Team SA Briefing Breakfast on 12 January 2023. The Breakfast allowed the Ministers to engage the business delegation on the key messages and the Government's objectives for participating in the January 2023 Annual Meeting. The Breakfast was well attended by Team SA, with over 90% of the registered participants attending the session.
- **SA HUB:** Brand South Africa secured a venue for the week on the main street of Davos, which is a short walking distance from the main conference venue in Davos. Securing the TEAM SA Hub was in partnership with Old Mutual, Naspers, Anglo American and Multichoice with the purpose of amplifying brand visibility, facilitate interviews; and was also used for B2B meetings by the Ministers and other business stakeholders.
- **South Africa Night:** Informed by the South Africa Global Reputation Study, which highlighted heritage and culture as a positive driver of the country's reputation, Brand South Africa partnered with Multichoice and WEF to host a South Africa Night as part of the main WEF programme. The event took a form of South African cultural showcase that which was used as a platform to create an authentic South African experience at WEF Davos. South Africa Night was attended by over 1000 WEF delegates and attracted Professor Klaus Schwab to deliver an impromptu address at the event.
- **Communications Programme:** Brand South Africa developed and implemented an extensive communication and digital programme in support of the World Economic Forum (WEF) Annual Meeting in Davos, Switzerland. This programme included domestic and international media partnerships with NewzRoom Afrika, The Nielsen Network/ BizNews and Independent Media, accessing an international, domestic and regional audience. In total, Brand South Africa facilitated 27 media interviews for members of the Team South Africa delegation. Coverage for WEF generated over 40 published pieces in various languages (French/German) and regions including India, France, Germany, US, UK and the continent.

GRAND PAVOIS LA ROCHELLE INTERNATIONAL BOAT SHOW

This fiscal marked 50 years of the Grand Pavois that has evolved and progressed from a regional event to the major boat show that we know today. Over 80 000 visitors of which more than 5 000 people were international visitors attended the exhibition and festivities, in addition to the exhibition by team South Africa which consisted of Brand South Africa, SA Tourism, South African Boat Builders Export Council (SABBEX) and the South African Embassy in Paris.

South Africa also hosted a networking reception where the country was announced as the guest country of honour for the upcoming 2023 instalment of the boat show. Brand South Africa issued a media statement to invite media to attend the reception, and over 20 media houses attended, with two publications publishing the press statement and the announcement i.e., Par Figaronautisme.com and 24presse.com.

UNITED NATION GENERAL ASSEMBLY MEETING

Brand South Africa collaborated with Thatcher and Co. and the South African Mission to the United Nations to provide support by leveraging the presence of the South African delegation to build and manage the reputation of the Nation Brand in the USA and lead on coordinating media engagements on the ground during the 77th UN General Assembly. Brand South Africa



covered the activities involving the leader of the SA delegation Minister Naledi Pandor, Department of International Relations and Cooperation, especially the South Africa statement to the UN General Assembly debate, South Africa hosting the BRICS Ministerial meeting on the side lines of UNGA.

Furthermore, the Minister of Health delegation and the social policy advisor to President Ramaphosa Dr Olive Shisana participation at the FP Health Event also generated significant coverage. This was followed up by a sit-down with Yahoo Finance TV and online publication interview with Minister Joe Phaahla, Department of Health, in addition to SABC conducting interviews with Dr Stavros Nicolaou, Brand South Africa Trustee and Minister Pandor.

UK STATE VISIT

The UK Royal Communications under Buckingham Palace issued a Press Statement during October 2022 announcing the planned State Visit by the President of the Republic of South Africa. The communication indicated that the President of the Republic of South Africa, President Cyril Ramaphosa, had accepted an invitation from His Majesty The King to pay a State Visit to the United Kingdom from Tuesday, 22 November, to Thursday, 24 November 2022. Furthermore, The King and The Queen Consort would host the State Visit at Buckingham Palace.

President Ramaphosa was the first Head of State to be hosted for a State Visit by His Majesty King Charles III. Royal State Visits are in the furtherance of bilateral relations and act as a symbol of respect. The President was accompanied by Minister of Trade, Industry and Competition Mr Ebrahim Patel, Minister of International Relations and Cooperation Dr Naledi Pandor, Minister of Higher Education, Science, and Innovation Dr Blade Nzimande and Minister of Health Dr Joe Phaahla.

There were different business engagements and roundtables for UK Business Community and South African Businesses. Brand South Africa as the custodian of the South Africa Nation Brand provided support to Team South Africa during the UK official visit by the President of the Republic of South Africa.

JOBURG FILM FESTIVAL

Brand South Africa partnered with the Joburg Film Festival (JFF) as a means to promote South Africa not only as a preferred filming destination, but also as the home to diverse and vibrant cultures and stories. The partnership helped shine a light on South Africa and the continent's rich cultural heritage through compelling storytelling.

The organisation joined the Joburg Film Festival and MultiChoice for the exhibition week that provided a platform for panel



discussions around elevating the creative arts industry, not only in the country but also on the continent. Brand South Africa also joined the Awards ceremony that honoured local and international film talent. The festival showcased films from over 35 countries across the globe, including 20 African premieres and 27 South African premieres

On Brand South Africa's social media, a competition for tickets to the JFF Opening Night and the Awards Ceremony respectively was launched as a means to increase engagement and reiterate the organisation's commitment to elevating the film and television Industry. In total, 53 entries were collected.

The campaign reached 21 233 impressions, an engagement level of 20 665 and a reach of 542. In addition to coverage on Brand South Africa's platforms, the partnership also gained media traction on websites like Soweto Urban.

OUTPUT: NATION BRAND PERFORMANCE MONITORING

Brand South Africa delivered several analysis notes to inform organisational, communication, and marketing interventions for implementation in response to domestic and international dynamics. The opportunity to share unique Brand South Africa research and analysis insights was ceased, and the insights were shared on several platforms.

KEY HIGHLIGHTS

As part of Global Reputation-Based research, Brand South Africa also monitored a range of global indicators that assess South Africa's standing in comparison to other nations. These indicators encompassed the Global Soft Power Index, the Good Country Index, the Gender Gap Index, the Nation Brand Index, and various others. By tracking these indicators, we gained valuable insights into South Africa's progress and reputation on the global stage, allowing us to assess the country's strengths, areas for improvement, and its overall standing in relation to other nations.

Post COVID-19, there has been a global recovery in outward country contributions and economic performance. According to Brand Finance's 2022 Nation Brands Report, the global dollar value increased to 97.2 trillion, just below its peak of 98 billion. This growth has led to a resurgence in the influence of major country brands, with the United States, United Kingdom, and China enhancing their country brand reputations. Similarly, South Africa, India, and Brazil have experienced an increase in their brand value and soft power.

Although South Africa experienced a partial drop in the Good Country Index, its scores in areas such as science and technology, culture, and prosperity improved. The slight decline in ranking can be attributed to the inclusion of additional countries in the index. On the African continent, South Africa maintained its position as the most influential and prosperous nation when considering combined indicators. Its brand value increased by over 20%, while its soft power grew by 8%. Despite domestic challenges like loadshedding and floods in KwaZulu-Natal, the country's continued economic strength, diplomatic influence, and cultural impact have helped offset these obstacles.

In terms of gender parity, South Africa remained consistent in the 2022 Gender Gap report, achieving a score of 0.782, slightly higher than the 0.781 score in the previous year's report. This score did not result in a change in ranking, as the country held the 20th position. However, there were notable improvements in specific sub-indexes. South Africa's rank in political empowerment increased from 14th in 2021 to 12th in 2022, showcasing progress in this area. Additionally, the country achieved parity in educational attainment and opportunities, scoring 0.998 (41st) compared to its 2021 rank of 69 (0.994). This signifies a significant success in terms of gender equality in education.

OUTPUT: SOUTH AFRICAN GLOBAL REPUTATION STUDY CONDUCTED

In fulfilling its mandate, Brand South Africa places great importance on comprehending the reputation, competitiveness, and perceptions of South Africa in significant international markets. To accomplish this, the organization relies on insights derived from its Global Reputation Study Research, as well as continuous monitoring of the nation's brand performance

across various indicators related to competitiveness, reputation, and governance. These endeavours enable Brand South Africa to stay informed and proactive in its efforts to effectively manage and enhance the nation's image on the global stage.

In 2022/23, The Global Reputation Study, undertaken with Bloom Consulting, measured participants' perceptions on 6 key indicators: investments, exports, work, talent/studying, tourism and prominence. Around 10 000 participants from travellers to investors in 13 countries took part in the survey and rated their perception of South Africa. The study measured the Nation Brand's competitiveness and appeal in the United Kingdom, United States, Germany, France, China, Japan, India, Switzerland, United Arab Emirates and Saudi Arabia. This was measured against 9 competitors, one emerging and one developed from each continent. These included Nigeria, Egypt, Vietnam, Thailand, United Arab Emirates, Turkey, Chile, Brazil, and the UK. This is achieved through looking at the following strategic dimensions: Tourism, Talent, Prominence, Exports, and Investment.

Highlights included:

- Throughout 2021, there was a notable improvement in the perception of South Africa. A significant portion of respondents, approximately 45%, expressed that their perception of the country had improved. In contrast, only an average of 3% of respondents reported that their perception had worsened. This positive shift in perception reflects a growing recognition of the nation's progress and positive developments, contributing to a more favourable image of South Africa among respondents.
- Among non-familiar respondents, South Africa received exceptionally high scores in several areas. The country's sporting prowess garnered a score ranging from 3.58 - 5, indicating a strong reputation in the field of sports. Additionally, perceptions surrounding the country's culture, people, and history received a rating of 3.52, reflecting positive recognition of its rich cultural heritage. Similarly, the category of space, place, and nature also earned a rating of 3.52, highlighting the appeal of South Africa's natural landscapes and geographical features. It is noteworthy that according to Bloom Consulting's methodology, a score above 3.5 is considered optimal, particularly among non-familiar respondents. Therefore, South Africa's high ratings in these areas signify a positive perception and favourable image of the country among individuals who may not be well-acquainted with it.
- On the other hand, certain areas of concern were identified in the research. Crime and unsafety received lower scores ranging from 2.5 - 5, indicating that these issues have influenced the perceptions of the surveyed individuals. This includes concerns regarding corruption, poor service delivery, and crime, which are significant factors that can hinder the reputation of a brand. Notably, 7% of the individuals surveyed identified unsafety as a top-of-mind

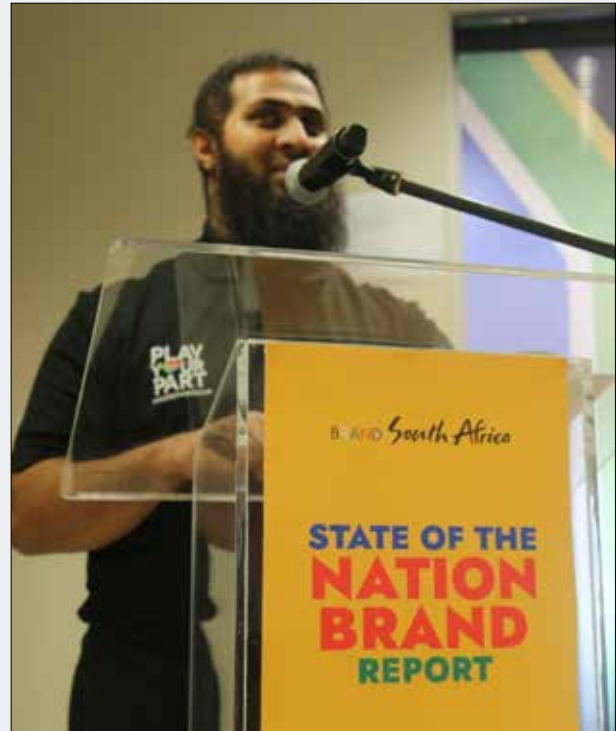
consideration when envisioning South Africa. Furthermore, these concerns were also mentioned in relation to investment, export, and talent enablers, suggesting that they can have an impact on various aspects of the country's development and interactions with the global community.

- The participation of Brand South Africa at the Dubai Expo has had a positive impact on the country's reputation during the surveyed period. The data indicates that 31% of individuals experienced an improvement in their perceptions of South Africa, while only 9% reported a worsening of their perceptions. This suggests that the presence and activities of Brand South Africa at the Dubai Expo have effectively contributed to enhancing the country's reputation and creating a positive impression among a significant portion of the surveyed population.
- International audiences rate the country among the Top 5 places to visit, invest or do business, and relocate.
- South African trade is perceived to be strong, comparable to that of the United Arab Emirates, Turkey, Thailand, and Brazil. Furthermore, investors and businesspeople who are familiar with the country rate their experience with South Africa as outstanding. In fact, South Africa has risen to the top ranks, alongside the United Kingdom and the United Arab Emirates, as one of the top three countries in terms of positive experiences for investors and businesspeople. This indicates a high level of satisfaction and confidence in conducting business in South Africa among those who have firsthand knowledge of the country.
- International talents highly appreciate their experience in South Africa. Moreover, the country ranks as the second preferred destination for workers, alongside the United Arab Emirates, and surpassing Thailand and Brazil. Students also rate their experience with the country on par with Turkey and the United Arab Emirates, both of which are well-established brands with a long history of attracting talent. This demonstrates that South Africa is successfully positioning itself as an attractive and welcoming destination for both professionals and students from around the world.

OUTPUT: RESEARCH REFERENCE GROUPS CONDUCTED

Brand South Africa hosts Research Reference Groups, on a quarterly basis, which are designed to unpack and gather input from speakers on how they articulate the South African environment in line with the latest data and trends from Brand South Africa's research. The target to host four Research Reference Groups for the year was reached with the following activity as a highlight:

CRITICAL THINKING FORUM: STATE OF THE NATION BRAND REPORT LAUNCH

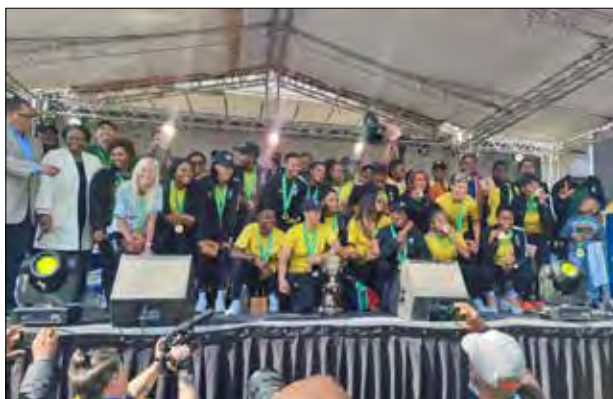


At the heart of Brand South Africa's mandate to manage the South African brand is the notion that the institute needs to be in tune with South Africa's standing domestically and globally. In March 2023, Brand South Africa launched the initial State of the Nation Report which was the culmination of the agency's domestic and global research. Primarily, the State of the Nation Brand Report is derived from Brand South Africa's Domestic Perceptions Research which is largely based on 3 pillars, namely active citizenship, social cohesion and active citizenship.

The State of The Nation report comes within the context of increasing disillusionment with the work of government. As such it seeks to curate an accurate picture of South Africa and hope to spur on the development of new ideas. Further, the launch also forms part of the research unit's thrust to promote partnerships both intra-governmentally and inter-governmentally. Overall, the publication further seeks to promote cooperation and alignment, especially in relation to brand representation and messaging.

This report reflects on the highlights of South Africa's journey towards its nation brand development. The most recent assessment confirms two things. One, South Africans are not passive recipients of changing and challenging circumstances.

It is a dynamic and responsive, yet diverse nation that acts and reacts to the influencers that shape the nation. Two, the impact of COVID-19 and its consequences resulted in many challenges such as higher unemployment, fragmented political discourse and frequent reports of the failing of struggling provision of services, most notably electricity.



The evidence in this book shows that despite these challenges, South Africa did not give up. In fact, the opposite happened.

REPUTATION MANAGEMENT PROGRAMME

Reputation management is crucial in influencing stakeholder perceptions and conversations about the Nation Brand, as it entails monitoring the narrative to proactively seize and identify communication opportunities to boost its reputation. The key organisational objective is to increase the country's attractiveness through the implementation of targeted strategic and intentional communications interventions domestically and internationally. This includes monitoring and analysing media coverage, influencing, and responding to issues in the environment that have a negative impact, while proactively using media and PR tactics to ensure a positive share of voice. As such, below is an account of some of the highlights from the reputation management interventions undertaken for the fiscal.

OUTPUT: COMMUNICATION PIECES

Proactive and reactive communication is designed to portray

a positive narrative about the country, which promotes and positions the country favorably as an investment destination to international audiences whilst inspiring pride domestically.

A total of 60 communication pieces were published, posted, and broadcast over the fiscal on multimedia platforms, print, online and broadcast, meeting the annual target. These include thought leadership pieces that position the organisation as a thought leader in matters of Nation Branding, and opinion editorials that address issues in the environment that potentially impact the country's reputation. These are developed and published on reputable platforms externally to maintain a captive audience. Key highlights include:

BANYANA BANYANA'S VICTORY AT THE WOMEN'S AFRICA CUP OF NATIONS (WAFCON) 2022

Banyana Banyana's victory at WAFCON 2022 presented an opportunity to profile and showcase the country's prowess in sport. Brand South Africa disseminated a press release titled 'Banyana Banyana win - an exceptional performance gives the nation yet another boost towards increased social cohesion', which was shared with various media houses and published on Brand South Africa's website.

The organisation also provided extensive digital coverage at the homecoming engagement that took place at OR Tambo International Airport in partnership with the South African Football Association (SAFA) and the Department of Sports, Arts and Culture.

NATION BRAND BUILDING CONTENT ON ITS CHINESE PLATFORMS

Brand South Africa continued to develop and publish Nation Brand building content on its Chinese platforms during the period under review. Aligned to the identified topics and focus pillars from the international Nation Brand marketing campaign, the content that was developed for the China market on Brand SA's WeChat platform included articles published in Mandarin. Content on WeChat, highlighted:

- Opportunities within South Africa's mining and metals industry;
- South Africa as the continent's service economy hub; and
- South Africa as an easy access point for the global apparel market.

In order to leverage off the success of the 2022 SA Investment Conference, Brand South Africa also developed, translated



into Mandarin, and issued a press release titled "Reform, reopening and Africa's integration mark SAIC 2022". The article was subsequently carried on at least 12 digital media platforms in China, with a combined potential reach of 387,3 million page views.

OUTPUT: THOUGHT LEADERSHIP PIECES

As part of efforts to position the organisation as a thought leader in matters of Nation Branding, opinion editorials that address issues in the environment that potentially impact the country's reputation are developed and published on reputable platforms externally to maintain a captivate audience.

A target of eight thought leadership pieces was achieved with content that positioned the country positively on topics such as Security, Stability and Supply at Mining Indaba, South Africa's participation at WEF, Public-Private Partnership Investment and promotion of the country's investment drive.

Thought Leadership pieces published:

- WEF meeting key to attracting investment" by Mmamoloko Kubayi-Ngubeni, Minister of Human Settlements - Business Day, 24 May 2022
- "South Africa is well placed to attract more investment" by Sithembile Ntombela, Brand South Africa CEO (Acting) -IOL, 3 June 2022
- 'South Africa remains resilient and will continue to rise' by Thandi Tobias in News24
- 'Amid chaos, there is always opportunity for dialogue' by Thandi Tobias in IOL
- 'Public-Private partnerships key for investment in SA' by Brand South Africa General Manager: Communications, Thoko Modise, 5 October 2022 on TheAfrican.co.za
- 'The Year in Review: South Africa's most notable moments in 2022 by Brand South Africa, 2 December 2022 on Daily Maverick
- 'South Africa's participation at WEF Davos, with a one written by a partner foreign correspondent from India on

how the Global South can lead in Davos

- "Stability, security, and Supply at Mining Indaba", which was published on the Daily Maverick.

OUTPUT: CONTENT PIECES EMANATING FROM MEDIA ENGAGEMENTS PUBLISHED

To cultivate media relations and shape a favorable narrative for the country's work, efforts are made to engage with the media. Brand South Africa regularly engages with media to identify ideal opportunities to communicate on issues affecting the Nation Brand. The engagements promote visibility for factual coverage that tells a positive narrative with regards to the image and reputation of the Nation Brand.

NATION BRAND FORUM MEDIA PROGRAMME

An integrated PR and media programme was executed to create and maintain awareness of the organisation's flagship programme, the Nation Brand Forum. A combination of earned and paid media opportunities were facilitated and implemented for Brand SA spokespeople including Board Trustees, the Acting CEO, managers and stakeholders across sectors.

For the first time Brand South Africa hosted regional and domestic media on the sidelines of the Nation Brand Forum. Media representatives included KTN News, Talk Africa, Business 24, Ghana Broadcasting Corporation, Vuma FM and The Herald. This included a media tour to some key heritage and tourist sites in Gauteng including the Mandela House, Vilakazi Street, Soweto Towers, the Hector Pietersen Memorial, Constitutional Court, Maboneng, and FNB Stadium.

A partnership with Newzroom Afrika was secured for the three-day forum, which allowed for increased visibility with real time live crossings. Newzroom Afrika is a premier Pan-African 24-hour TV news channel with continental footprint has a daily reach of 1,381,564 viewership.

Another partnership was secured with BizNews, a business news focused site, dedicated to the South African world perspective.



The Forum was livestreamed on YouTube and a highlights package was also developed and posted on BizNews.

Building up to the Forum, Brand South Africa hosted a media launch at the Gordon Institute of Business Science (GIBS), in efforts to drive awareness and garner support from the media. The launch yielded the following media coverage:

- Live television interview by Sithembile Ntombela (Acting CEO) on Newzroom Afrika on 22 September 2022;
- Online interview by Sithembile Ntombela (Acting CEO) on CNBC Africa on 22 September; and
- Online news article was published: "Brand SA says speed of implementation is of the essence" on IOL on 23 September 2022.

OUTPUT: NATION BRAND MESSAGING ON BRAND SOUTH AFRICA'S DIGITAL PLATFORMS

Brand South Africa proactively and reactively developed and disseminated content across its digital platforms that positively positioned South Africa for both international and domestic audiences.

During the year under review, a total of 121 content pieces were developed and published on Brand South Africa's website and the total number of visitors to the website was 1,055,215 and page impressions were 2,114,219. Social media generated 95,994,428 impressions, 235 296 engagements and 5308 comments.

The digital programme focused on promoting positive stories about South Africa, responding to issues in the environment, and driving awareness on PYP.

Among the strategic platforms supported through digital communications were WEF Davos, the South Africa Investment Conference and Mining Indaba.

YOUTH DAY - BROADCAST AND DIGITAL CAMPAIGN

In the face of the socio-economic challenges faced by young people today, Brand South Africa leveraged youth month to deliver messaging that encourages young citizens to contribute to positive change in society, as well as celebrate those who are already involved in making a positive change in their communities.

The campaign was executed through a partnership with the radio station, YFM, whose primary target is youth between the ages of 18 - 35 years in Gauteng. Campaign elements included: live reads, recorded generics and digital amplification across the station's digital and social media platforms over a 2-week period and reached 527 000 listeners. The advertisements were heard at least 6 times by listeners in this target market.

MISS SOUTH AFRICA DIGITAL ACTIVATION

Brand South Africa relaunched its on-going partnership with the Miss South Africa pageant. The Digital unit provided live coverage of the finale, as well as the Meet & Greet with the Deputy Minister in the Presidency, followed by the official on boarding brunch of the new PYP ambassadors. A series of video interviews were conducted and published on Brand South Africa's platforms to support both organisations' objectives in seeking to celebrate and inspire national pride while making a meaningful impact in our very complex society.

To increase engagement, Brand South Africa hosted a ticket giveaway on its digital platforms, giving two followers the opportunity to attend the Miss South Africa pageant with their partners. In total, 443 entries were received.

INVESTING IN AFRICAN MINING INDABA 2022

Brand South Africa led with the digital strategy and implementation, including distribution to the broader Team SA working group for pre-promotion, during and post Mining Indaba coverage. The digital and communications programme covered key events and lead interviews with stakeholders and messengers. Brand South Africa provided onsite coverage, creative design, and content development.

The share of voice of Team SA's participation at the Indaba under the hashtags #BelieveInSA and #InvestInSAMining generated 299 mentions, a reach of 2,5 million, 21 million impressions and 102 unique authors.

DIGITAL PROFILING OF THE PLAY YOUR PART PROGRAMME

Digital content developed for PYP was in the form of press releases, social media banners and posts. Messaging covered Play Your Part initiatives like the Ignite Masterclasses that took place in the North West and KwaZulu-Natal respectively, Safer Internet Day that is commemorated annually in approximately 140 countries on the second Tuesday of February, to promote safer and more responsible use of online technology by the youth. Other Play Your Part content included the Play Your Part awards and on-going coverage of ambassador projects such as the Join Us for TEA Kasi Business Workshops and Miss South Africa's participation in the Miss Universe pageant.

Brand South Africa also continued the rollout of its Cool to Be Kind initiative which promotes active citizenship and showcases acts of kindness/acts of giving/selflessness. Content curated by social media influencers focused on a Back-to-School drive, and offering support to Small Business, with the hope to inspire other citizens to do the same. The initiative garnered a reach of 302 868, 322 181 impressions and 4617 engagements.



OUTCOME: INCREASED NATION BRAND ADVOCACY AND ACTIVE CITIZENSHIP

OUTPUT: ACTIVITIES THAT PROMOTE ACTIVE CITIZENRY THROUGH THE PLAY YOUR PART PROGRAMME

As PYP is a nationwide movement created to inspire, and celebrate active citizenship in South Africa, various activities implemented under this programme were designed to uplift the spirit of the nation by inspiring citizens to actively and positively contribute toward meaningful change..

The targeted number of activities for this output was exceeded by delivering 5 additional activities that promote active citizenry through the Play Your Part programme.

PLAY YOUR PART ACADEMY:

While South Africa is confronted by a myriad of issues like the high levels of unemployment, crime and poverty, Mzansi has once again proven to be a country that continues to rise above those difficult circumstances time and time again.

A resilient country full of hope. An ally to this resilience was Brand South Africa's initiative, the Play Your Part (PYP) Academy launched in January 2022 which offered local existing and aspiring entrepreneurs the crucial knowledge to help start a business or boost their current businesses.

This free online academy was in partnership with The Startup Tribe and together, these two entities designed an online learning platform that provided free practical courses that were mobile device compatible and used minimal data to assist existing and aspiring entrepreneurs.



No stranger to social consciences, The PYP initiative has for many years committed its efforts to championing active citizenship in Mzansi, making Play Your Part Academy a necessary extension to this pursuit of rebuilding Mzansi and taking the country's honour back to its people.

According to serial entrepreneur York Zucchi, who is also a Play Your Part Ambassador for several years now and is the co-founder of the PYP academy. The PYP Academy was inspired by the resilience portrayed by South Africans who, with little to no access to necessary and basic resources, continued to dream big and to strive for more than what reality outlines.

The Play Your Part Academy was another way of aiding these efforts to produce abounding results.

To date, Play Your Part Academy has registered almost 1000 small businesses in South Africa, and has been awarded The Certificate of SME Support Excellence, in recognition of their hard work, dedication and commitment to supporting the growth of small and medium sized enterprises in South Africa by World Cities.

PLAY YOUR PART IGNITE

Play Your Part had recently celebrated 10 years of active citizenship and social cohesion in the country and given the status of the economy on the high youth unemployment rates combined with the challenges experienced by the youth post the COVID-19 pandemic – entrepreneurship was determined as one of the NDP pillars which could assist the country's economy as entrepreneurs provide incredible value and growth to the country's economy. Entrepreneurs provoke progress and innovation - and they provide employment.

Small businesses have continued to play a vital role in sustaining the South African economy, aspiring entrepreneurs require assistance with being equipped with the skills to help nurture their future business ideas and opportunities. The World Bank estimates that SMEs account for 90% of all businesses worldwide and 50% of employment. Indeed, small businesses are essential to the future and well-being of the country. Up and coming small business owners need to be given the tools that will equip them with the drive and determination to succeed in an ever-changing landscape. The power of an entrepreneur is the power to create one's own wealth in an economy where job opportunities are not always easily available.

Play Your Part continued its commitment to nurturing the economic growth in the country through the programme and introduced the Play Your Part Ignite Masterclasses, which were designed to inspire budding entrepreneurs from across the country, by providing them with a mentorship class, led by industry professionals and the platform to pitch their business ideas to a panel of judges who could also become mentors to some of the entrepreneurs for 6 months post the pitching. Since its inception, the Play Your Part Ignite campaign aimed to ignite and fuel the entrepreneurial spirit within aspiring entrepreneurs and guide them with the instruments needed for their businesses and ideas to thrive. The intention of the Ignite programme was to empower young entrepreneurs to finetune their business ideas, as well as give them the skills to pitch their ideas effectively. The Play Your Part Ignite campaign was first launched in Gauteng and the second session took place in Polokwane, Limpopo, followed by North West and KZN.

Each Play Your Part Ignite campaign began with a business masterclass presented by a current Play Your Part Ambassador or industry leader which then led into the student brainstorming and pitching session. The business pitching sessions allowed for the students to contextualise the information picked up in the masterclass who presented their unique business ideas. All sessions were hosted successfully with a total reach of just over 500 students who participated in the PYP Ignite Masterclasses. Social media and digital presence for the PYP Ignite Masterclasses achieved over 2 150 000 reach.

OUTPUT: PYP AMBASSADOR ENGAGEMENTS TO AMPLIFY NATIONAL PRIORITY PILLARS

Brand South Africa collaborates with the identified Ambassadors to ensure that the agreed engagements are implemented successfully. The targeted number of national priority pillars amplified through PYP ambassador activities were exceeded by delivering an additional 4 engagements. The following Play Your Part Ambassador activities took place during the period under review to amplify the national pillars. Key highlights include:

ENTREPRENEURSHIP PROMOTION ACTIVITY WITH MLAMULI MBAMBO

Brand South Africa through the Play Your Part programme collaborated with Mlamuli Mbambo (PYP Ambassador, Financial Literacy expert and Entrepreneur) and the National Council of and for Persons with Disabilities in South Africa (NCPD) in hosting the enterprise development programme that is dedicated to Entrepreneurs with disabilities

GENDER-BASED VIOLENCE AWARENESS ACTIVITY WITH TSAKANI MKHARI

Brand South Africa collaborated with Hope Givers Foundation founded by Play Your Part Ambassador Tsakani Mkhari, to host the 5th Raising Legends summit and Awards ceremony at the Royal Khalanga Lodge, Nwamitwa, Tzaneen. Men and boys gathered for an empowerment summit aimed at addressing day to day issues facing a boy child and males on Gender-Based Violence. The awards aimed at empowering young men; recognize legends to improve the negative societal habits and attitudes among men. The awards were attended by more than 120 people.

ENTREPRENEURSHIP PROMOTION ACTIVITY WITH DR BRETT LYNDALL

Dr Brett Lyndall was on the cover of Forbes Africa magazine for being selected as one of the top 30 under 30 candidates in Africa for being an upcoming industry leader in his field of work. Brand South Africa featured Dr Brett Lyndall on online platforms and authored an article on his selection for Forbes 30 under 30.

PROMOTION OF CONSTITUTIONAL AWARENESS

South Africa proudly boasts one of the most progressive Constitutions – a Constitution of which all citizens can be exceedingly proud. Brand South Africa is identified within the MTSF as a delivery partner of Priority 6 of the MTSF with the mandate to create awareness of the constitution. The main objective of the programme is to promote awareness of the constitution. The programme aims to highlight the fruits of Freedom and popularize the Constitution as well as to use the Constitution as a tool to encourage active citizenship amongst South Africans.

OUTPUT: CONSTITUTIONAL AWARENESS CAMPAIGNS AIMED AT PROMOTING CONSTITUTIONAL VALUES

For the year under review, Brand South Africa was able to achieve its target of implementing four Constitutional awareness campaigns aimed at promoting constitutional values. The campaigns centred around the following themes: value of respect; freedom of expression; gender-based violence; and the environment. The digital campaigns had a combined reach of 10 500 and 100 000 views.

OUTPUT: CONSTITUTIONAL AWARENESS ACTIVATIONS

KEY ACHIEVEMENTS

CONSTITUTIONAL EDUCATION ACTIVITY

Brand South Africa collaborated with Constitution Hill on the execution of a constitutional education activity which was held in Avon Village, in Lephalale, Limpopo. The objective of the activation was to create awareness and understanding of the provisions of the constitution amongst the youth in the community, encouraging affinity thereto and inspiring pride and patriotism.

Educational tools were used to encourage interaction on the different sections of the constitution in relation to everyday life. The rights young people have been able to enjoy, such as the right to education and freedom of expression, were some of the points of discussion as well as the significance of the youth's involvement in matters of national importance such as the creation of social cohesion and playing their part to create a South Africa they would like to see. The engagement took place on 22 July 2022.

EQUALITY FOCUSED ACTIVITY

In the month of September, Brand South Africa worked with the Nthabi Foundation for the promotion of equality in the form of a "Women Arise Seminar". This is an annual engagement that sought to facilitate the empowerment of women through the promotion of economic inclusion so as to establish equal access to opportunities that will enable women to showcase their entrepreneurial offerings and have equal opportunities to attain sustainable livelihoods to help them rise above the many social ills they face.

The engagement took place at the Soweto Theater and was attended by a mixture of female entrepreneurs, the Department of Social Development, the Women's Development Business, and other organisations that shared the prospects of success as well as relevant channels of information available to those requiring assisting to advance their efforts as small businesses. Brand South Africa leveraged the platform to advance awareness of the constitution's provisions as it pertains to the element of equality and extended the all-to-action elevating Play Your Part messaging.

DISABILITY FOCUSED ACTIVATION

Brand South Africa collaborated with the National Council for Persons with Disabilities (NCPD) and Europa Art, for the execution of a Casual Day campaign, in commemoration of Disability Awareness Month. The activation was held at the

Ekurhuleni School of the Deaf where learners were encouraged to participate in fun activities and were given treats in celebration of the milestones and achievements of persons with disabilities.

Brand South Africa advanced messaging of diversity and social cohesion; encouraging awareness of the constitution as an important tool for driving inclusion as it affords all citizens the same rights and opportunities.

OUTPUT: IMPLEMENTATION OF GLOBAL SOUTH AFRICANS ACTIVITIES IN KEY MARKETS

As outlined in Brand South Africa's Strategic Plan it is important for the organisation to encourage South African in the domestic market and those living abroad to become Nation Brand advocates. Through the conviction that South Africans based abroad are a priceless resource for the country as it strives to position itself as global player in an increasingly competitive world, Brand South Africa has developed the Global South Africans (GSA) programme.

For the year under review, a total of 18 GSA activities were implemented by the organisation. Some of the key activities are highlighted below:



GSA BRAND SOUTH AFRICA INDABA: INSIGHTS ON SOUTH AFRICA DEMOCRACY

On June 24th, Brand South Africa partnered with African Symposium to co-host a discussion led by South Africans about their experiences of democracy and politics in the country post-

apartheid. The night began with moderated panel discussion and was followed by an open question and answer session. There were also opportunities for networking and forming connections through a cocktail reception held prior to the panel and a dinner.

The panel featured a dynamic conversation between three panellists: Professor Morris Mthombeni, Dean of Gordon Institute of Business Science, University of Pretoria; Isaac Johnson, Global South Africa; and Lana Crowster, singer/songwriter & producer. The panel was moderated by Yolanda Sangweni, senior director at NPR. More than 100 professionals and experts attended the panel discussion and participated in a lively Q&A. Participants came from an array of Government agencies, corporations, the financial services sector, think tanks, multinational organisations, and media. The Brand South Africa Country Head gave opening and closing remarks before and after the dialogue.

AFRICA DAY CELEBRATION EVENT

The African diaspora has a critical role to play towards the development of the continent. The diaspora must position itself robustly to devise innovative ways of utilizing its resources toward improving livelihoods of households and national economies in the countries of origin and destination.

The Africa Day celebration hybrid event created, maintained, and increased awareness for the public at large on Brand South Africa and SAiD Institute theme of the year 2022 Africa Day "Passport To Africa", as well as showcases the cultural and ethnic traditions of African countries and the African diaspora, with a mission to enlighten, entertain and bring people together in peace, love, and unity. Our purpose for "Passport To Africa" is to connect people in ways that build understanding, dispel stereotypes, and generate pride among the generations who participate in our shared experiences. The event was held on Friday, May 27th, 2022, at 6:00pm at Rooftop Deck, Times Square 1460 Broadway New York, NY.

The lecture tied in perfectly with Brand South Africa's role in connecting the diaspora to the African continent. Brand South Africa's partnership with SAiD INSTITUTE provided a unique opportunity in becoming a catalyst for the promotion of South Africans in the Diaspora (as well as Africans as a whole), while gaining visibility and exposure to the thousands of guests who attended the event.

The lecture, with over 100 people in attendance, informed and engaged Africans in the diaspora and facilitated direct collaboration with social entrepreneurs, innovators, and business leaders to invest and improve the lives of everyone on the continent.





GLOBAL SOUTH AFRICANS ACTIVATION IN FRANCE

The Global South Africans activation which was delivered as part of Brand South Africa mission to promote the Nation brand in France took place on Heritage Day and was attended by over 300 South Africans based in different regions of France. The attendees were addressed by H.E Ambassador Seokolo, whilst proudly South African entertainment, wines and cuisine were served to celebrate South Africa's Heritage. Brand South Africa also delivered a presentation on the GSA programme and the web-based networking portal.

Brand South Africa received positive feedback about the event from attendees with some having travelled 2 hours to Paris especially for the activation.

USA GSA MANDELA INTERNATIONAL DAY CELEBRATION

Brand South Africa in collaboration with Nasdaq Stock Exchange and African Symposium, co-produced a Global South Africans Brand South Africa Mandela International Day celebration event, whose theme is "Do what you can, with what you have, wherever you are" that was held at Nasdaq Stock Exchange Event space, at Times Square, in New York City on 18 July 2022. Nasdaq is a global technology company that champions inclusive growth and prosperity, creating opportunity for markets and economies of all sizes. Their motto is that they 'power stronger economies, create more equitable opportunities, and contribute to a more sustainable world'.

The activations were in two segments, namely: The Opening of the Markets Bell Ringing and Flying of the Mandela Visual Creative; and a VIP Networking Reception addressed by Mr. Mondli Gungubele, Minister in the Presidency and State Security.

Brand South Africa and its partners hosted a reception at the Nasdaq event space following the flying of the Mandela International Day creative for the second time on the Nasdaq Tower (Marketsite billboard) which was done shortly after the markets closed to capitalize on the captive audience that follows the stock market. This was done right in Times Square which is the most visited place globally with 360 000 visitors a day and averages about 450 000-foot traffic on a busy day, amounting to over 131 million a year. The reception was aimed at galvanising invited guests into embodying the values and spirit of Madiba and playing their part for our country's growth and development in support of the day's celebration and as part of Brand South Africa mandate to build pride, patriotism, and a spirit of active citizenship.





UK SOUTH AFRICA CRICKET TEAM WELCOME RECEPTION

The Brand South Africa's Global Reputation Study research indicates a much higher than average score when measuring sport's contribution toward perceptions. The study measured the views of global citizens toward South Africa on 5 pillars/areas, namely talent, tourism, exports, investments, and prominence. The study saw sport score 3.58, higher than the 3.5 that the agency benchmarks as indicating a strong brand/indicator. This also impacted perceptions on tourism, especially in relation to people and culture, with around 35% of respondents citing this as a factor influencing their want to visit South Africa.

South Africa is a country known for being a "sport-mad" nation. The development of sport in South Africa is an illustrative case of how sport is a microcosm of the broader socio-economic and political factors that have contributed to shaping South African

society. South African sport has always punched above its weight, both in comparison to the funding the country can afford to disperse and in relation to population size, both continentally and globally. Sport in a South African context has also been used as a tool of diplomacy. The 1970s and 1980s sport ban were utilised as a tool to ensure the country's transition toward a more representative democracy and the ending of apartheid.

Brand South Africa was approached by Cricket South Africa who indicated that the South Africa national Cricket-team, the Proteas, would be on an international tour in order to play against England. Attached is the schedule that was shared. Cricket South Africa saw it befitting that a Welcome Reception should be hosted for the cricketers upon their arrival in the United Kingdom. Brand South Africa thus aligned the activation as a Global South African engagement as required by the Annual Performance Plan (APP) of the organisation.

The Welcome Reception was held at South Africa House in Trafalgar Square. This served as the first engagement by the new SA High Commissioner to the UK with the Global South Africans at large and a way of introducing the High Commissioner to the UK market.

The activation was oversubscribed with the one hundred people limit at South Africa House in London surpassed and doubled as there were 200 attendees. The entire SA Cricket squad was in attendance together with the Management of Cricket South Africa. The cricketers were well received by the audience that consisted of Global South Africans, British Citizens, and Friends of South Africa in general.

'SPECTACULAR SOUTH AFRICA - THE GREAT SOUTH AFRICAN BRAAI' IN SHANGHAI

Brand South Africa successfully implemented the series of activations under the "Spectacular South Africa" banner in collaboration with Wines of South Africa, South African Consulate in Shanghai, Radisson Collection Hotel and SA



Tourism on the 8 September.

The Spectacular South Africa event presented an ideal opportunity for Brand SA to engage with the South African community in Shanghai (Global South Africans) for the purposes of building a strong network that can contribute to sustained Nation Brand ambassadorship in the market. Thus, GSAs were invited to attend a formal closed engagement which took place on the margins of the Spectacular South Africa event, immediately after the media engagement. A total of 50 GSAs were invited to the formal session, where the programme included an address by the South African Consul-General Ms. Phuti Tsipa; a presentation by Brand South Africa's Acting Country Head for China, Mr. Tshepiso Malele; as well as some testimonies by GSA in attendance.

Thereafter, all GSAs and officials proceeded to the outdoor venue to join all other guests at the braai event, where a total of 160 guests (as per local Covid-19 limitations) were treated to a South African braai, music (by a GSA DJ based in neighbouring Hangzhou city), wine and culture. Furthermore, the braai event provided an excellent platform for networking with GSAs (who sought to learn more about Brand SA and the GSA programme), as well as the Chinese business stakeholders.

In the week following the hosting of the abovementioned activation, Brand South Africa also prepared a follow-up emailer that the Consulate in Shanghai subsequently sent to their database of GSAs, encouraging them to register on the globalsouthafricans.com website.

GSA ACTIVATION: FRIENDS OF SOUTH AFRICA

Within the margins of the UK State Visit, Brand South Africa was able to facilitate a private session was held by the President of the Republic of South Africa with Friends of South Africa (British citizens who are aligned with South Africa) and Global South Africans in the United Kingdom. The session was embargoed at the request of the UK government. As a result, neither photographs nor publicity was allowed. The engagement went very well with 200 attendees at South Africa House. Brand South Africa played an organising role, recommending guests and setting up the room using Brand South Africa marketing collateral in order to ensure that the 'look-'n-'feel' in the room was aligned with South Africa's country branding. Brand South Africa also provided the South Africa branded items that were given to all the delegates.

Brand South Africa's role was publicly acknowledged by the South African High Commissioner to the UK in the presence of the President of the Republic of South Africa. In fact, the President asked for his own pack of Brand South Africa items,

and we duly gave it to him. He used the notebook immediately during the Question-and-Answer session with Lord Peter Hain. Brand South Africa was trusted to bring Global South Africans to engage with the President.

OUTPUT: DOMESTIC PERCEPTIONS RESEARCH STUDY

Brand South Africa's Domestic Perceptions Research is designed to empower the organisation and relevant stakeholder with insights on, for example, the perceptions of the average South African about key issues that have an impact on their daily lives.

The 2022/23 Domestic Perceptions Annual Review represents the sixth edition of this comprehensive research program, presenting a wealth of unique findings. The latest report is accompanied by a publication titled "State of the Nation Brand Report-2022/23," which was launched in two distinct stages.

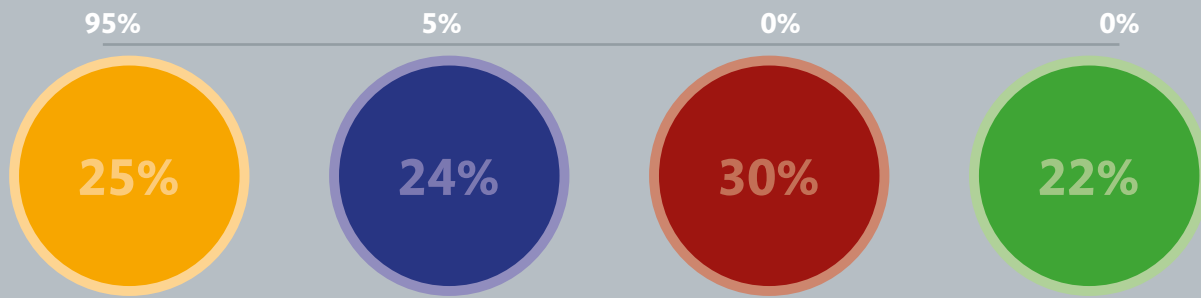
The first stage consists of a concise introductory narrative that highlights the emerging trends observed in the South African society over the past year. This section provides a brief overview to set the context for the subsequent analysis. The second stage offers a more detailed and extensive review of the nation's historic developments since 2017. It delves into the transformative journey of South Africa as a nation, capturing key milestones and evolutions that have shaped its identity and trajectory.

Together, these two components provide a comprehensive assessment of the nation's domestic perceptions, offering valuable insights into the prevailing sentiment and attitudes within South Africa. By examining both recent trends and the broader historical context, the report contributes to a deeper understanding of the dynamics and progress of the Nation Brand.

SOCIAL CONSTRUCTS:

The findings of the 2022/23 research highlight significant developments in multiple dimensions of the South African identity. Notably, all three primary construct scores, including National Pride, Active Citizenship, and Social Cohesion, witnessed an increase during this period. This growth reflects a positive shift in these crucial aspects of the South African collective consciousness. Moreover, the consolidation of behavioral groups from ten to eight signifies the refinement and evolution of the South African identity. This process captures the intricate and diverse fabric of the nation, showcasing a more nuanced understanding of its cultural tapestry while laying the groundwork towards creating a consolidated central idea about

NATIONAL PRIDE



the South African national identity.

NATIONAL PRIDE

National pride plays a crucial role in shaping the perception of a country and its achievements. It encompasses attitudes towards the overall country, specific accomplishments, and one's national identity. This broad spectrum of national perception captures the qualities and emotions associated with a nation, ranging from feelings of achievement to a sense of national pride derived from one's identity.

The concept of national pride involves a positive emotional connection to a nation's achievements and symbols. It can be measured by the extent to which individuals feel proud of their country. In psychology, pride is often classified into two facets: authentic pride, characterized by pro-social behaviour, confidence, and a sense of accomplishment, and hubristic pride, which is marked by antisocial tendencies, narcissism, and neuroticism. Instances of national pride may exhibit elements of both facets depending on the specific context. Understanding and assessing the nuances of national pride provide valuable insights into the collective psyche and self-perception of a nation. By exploring these dimensions, we gain a deeper understanding of the attitudes and emotions that contribute to the overall perception of a country and its identity.

During the six-year period from 2017 to 2023, the concept of national pride in South Africa has undergone a process of consolidation. Initially comprising seven distinct clusters of association, these perceptions have now been streamlined into four cohesive categories.

1. Pride is motivated by the spirit of being South African: Ubuntu, diversity, innovation, possibility, and a uniqueness that is unmatched (yellow circle).
2. South Africa is recommended as a place to work, travel, study and invest. Although less specific, it remains optimistic (purple circle).
3. South Africa's achievements, socially, politically, and economically both locally and internationally as a diverse

nation (red circle).

4. South Africa is a place of great sport, arts, and science talent with beautiful natural spaces. There are concerns but these are proud moments (green circle).

Among these categories, the overwhelming driver of national pride, resonating with 95% of the population, is the spirit of being South African. This deep-rooted sense of identity serves as the primary foundation for national pride. The remaining three categories revolve around specific aspects that contribute to this pride, including trade, achievements, and sport.

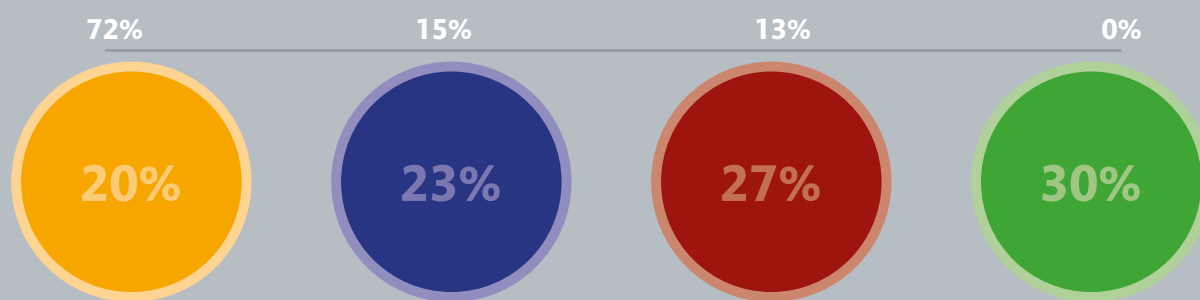
ACTIVE CITIZENSHIP

Consensus on the definition of active citizenship does not exist but is described as: 'participation in civil society, community and/or political life, characterized by mutual respect and nonviolence and in accordance with human rights and democracy'. The democratic significance of active citizenship is that 'neither democracy nor effective representation is possible until each participant devotes a measurable part of his life to furthering its existence'.

Two key indicators of active citizenship flow from this definition: individual participation in societal activities and the exercise of political, social, and civil rights. These indicators reflect engagement in politics, civil society, and communities, guided by the principles and values of democracy. Active citizenship involves both vertical relationships, where citizens engage with the state, and horizontal relationships, where citizens engage with and among themselves. It spans a spectrum of actions, from minor individual contributions to broader national interventions. This multifaceted approach to participation highlights the importance of citizen involvement at various levels of society for the promotion of democratic values and active civic engagement.

Over the past six years, South Africans have demonstrated their responsiveness to evolving trends. Beginning in 2017 with a shared determination to make a difference, this commitment has evolved into a resolute and powerful dedication to the

ACTIVE CITIZENSHIP



collective welfare, independent of government influence.

1. A positive and strong commitment to help others to improve circumstances as a collective. Standing strong on principles with limited government interaction (yellow circle).
2. The right to vote is the most important action. Accountability, independence, and social responsibility are activated and maintained at the ballot box (purple circle).
3. Community activities are well planned and coordinated. Actions are taken against bad elements. Cooperation between communities, politicians, and public services (red circle).
4. Community life is hard. Social, criminal, political and community fragmentation and degradation. Small groups protect and look after one another (green circle).

As observed from the different clusters, the clusters become progressively smaller and more vulnerable. The final cluster comprises small groups facing challenging circumstances, yet their unwavering commitment to supporting one another serves as a testament to the resilience and compassion of South Africans. It is a reminder of the everyday realities faced by individuals in our country, and their enduring spirit of mutual assistance and solidarity.

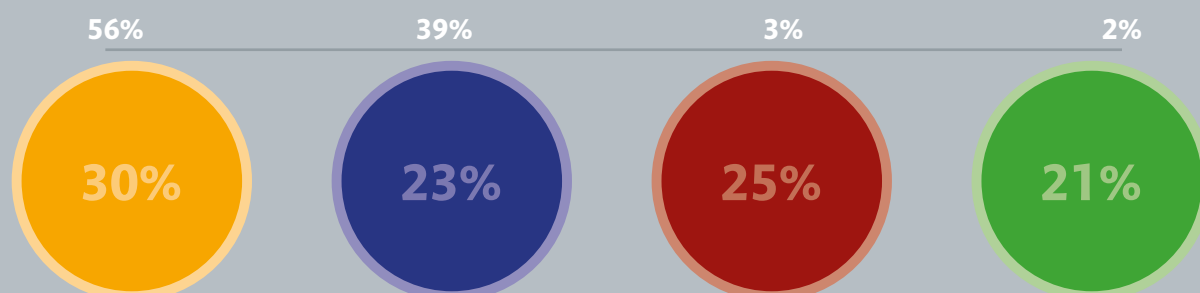
SOCIAL COHESION

Perceptions of whether the locus of nationhood is the individual or a socially cohesive group are central to questions of social capital, the idea of value attributed to bonds between people, social networks, norms of reciprocity and trust, and the potential for securing benefits and solutions to problems through participation in a social network.

Definitions of social cohesion are diverse, sometimes contradictory, and often lacking specificity. Despite this, for the purposes of this book, social cohesion is broadly identified as 'the extent to which people are co-operative, within and across group boundaries, without coercion or purely self-interested motivation'. More specifically, it is 'the degree of social integration and inclusion in communities and society at large, in the extent to which mutual solidarity finds expression among individuals and communities'. Social cohesion is further divided between horizontal social cohesion (between people), and vertical social cohesion (between people and the state):

1. Confident in government services, processes, and the political system. Recognizing opportunities but may feel discriminated against (yellow circle).
2. Vertical cohesion linked to public and social systems and structures. Value education, social security, and healthcare (purple circle).
3. Horizontal cohesion, feeling close to others, a sense of

SOCIAL COHESION



belonging and embracing diversity. Social rather than structural connection (red circle).

4. Aware of and often discuss inequality and the limited opportunities available to others (green circle).

During the period from 2017 to 2018, the ranking of attributes exhibited a similarity to the current year. However, between 2019 and 2021, the impact of the COVID-19 pandemic resulted in horizontal social cohesion taking precedence in the top rankings. The data also highlights a sense of vulnerability among individuals, with a recognized need for strong leadership to unite the nation. While horizontal cohesion still exists, it is observed to be fragmented and primarily among like-minded individuals. In the final cluster, there is a prevailing sense of disenfranchisement and isolation, compounded by numerous challenges faced by this group.

BEHAVIOURAL ASSOCIATIONS TO BEING SOUTH AFRICAN

As the next layer towards developing the central idea, behavioural associations (groups or clusters) of what it means to be a South African were developed based on all 2 500 data points. The behavioural associations illustrate where the South African population coalesce around common views.

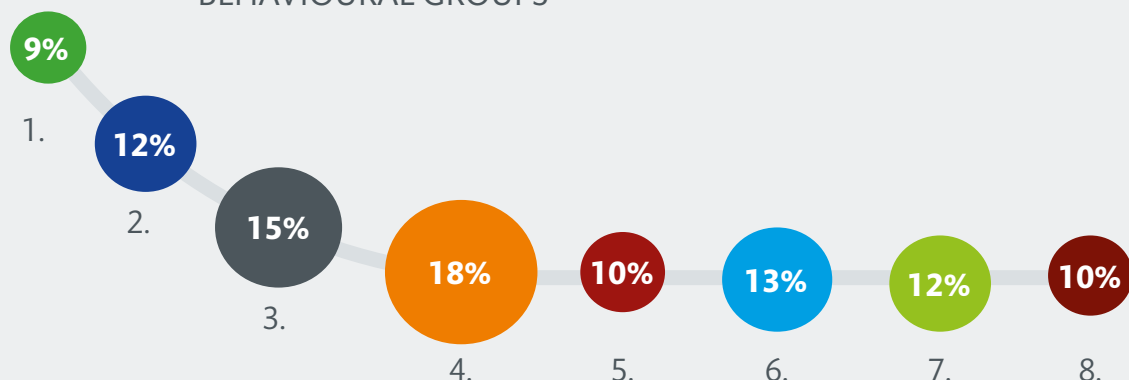
The eight associations highlight the relationships between the idea of a nation and the people within it. The expressions describe social, behavioral, and psychological formations in the South African population.

Although the groups cluster in unique ways around traits of national pride, active citizenship, and social cohesion, they are not defined in these terms, but rather as unique and coherent social formations with shared perceptions of the individual's relationship to the state and other South Africans.

1. **Proud Character Supporters:** Share a deep-seated appreciation of what it means to be South African. They value innovation, Ubuntu, diversity, and democracy. They are loyal to the country in ways outside of government systems and structures. Their anchor lies in the characteristics of being a South African. They are the cheerleaders of the nation.

2. **Positive Enablers:** They remain committed to making South Africa a better place. Their involvement is characterized by a humanitarian outlook. Despite COVID-19, their commitment remains strong.
3. **Uncritical Loyalists:** Are loyal to government systems and structures. They are particularly pleased with the judicial system, law, and order as well as the role of the Public Protector. They are typified by their recognition of authority, respect for it, and their low level of activism.
4. **Activist Supporters:** As the largest group, they feel discriminated against, experience inequality and find themselves trapped in a cycle of dependence and wanting to be independent from government. Many in the group are employed but their frustration with conditions for all oscillate between protest action and reluctance to participate.
5. **Cautious Optimists:** They have limited anchor points of what it means to be a South African. However, their commitment to the country is focused outward, to the global community.
6. **Proud Democrats:** Made a significant return to the behavioural group dynamics last year. They were in last place for the past two years. They value the ability to vote. The democratic right to express support for the leaders that they associate with. They are proud of the right to speak out and advocate its importance.
7. **Politically Discontented:** They display a strong sense of disenfranchisement and animosity towards South Africa's broader political and social structures. Members of the group experience a sense of discrimination and their perceptions of poor media objectivity and political discussion tend to confirm their sense of disenfranchisement.
8. **Celebrators of Achievement:** Are characterized by their overt recognition of achievement by South Africa and South Africans on a wide range of attributes and features, including natural beauty. The frontline heroes during COVID-19 were most recognized by this group.

BEHAVIOURAL GROUPS



Programme 3: Stakeholder Relationships

This programme seeks to build and leverage collaborative partnerships, to integrate and coordinate efforts and approaches to market the Nation Brand identity and promote the Nation's value proposition, and to interface meaningfully with stakeholders who drive or influence the Nation Brand and its reputation. Programme 3 activities are organised within a single outcome as outlined below.

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS

OUTCOME: ALIGNED NATION BRAND EXECUTION AND EXPERIENCE DOMESTICALLY AND INTERNATIONALLY

Brand South Africa works with and through stakeholders in the delivery of its mandate as part of the objective to build enhanced relationships with targeted stakeholders. The focus of this objective is on building and leveraging collaborative partnerships, and to integrate and coordinate efforts to promote the Nation Brand. The organisation works with three stakeholder

categories, which are: private sector stakeholders; state institutions or public sector and civil society stakeholders, to deliver its mandate. Below is a high-level summary of highlights on activities implemented in partnership with stakeholders domestically and internationally.

OUTPUT: COLLABORATIVE ACTIVITIES IMPLEMENTED WITH LOCAL AND/OR FOREIGN PUBLIC SECTOR STAKEHOLDERS DOMESTICALLY

The organisation had set a target to execute 14 activities in collaboration with public sector stakeholders and was able to exceed that target by executing 16 activities. Highlights from this programmed are cited below:

IMMIGRATION FOCUSED ACTIVITY

Brand South Africa collaborated with Breaking Down Borders, the Human Rights Commission, the Department of Home Affairs, and the African Union in hosting the Breaking Down Borders Youth Summit.





With the recent rise in reported attacks on illegal immigrants, the summit provided a platform for young people to have a constructive debate about immigration issues and the reported attacks on illegal immigrants and their experiences and thoughts thereof as means to bridge the divide and develop amicable solutions to the end of violence and a change in perceptions around issues of immigration and how South Africa can begin to leverage off the skilled immigrants who contribute to the country's development.

Brand South Africa was able to engaged participants by leveraging the opportunity to conscientize the youth on the negative impact that the intolerance and violence on immigrants has on the Nation Brand and how this is detrimental to efforts on the country's global positioning as well as perceptions thereof. The session was profiled on Brand South Africa's Twitter platform.

CULTURE AND HERITAGE ACTIVITY

In October 2022, Brand South Africa worked with Constitution Hill in the execution of the Basha Uhuru Creative Arts Festival and participated in several activities including a media launch, educational workshops as well as the creative art week which saw the organisation host a workshop where young creatives were educated on how to commercialise their brands. It was at this workshop that Play Your Part Ambassadors, Aurelia Nxumalo, Bulelani Balabala and Neo Mafokwane shared their experiences of entrepreneurship, growing their brands and maintaining their resilience and mental health through the journey and engaging the young creatives on the channels that can be accessed for support.

Through PYP Ambassador, Azael Langa, Brand South Africa also participated in the Nandos-led workshop on international talent and not only highlighted his internationally acclaimed pieces but also shared the experiences he has and continues to encounter globally as an artist and what aspirant artists should do to overcome those challenges.

The organisation also facilitated a communications programme in support of the creative arts festival, covering the key engagements on the organisation's digital platforms.

SAFETY AND CRIME MANAGEMENT ACTIVITY

As a delivery partner to the Social Cohesion pillar of the NSP where Gender-Based Violence and Femicide is elevated, Brand South Africa collaborated with the Presidency and the Department of Women, Youth and Persons with Disabilities for the execution of the annual Presidential Summit on GBV, in November 2022.

For Brand South Africa, the engagement elevated the elements of crime and safety management, leaning on this year's theme of "accountability now." This was to the custodians of the entities put in place to mitigate the prevalent problematic areas that should deal with the rising GBV pandemic which the president termed the second pandemic, at the summit.

The Ministry of Police shared statistics of reported GBV crimes across the country, which were met with unsatisfactory remarks by participants of the summit which consisted of civil society and government. Civil society members had a chance to engage

directly with government representatives for feedback on the previous summit directives' outcomes. The two-day engagement was very heated with very emotive interaction, understandably so, as the country continues to battle this scourge of this deadly second pandemic that is GBVF.

OUTPUT: COLLABORATIVE ACTIVITIES IMPLEMENTED WITH LOCAL AND/OR FOREIGN CIVIL SOCIETY STAKEHOLDERS DOMESTICALLY.

TOLERANCE FOCUSED ENGAGEMENTS

Brand South Africa, together with Breaking Down Borders (an African youth-led organisation that aims to provide a framework and platform for deliberation on African socioeconomic and development opportunities and challenges) as well as the University of Pretoria hosted the Breaking Down Borders Africa Toolkit Series, which is a collaborative initiative that seeks to address xenophobia, racial injustice and the safeguarding the rights of refugees, asylum seekers, and migrants. The launch was done to kickstart the distribution of a series of e-booklets containing lived experiences, contacts, and youth-informed solutions.

The panel discussion on racism, xenophobia and related intolerance served as the main item at the launch of the toolkit series. The panel discussion looked at issues such as the need for collaborative spaces and projects between social justice organisations and respective stakeholders where best practice and resources can be shared in order to bring about positive change.

This launch engagement was done as a build-up to the Breaking Down Borders Africa Youth Summit which was subsequently held on Africa Day. During the Summit, Brand South Africa further collaborated with partners such as the SADC Youth Forum to host a Youth Plenary on Youth-Led Activism in addressing racism, racial discrimination, xenophobia and related forms of intolerance.

SOUTH AFRICAN NATIONAL AIDS COUNCIL – WORLD AIDS DAY ACTIVITY

The South Africa National AIDS Council brought together government, civil society, and private sector stakeholders towards the participation of Team SA at the 24th International AIDS Conference, Montreal 2022.

The conference was hosted from 29 July to 02 August and once again reaffirmed its commitment to apply the research and learning to end AIDS as a public health threat by 2030. There were over 150 sessions, 2,100 abstracts and 2,400 e-posters from AIDS 2022 that came from the conference.

The Team SA delegation was headed by the Minister of Health, Dr Joe Phahla and hosted a satellite session on 29 July titled 'South African HIV, TB and STI Progress Beyond COVID-19: Rising Against All Odds'. The session was used to unpack the development of a 5th generation National Strategic Plan for HIV, TB and STIs: 2023 – 2028, as well as the reaching effects on especially key and vulnerable populations that COVID-19 pandemic, including lockdowns, has had. Team SA's exhibition in the conference was used to elevate the country's high-impact interventions backed by evidence-informed analysis, which shows that there is progress in dealing with HIV and TB from 2020 and 2021 reports. Brand South Africa contributed towards the execution of a coordinated marketing and communications strategy at the conference. Brand South Africa further contributed towards the design of the exhibition stand.

YOUTH MENTORSHIP ACTIVITY – WHAT ABOUT THE BOYS

Brand South Africa as well as various corporate and civil society stakeholders such as Nandos, Ster-Kinekor, LoveLife, Old Mutual Foundation, People Opposing Women Abuse (POWA) and over 100 different schools partnered towards the execution of a ground-breaking Gender-Based Violence (GBV) intervention called "What about the Boys?".

Created by youth-development programme facilitator Primestars, the multi-stage programme started this year with 10 000 Grades 9-12 boys from more than 100 urban, township and rural schools. It aims to help them break free from the rigid and often damaging stereotypes of traditional masculinity that contribute to GBV.

During the second quarter of the financial year, Brand South Africa and all the other partners hosted over boys nationwide for the movie screening which was followed by various ongoing activities which include the distribution of a blueprint booklet made in conjunction with the film. The booklet guides boys on their behavioural change journey. Other activities are the implementation of a national mentorship movement, an accountability loop for change through a #DoBetter pledge personally signed by each boy and a digital platform that will enhance the ongoing engagement and support provided to the boys.

Brand South Africa used this platform to elevate and spread the word on Play Your Part. This collaboration rallied stakeholders from all sectors to work towards moving the needle on the fight against GBV. For Brand South Africa, this platform has the potential to reduce the femicide rate and make this country a safer place for women. This improves our reputation and thus enhances the value on the Nation Brand.



OUTPUT: COLLABORATIVE ACTIVITIES IMPLEMENTED WITH LOCAL AND/OR FOREIGN BUSINESS STAKEHOLDERS DOMESTICALLY

SWEDISH TECH DELEGATION TO SOUTH AFRICA

Brand South Africa through its mandate to promote the Nation Brand as an investment destination of choice collaborated with Business Sweden (the diplomatic trade arm of the Swedish Embassy) in the hosting of a Swedish technology and innovation delegation to South Africa through the Cape Town/Stockholm Connect platform.

The Cape Town/Stockholm Connect is an internationalization project and co-creation platform with a long-term ambition of strengthening tech ties between Sweden and South Africa. The platform was created in partnership between Team Sweden and the City of Cape Town with the purpose to determine how best to create sustainable and mutually beneficial partnerships in the local ICT and tech sectors of both nations.

South Africa and Sweden are two, regionally outstanding, innovative leaders. Cape Town and Stockholm are innovation hubs and home to world-leading companies and universities which together constitute the basis of the collaboration of this initiative. Digital companies, start-ups and SMEs are regarded as the driving force behind structural changes and sustainable economic growth and prosperity, especially in their contribution to job creation for the next generation of youth workers.

Brand South Africa, therefore, used this opportunity to host the delegation, including some key South Africa stakeholders for a wine farm experience* in Stellenbosch which allowed for content sharing, cultural entertainment as well as food and wine pairing. The activation took place at a wine estate in Stellenbosch and was attended by 57 delegations. The event was profiled on Brand South digital platforms.

BUSINESS ROUNDTABLE WITH AMCHAM

Brand South Africa hosted a virtual business roundtable in collaboration with the American Chamber of Commerce (AMCHAM) on 22 September 2022. AMCHAM, which is a non-profit organisation that has been operating in South Africa since 1977, is considered as the collective voice of U.S. investment in South Africa and works through an elective board of directors and committees, to serve South African/American commerce and industry with a primary focus on U.S. investment in South Africa.

In an effort to build and leverage collaborative partnerships; integrate and coordinate efforts and approaches to market the Nation Brand identity; promote the Nation's value proposition; and to interface meaningfully with stakeholders who drive or influence the Nation Brand and its reputation – Brand South Africa had an objective of disseminating the findings of the Global Reputation Study to relevant public and private sector stakeholders. The research insights are particularly relevant for private sector stakeholders as they act as advocates for the country through their ongoing investments and expansion plans.



The Chamber itself often acts in advisory capacity for new investors, it was therefore critical for chamber staff to be equipped with relevant data and insights about the country. A key objective for Brand South Africa's facilitation of this activity was to build investor confidence and contribute to the attraction of domestic and international investors.

TOP 50 BRANDS ANNOUNCEMENTS

Brand South Africa, in partnership with Brand Finance and the Johannesburg Stock exchange collaborated to jointly announce the Brand Finance Top 50 Most Valuable South African Brands. The Top 50 most valuable brands are selected through a valuation process, conducted annually by Brand Finance Africa, that is based on the respected royalty relief approach to brand valuation. The event was hosted at the JSE (JOHANNESBURG STOCK EXCHANGE), in Gauteng.

This platform is used to recognize the commercial value of South African brands and recognise those companies that have

enhanced their brand value over the past year. The objective for Brand South Africa to partner in this activity is to profile the organisation amongst business stakeholder and to create an awareness of the Brand South Africa's Play your Part Programme. As the custodians of the Nation Brand, it is also important for the organisation to champion an event that honours companies that contribute to the performance of the Nation Brand and to also recognise the companies that are striving to play their part. At the event, a panel discussion was held, represented by the JSE, Standard Bank, Brand Finance and MTN. The event which was hosted at the JSE on the 8th of April 2022 was attended by 68 delegates and was profiled on the JSE, Brand South Africa, Brand Finance, and other aggregate value of the top 50 South African brands grew by 15% this year, from R452 billion in 2021 to R519 billion in 2022. Similarly, the aggregate value of the top 100 South African brands grew by 17% this year, from R488 billion in 2021 to R570 billion in 2022.

During partner's digital platforms with an estimated combined reach of over 3 million followers.

NATION BRAND FORUM

OUTPUT: NATION BRAND FORUM AIMED AT POSITIONING THE COUNTRY POSITIVELY TARGETING DOMESTIC AND INTERNATIONAL AUDIENCES IMPLEMENTED

The Nation Brand Forum (NBF) is Brand South Africa's flagship annual forum to mobilise, engage and collaborate with diverse stakeholders to shape a coherent agenda for a compelling nation brand image, reputation, and competitiveness.

Africa is one of the fastest growing continents in the world. South Africa, the continent's most developed economy with world-class infrastructure, has long been considered a strategic location for driving investment in the continent. The opportunities presented by the African Continental Free Trade Area (AfCFTA) agreement to open borders and accelerate trade across Africa, South Africa's membership of BRICS and the country's robust Economic Reconstruction and Recovery Plan (ERRP) to rebuild the economy, puts it in an enviable position as a proven and attractive destination for sustainable investment and growth opportunities.

The objectives of the 6th Nation Brand Forum were as follows:

1. To develop a structured programme that stakeholders can adopt for the promotion of South Africa's Nation Brand image and reputation;
2. Mobilise local and foreign private sector businesses invested in South Africa to contribute towards actionable and sustainable solutions to rebuild and grow the economy;
3. Engage youth to contribute towards tangible solutions for alleviating youth unemployment, catalyse entrepreneurship and ultimately grow the economy;
4. Inspire stakeholders to play their part and provide concrete solutions for enabling a long-term attractive reputation and image of the Nation Brand,
5. To explore pan-African collaborative opportunities for contributing to the broader positive African narrative and competitiveness.

The Nation Brand Forum took place in Johannesburg from 4 to 6 October 2022, to constructively reflect on issues related to the formulation of collaborative solutions to drive the nation's image, competitiveness, and reputation. The three-day forum was held under the theme, Grow with South Africa | An inclusive partnership to rebuild the economy and drive the nation's competitiveness.

For the first time, the Nation Brand Forum took place over three days, mobilising and engaging diverse stakeholders to formulate strategic socio-economic solutions that will contribute towards sustainably rebuilding the economy, create jobs, alleviate inequality and poverty, and build the nation brand reputation and competitiveness.

The 6th Nation Brand Forum kicked off with the Youth Economic Symposium hosted at Emoyeni Conference Venue. The Symposium engaged the youth to develop a "youth-led economic development blueprint" for supporting emerging brands locally and globally, alleviating joblessness and catalysing entrepreneurship.

Day 2 of the Nation Brand Forum, titled "Nation Brand Roundtable" was hosted at The Nelson Mandela Foundation in Houghton. The session brought together stakeholders from South Africa and beyond to discuss the challenges and to share best practices and lessons on driving investment, tourism, and active citizenship to impact the Nation Brand's reputation and competitiveness. The roundtable also explored mutually beneficial collaborations within the context of the Africa Continental Free Trade Area (AfCFTA), with the intention to deepen the economic integration of Africa and shaping a positive African narrative.

In the second round-table discussion, stakeholders expressed that the best new practices and lessons to drive the initiative is through creating impactful and high-revenue value chains that position Africa favourably continentally and abroad.

The three-day NBF ended on a high note with the main plenaries hosted at the Sandton Convention Centre. Attended by key stakeholders representing various sectors in corporate South Africa such as financial services, retail, youth entrepreneurs, FMCG, government entities and international media, the discussions of the day were focused on mobilising and leveraging partnerships with local and non-South African businesses to inspire interventions and collaborations that will drive economic growth in South Africa.

The NBF was delivered successfully, attracting 96 delegates on Day 1 (with an additional 672 viewers on Facebook); 52 participants in the two roundtables; as well as 164 delegates at the main event on Day 3. An additional 380 people viewed the main event through the YouTube livestream on BizNews. In the days following the event, a further 3262 of the NBF highlights package were achieved on the YouTube channel.

A detailed Outcomes Report was subsequently produced, including a set of Action Points for Monitoring and Implementation.

Furthermore, the Forum enjoyed prominent visibility and delivery of positive messaging through media coverage in a wide range of domestic and continental platforms and titles (radio, television, print and digital).

The integrated communications, PR, media, and Digital Support Programme included various elements to create and maintain awareness of the three-day Forum. It was a year of firsts and highlights:



MEDIA RELATIONS

Several earned and paid media opportunities following the media launch implemented in September were facilitated and implemented for Brand SA spokespeople including Board Trustees, the Acting CEO, managers, and stakeholders across sectors. Multimedia platforms included:

Media partnerships were segmented according to the targeted audiences for each day over the three days to ensure maximum impact and reach for the NBF content.

For the first time this year a partnership with Newzroom Afrika was on site on the main forum day, which allowed for increased visibility with real time live crossings throughout the day. This gave the organisation to leverage both internal and external partner stakeholders in government and in corporate South Africa to extend the message broadly.

Newzroom Afrika is a premier Pan-African 24-hour TV news channel with continental footprint has a daily reach of 1,381,564 viewership.

A total of 15 media interviews were conducted with approved spokespeople including Jan Wegelin (MD: MarkData), Alistair Mokoena (Google), Yavi Mundarai (Chair Free Movement Protocol), Thandi Tobias-Pokolo (Brand South Africa Board Chair), Luthando Vuba (HOD: Africa-China Trade at Standard Bank), Colin Coleman, (Former CEO: Goldman Sachs) and Caroline Nelson (Country Head: H&M)

Another partnership was secured with BizNews, a business news focused site, dedicated to the South African world perspective. The Forum was livestreamed on YouTube which received 383 views. A highlights package was also developed and posted on BizNews.

MEDIA ENGAGEMENT ACTIVITIES IMPLEMENTED INCLUDED

MEDIA ROUNDTABLE

On day two, as a build-up to the Forum, Brand South Africa hosted a media roundtable event, with local, regional, and foreign correspondents in South Africa. The discussion focused on the role of the media in building and telling the African story.

Media has a catalytic impact on shaping the image and reputation of the continent which has a direct effect how it is perceived, its brand value, trust, and goodwill.

MEDIA HOSTING

For the first time Brand South Africa hosted regional and domestic media on the sidelines of the Nation Brand Forum. Media representatives included KTN News, Talk Africa, Business 24, Ghana Broadcasting Corporation, Vuma FM and The Herald. This included a media tour to some key heritage and tourist

sites in Gauteng including the Mandela House, Vilakazi Street, Soweto Towers, the Hector Pietersen Memorial, Constitutional Court, Maboneng, and FNB Stadium.

Performance Overview:

- The digital campaign performed exceptionally well on social media with impressions reaching well over 16 million over the 3-day campaign period.
- The campaign had a total engagement of 1 183 023 and 16 049 739 impressions
- Due to reach and targeting capabilities, as well as cost effectiveness of platforms, paid media was skewed towards Facebook and Twitter, followed by Instagram and LinkedIn.

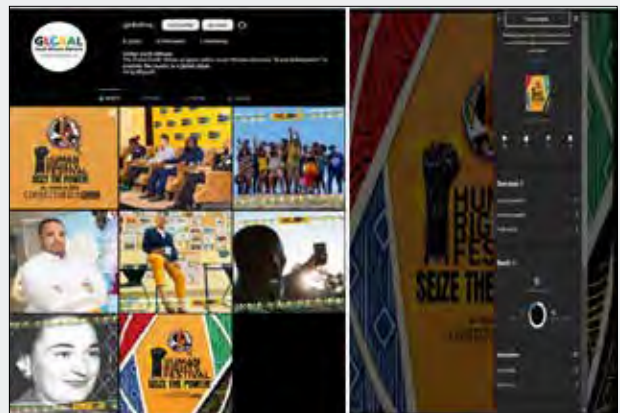
OUTPUT: COLLABORATIVE ACTIVITIES WITH PUBLIC SECTOR, BUSINESS AND/OR CIVIL SOCIETY STAKEHOLDERS INTERNATIONALLY

Brand South Africa also works with and through stakeholders to effect its mandate internationally. Through the Global markets unit, the USA, UK and China offices; the organisation was able to exceed the set target of executing 20 collaborative activities with public sector, business and/or civil society stakeholders internationally. Highlights of this programme include:

GHANA BUSINESS ROUNDTABLE

In a mission to promote the Global South Africans programme and to encourage dialogue on the Africa Continental Free Trade Area as well as share Brand South Africa/Bloom Consulting Global reputation study findings with business stakeholders, Brand South Africa collaborated with the South African High Commission in Ghana on a Business Roundtable. The objective of the session was to positively influence perceptions about South Africa.

The Business Roundtable took place in Accra Ghana during the month of March and was attended by over 130 delegates which included business, government, and media. As part of the programme, the High Commissioner, HE Ms G Mason provided a keynote address whilst Brand South Africa presented the research findings by Bloom Consulting. A key element of the programme included a panel discussion with the theme "Overcoming Market Entry Challenges in the wake of the Implementation of the AfCFTA." The panelist consisted of the following esteemed guests; Ghana-South Africa Business Chamber President: Mr Grant Webber, AGI President: Dr Ayim-Darke, Ghana Investment Promotion Centre, Deputy CEO: Mr Yaw Amoateng Afriyie and AfCFTA Director, Trade in Goods & Competition Mr Mahomed.





ASIAN FINANCIAL FORUM (HONG KONG)

The Asian Financial Forum (AFF) is Asia's premier platform for global leaders in government, finance, and business to exchange insights, intelligence as well as to explore business and investment opportunities. The 2023 AFF was hosted in January under the theme "Accelerating Transformation: Impact · Inclusion · Innovation", with approximately 3000 delegates attending in-person. Approximately 76% of delegates comprised of CEOs and senior decision makers from the region.

Brand South Africa sought to address a captive audience of influential investor & business stakeholders in Hong Kong for the purposes of delivering impactful Nation Brand building interventions. The planned engagements served to create awareness, as well as positively influence stakeholder perceptions of South Africa against a backdrop of both challenges facing the Nation Brand (e.g. electricity shortages) and opportunities (particularly in the build-up to the final year of the SA Investment Conference targets).

A press release was issued, highlighting South Africa's participation at the 2023 Asian Financial Forum, with the intention to "Build On Over 1 Trillion Rand in International Investments To Date".

The opinion editorial, titled "China and South Africa's String Ties an Advantage in the New Era" was developed and successfully placed in the online version of the South China Morning Post during the week of the AFF.

The media interview of the Consul-General Mojalefa Mogono with Hong Kong Commercial Daily (the oldest Chinese financial newspaper in Hong Kong) was conducted on 30th January (having been postponed at the request of the CG), with the content focused on: the trade and economic ties between South Africa and Hong Kong; positioning South Africa's current investment highlights – including the achievements of the SA Investment Conference to-date; and South Africa's role in BRICS, amongst other questions. The interview, together with the press release achieved coverage in several online titles in Asia, reaching a combined audience in excess of 94m.

As a follow-up to the Asian Financial Forum, Brand South Africa promoted its podcast series across various Chinese digital platforms during the month of February, with the aim of extending its reach and listenership. Posts of each of the episodes were published each week, resulting in a significant increase in subscriptions and downloads.

At the time of reporting, Brand South Africa's channel successfully achieved a combined 9219 downloads, as well as 635 subscriptions. The podcast will also serve as a repository for Brand South Africa's content, which will continue to remain accessible to audiences long after publication. The podcast series aims to provide a Chinese business audience with leading insights into investing and doing business in South Africa, thereby promoting economic and cultural exchanges between the two nations. Stakeholders such as SA China Economic & Trade Association (SACETA), the South African Consulate-General in Shanghai, as well as a local network of Chinese businesspeople have been instrumental in contributing towards the identification of potential guests for the podcast.

ENERGY ROUNDTABLE UK

The engagement was designed to introduce and promote the opportunities for Scottish energy sector organisations in South Africa. Scotland is recognised as a world leader in energy, both renewable and traditional sources, and have expertise across investment, research, project management and skills training that South Africa needs to fulfil its commitment to energy transition targets.

Aberdeen has in the recent past been renowned as the "Oil Capital of Europe." In alignment with the shift in energy sources, the city Aberdeen is now regarded as the "Energy Capital of Europe" and is the hub for the world's leading Oil & Gas companies.

Over 40 Scottish companies attended the roundtable discussion with representatives from across the sector including Scottish

government, energy transition focused organisations, private sector companies, universities, and colleges.

The energy roundtable was well received with an extended Q&A session and over 90 minutes of one-on-one networking. The roundtable discussion was an opportunity to showcase South Africa as a country and business destination to a completely new audience, who have the potential to make substantial investments directly and jointly with one another. Brand South Africa utilised this opportunity to channel South Africa's country messaging on ENERGY.

South African bank ABSA was on board, as part of Team South Africa to showcase the various projects and opportunities in the Energy sector.

JUST ENERGY TRANSITION INFLUENCER EVENT

Brand South Africa, in collaboration with the Emerging Frontiers Publication, co-produced an in-person Networking Influencer event on South Africa's Just Energy Transition Partnership: Opportunities for investors in New York city in March. The Emerging Frontiers Newsletter is a media institution based in New York city, spun out of the Wall Street Journal. It exclusively covers international affairs, reaching millions of influential North American and global leaders, including senior executives at Fortune 500 companies, investors, U.S. government officials, media and other decision makers and influencers in its coverage of emerging markets. Emerging Frontiers has a proven track record of convening leading thinkers and doers in North America and globally and has a strong reputation, built overtime while still part of the Wall Street Journal stable, allowing the publication to bring together leaders of the highest calibres for

live and virtual engagements that spark engagement and deepen substantive relationships.

The event attracted a good turnout of guests with a deep interest in Africa with approximately 61 in attendance. After a five-minute video highlighting South Africa's potential for investors, Mr Dipak Patel, Head of Climate Finance, and Innovation at the South African Presidential Climate Commission, joined from Johannesburg. Brand South Africa was also afforded a speaking platform to profile South Africa as an attractive investment destination.

AFRICAN MUSIC TO THE COLLABORATION

Brand South Africa collaborated with Society for Africans in the Diaspora and participated at THE AFRICAN MUSIC TO THE WORLD: THE BIRTH, RISE, SOUNDS OF AFROBEATS AND AMAPIANO, during the month of February.

The event aligned and positioned African artists and creative talents who are taking center stage in the US, Europe and beyond and major music companies are keen to cash in on our culture. The programme symbolized an idea that promotes our music and sought out the stories that shed light on our culture and heritage. The event provided a unique platform, not just for entertainment but also an authentic, rich, and artistic African experience unlike any other. Not only did it provide a unique platform that brought together music of different sounds but also individual and cultural expression through music, as well as an underrated means of exploring entrepreneurial, branding and marketing opportunities.

The event was designed to celebrate black excellence, black freedom, and black empowerment. Through event activations,





branded engagements, video integrations, targeted social media efforts, and prominent logo placement, Brand South Africa was able to educate, entertain, and engage a captive audience on what it's doing to make a difference in Africa and beyond today. The estimated reach was 51, 200 subscribed members of SAiD, though the newsletter distribution was around 119, 000 recipients. Social media exposure on: Facebook, Twitter and Instagram was significant. In person attendees: 188, Registrations: 372, Facebook: 49, 511, Instagram 4.8 million Estimated reach, Twitter: 97.6K Viewers, YouTube: 3.5K Unique viewers (number will grow), Social Tags:28k, Reach 31.1 million.

USA NASCAR AFRICA TEAM PROJECT MARKETING CAMPAIGN RACE

Brand South Africa in collaboration with Mr. Arnout Kok of the Team Africa Project participated at a NASCAR Xfinity event held in Indianapolis during quarter 2, by using the National Association for Stock Car Auto Racing (NASCAR) series as a promotional platform from which to promote South Africa as a

tourist, investment, and trade destination, with a collaboration titled "Brand South Africa NASCAR Promotion". The collaboration has provided Brand South Africa an opportunity and platform to work together with NASCAR race teams and Mr. Arnout Kok to create promotional events surrounding each NASCAR event in which Brand South Africa is promoted in the NASCAR Xfinity series.

In addition to receiving coverage in the NASCAR Xfinity Series at Indianapolis Motor Speedway, Brand South Africa also received coverage throughout the "Racing for Rhinos" Indoor Karting Charity event held on the 29th of July, in collaboration with the International Rhino Foundation and K1 Speed. The Racing for Rhino's event was open to members of the general public who competed in organised go-kart races against NASCAR drivers. Brand South Africa banners & videos were in full display during the event and attendance numbered 237 guests over the course of the evening. The Brand South Africa logo was also displayed on promotional material relating to this event posted on TikTok by one of the NASCAR drivers Mr. Ryan Vargas, who has over 500 000 followers.

Brand South Africa was promoted as an associate partner at the Xfinity race series on the JD Motorsport NASCAR and both the NASCAR Cup and Xfinity series with the 2nd tier Xfinity race were broadcast live on NBC television channel reaching over 1.9 million viewers, and over 20 000 in attendance physically. Brand South Africa and its partners created a media press release surrounding the Brand South Africa's NASCAR marketing programme in order to promote South Africa as leading destination for investment, tourism and trade pre-event and another one was developed post the event. This is in addition to several other cross-promotional opportunities that were leveraged.

'SPECTACULAR SOUTH AFRICA' COLLABORATION IN SHANGHAI

Brand South Africa successfully implemented the series of activations under the "Spectacular South Africa" banner in collaboration with Wines of South Africa, South African Consulate in Shanghai, Radisson Collection Hotel and SA Tourism on the 8th of September. The activations consisted of a 'Grow with South Africa' Business Seminar (which was addressed by Ambassador Siyabonga Cwele); media interviews; a Global South Africans session; as well as the Great South African Braai event on the same evening.

'Spectacular South Africa' is a flagship campaign promoting South African wines in the key wine-consuming markets around the world. It takes the form of various concepts, often aligned to South Africa's days of significance, the different cultivars of grapes in the wine-producing world, or other themes that are of particular interest to the market.

Brand South Africa identified the opportunity to be a strategic partner in the Shanghai event. As was the case previously, the event was an ideal platform for Brand SA to address several of its

key target audiences, namely: prospective investors, local media, as well as Global South Africans through a number of Brand SA-led side engagements. The SA-China Chamber of Commerce, which is currently in the process of formalising its entity, was also provided with an opportunity to feature in the engagements, while SA Tourism also supported by promoting the country's tourism offering in the main event outdoor area.

OUTPUT: NATION BRAND ALIGNMENT TRAINING

Brand South Africa conducts Nation Brand Alignment Training sessions with Nation Brand carriers with the objective of educating and equipping them on the nuances of destination marketing and the cohesive promotion of the South African Nation Brand as well as the importance of alignment of country messaging.

For the year under review, the organization had set a target to facilitate four Nation Brand Alignment training workshops and this target was achieved with a highlight being the KwaZulu-Natal Expo Week which took place in quarter 3.

The engagement targeted national and international participants, including government procurement teams, foreign economic representatives, foreign buying representatives, local emerging and existing exporters, industry associations and governmental agencies that have an interest or role in export growth.

Brand South Africa had an opportunity to discuss the leveraging of nation branding for trade on the face of the AfCFTA, as well as global perceptions on the nation brand. Both sessions were interactive with stakeholders voicing a need for assistance with alignment and guidance on the methods to adopt in marketing their respective organisations internationally and positioning the province itself positively to international investors.

The session was attended by about 200 participants and was profiled on TIKZN's Twitter page with 455 followers.

Part C
GOVERNANCE

INTRODUCTION

Corporate governance embodies processes and systems by which public entities are directed, controlled, and held to account. In addition to legislative requirements based on a public entity's enabling legislation and the Companies Act, corporate governance with regard to public entities is applied through the precepts of the Public Finance Management Act (PFMA) and run in tandem with the principles contained in the King Report on Corporate Governance for South Africa, 2016. Parliament, the Executive, and the Boards of the public entity are responsible for corporate governance.

THE ACCOUNTING AUTHORITY /THE BOARD OF TRUSTEES

The Board of Trustees are appointed by the President of the Republic of South Africa for a three-year term. The Board of Trustees meets at least four times a year. The Trustees are non-executive, and are remunerated for the performance of their duties as Trustees. The CEO is an ex officio executive Trustee in terms of the Trust Deed.

BOARD CHARTER

The Board Charter is reviewed annually in order to, among other things, clearly define:

- The segregation of the roles, functions, responsibilities and powers of the Board, the Executive Authority, individual Trustees, Board Committees, and Management;
- Matters reserved for final decision-making or approval by the Board; and
- The practices and procedures of the Board on matters relating to corporate governance, declarations of conflicts of interests, Board meeting documentation and procedures, as well as the induction, training, and evaluation of Trustees.

COMPOSITION OF THE BOARD

The Trust Deed provides that the Board should comprise no less than 11 Trustees, with a maximum of 15. All Trustees are appointed by the President of South Africa to serve a three-year term. The Board is unitary and consists of 15 Trustees. The Office of the Chairperson and the CEO are separate, and there is a clear division of responsibilities between these roles. During the year under review the Board was composed of 11 Trustees. Ms Thandi Tobias-Pokolo served as the Chairperson and was primarily responsible for the strategic leadership of the Board. The CEO is supported by an Executive Committee (ExCo) consisting of the Executive Management team. ExCo is responsible for implementing the decisions of the Board in pursuit of the organisation's mandate and objectives.

NAME	DESIGNATION	DATE APPOINTED	DATE RESIGNED	QUALIFICATIONS	AREA OF EXPERTISE	BOARD DIRECTORSHIPS	OTHER COMMITTEES OR TASK TEAMS	NO. OF MEETINGS ATTENDED
Thandi Tobias-Pokolo	Chairperson of the Board of Trustees	13/11/2019	Term in office ended 12/11/2022	Advanced Diploma in Economic Policy Certificate in Economics and Public Finance Certificate in Leadership Communication	Finance Economics Trade and Industry policy		Public and Administration/ Portfolio Committee	8
Mlungisi Johnson	Chairperson of the Human Capital, Remuneration and Social & Ethics Committee (HCRSEC)	13/11/2019	Term in office ended 12/11/2022	Short course in macro-economics and developmental economics Certificate in Public Management and Development	Youth activism Youth development & leadership Child safety & protection	Reloadely SA TNT Refineries RBT/G		13
Rachel Kalidass	Chairperson of the Audit and Risk Committee (ARCO)	13/11/2019	Term in office ended 12/11/2022	CA(SA) Bachelor of Commerce Honours Certificate in the Theory of Accountancy (CTA) Bachelor of Accounting Sciences (BCompt)	Finance Governance	R.Kalidass and Associates CT Worldwide Agrigate Innovation Johannesburg Water Botshilu Private Hospital		11

NAME	DESIGNATION	DATE APPOINTED	DATE RESIGNED	QUALIFICATIONS	AREA OF EXPERTISE	BOARD DIRECTORSHIPS	OTHER COMMITTEES OR TASK TEAMS	NO. OF MEETINGS ATTENDED
Muditambi Ravele	Chairperson of the Marketing Committee (MARCO)	13/11/2019	Term in office ended 12/11/2022	BTech (Business Administration) Executive Sports Management Programme Strategic Executive Marketing Programme •Diploma in Sports Management Certificate in Public Relations Certificate in Marketing Post Professional Teacher's Certificate in Physical Education SenTeacher's Diploma	Sports Women in sports	The Journey Marketing Masango Business Management The RPL Team Lareus Sport For Good Foundation SA Women and Sport Foundation		10
Loretta Jacobus	Trustee and member of the HCRSEC	13/11/2019	Term in office ended 12/11/2022	Studied Social Work	Health Education Arts and Culture International Relations			13
Andrew Madella	Trustee and member of the HCRSEC and MARCO	13/11/2019	Term in office ended 12/11/2022	Diploma in Social Work BPhil in Policy Analyses and Values Studies BA Hons in Public Administration Certificate in Human Resource Management Postgraduate Diploma in Poverty, Land and Agrarian Studies Enrolled in MPhil in Human Rights (Disability)	Youth activism and development Social Development Disability Rights	Mandrews Financial Services Beamadel Enterprises (Pty) Ltd Majamba Logistics (Pty) Ltd Unogwaja Yintenesha Farming Company (Pty) Ltd		15
Bushang Modipane	Trustee and member of the HCRSEC	13/11/2019	Term in office ended 12/11/2022	Professional Certificate in Public & Development Management Post Graduate Diploma in Public Management	Public Sector Customary Law Tourism	Kgabotlou Investments (Pty) Ltd Drankensberg Maguga Construction (Pty) Ltd Moema Investments CC Premier City Link (Pty) Ltd		13
Stavros Nicolaou	Trustee and member of the HCRSEC and MARCO	13/11/2019	Term in office ended 12/11/2022	B Pharm, Wits University PhD Medicine (Honoris Causa)	Health			11
Sisanda Nkoala	Trustee and member of the ARCO and MARCO	13/11/2019	Term in office ended 12/11/2022	PhD: Rhetoric Studies MPhil: Rhetoric Studies BA (Hons): Political Communication BA: Film & Media Production	Media Literacy Education			17
Johannes Sebulela	Trustee and member of the MARCO	13/11/2019	Term in office ended 12/11/2022	BA (Com) – Fort Hare Advanced Management Programme (AMP) – INSEAD (France) Leverage Finance – Fitch (UK) Board Development Programme – GIBS Principles of Business Management (NMP) – WBS Leadership Development Programme – GIBS Diploma in Marketing (Research Outstanding) – (IMM)	Leadership Business Entrepreneurship	SAUBC AEC AOGBC		8
Yiva Rodny-Gumede	Trustee and member of the ARCO and MARCO	13/11/2019	Term in office ended 12/11/2022	PhD (School of Oriental and African Studies) MA Politics MA Journalism	Journalism Communication Marketing PR Policy Research			17

COMMITTEES

The Board is unitary and has the following committees which were set up to facilitate the fulfilment of its fiduciary duties and stewardship:

- Human Capital, Remuneration, Social & Ethics Committee (HCRSEC);
- Audit and Risk Committee (ARCO); and
- Marketing Committee (MARCO).

All the Board committees were made up of members of the Board, except ARCO who also consisted of two additional members who were not Trustees in order to enhance the independence of the committee. Executive Management only attended by invitation. All committees or committee members were empowered to obtain external and independent professional advice whenever they considered it necessary to carry out their duties and were chaired by non-executive Trustees. The Director: Governance, Legal and Board Secretariat served as the Secretary to the Board.

BOARD MEETINGS

The Board meetings and members in attendance are shown below. The meetings were held both virtually and in person in view of COVID-19. Six (6) special meetings were convened by the Board in addition to the scheduled meetings.

BOARD COMMITTEES

The following Board Committees were in place during the period under review:

- Audit and Risk Committee (ARCO);
- Human Capital, Remuneration and Social & Ethics Committee (HCRSEC); and
- Marketing Committee (MARCO).

EXCO members attended meetings by invitation. Committee members were entitled to seek external or independent professional advice to carry out their duties in accordance with the Board Policy on Access to Professional Advice. Board committees were all chaired by non-executive trustees.

BOARD ATTENDANCE SCHEDULE FOR 2022/23

MEMBERS			MEETING DATES								
NAME	SURNAME	TITLE	26/04/2022	27/05/2022	28/06/2022	27/07/2022	22/08/2022	06/09/2022	22/09/2022	27/10/2022	09/11/2022
Thandi	Tobias	Ms	✓	✓	✓	✓	✓	✓	✓	✓	✓
Rachel	Kalidass	Ms	✗	✓	✗	✓	✓	✓	✓	✗	✓
Andrew	Madella	Mr	✓	✓	✓	✓	✓	✓	✓	✓	✓
Bushang	Modipane	Mr	✓	✓	✓	✓	✓	✓	✓	✓	✓
Johannes	Sebulela	Mr	✓	✓	✗	✓	✓	✓	✗	✗	✓
Muditambi	Ravele	Ms	✓	✓	✓	✓	✗	✓	✓	✓	✓
Ylva	Rodny-Gumede	Prof	✓	✓	✓	✓	✓	✓	✓	✓	✓
Stavros	Nicoloau	Dr	✓	✓	✓	✓	✓	✓	✗	✓	✗
Loretta	Jacobus	Ms	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sisanda	Nkoala	Dr	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mlungisi	Johnson	Mr	✓	✓	✓	✓	✓	✓	✓	✓	✓

ARCO ATTENDANCE SCHEDULE FOR 2022/23

MEMBERS			MEETING DATES					
NAME	SURNAME	TITLE	22/04/2022	23/05/2022	21/07/2022	25/07/2022	17/10/2022	03/11/2022
Rachel	Kalidass	Ms	✓	✓	✓	✓	✓	✓
Sisanda	Nkoala	Ms	✓	✓	✓	✓	✓	✓
Ylva	Rodny-Gumede	Prof	✓	✓	✓	✓	✓	✓
Hennie	Bekker *	Mr	✓	✓	✓	✓	✓	✓
Waseem	Carrim **	Mr	✓	✓	✓	✓	✓	✓

* GCIS Representative ** Independent Member

AUDIT AND RISK COMMITTEE (ARCO)

The Audit and Risk Committee (ARCO) was inter alia responsible for:

- Ensuring the integrity, reliability, and accuracy of accounting and financial reporting systems;
- Evaluating the adequacy and effectiveness of internal audit and risk management;
- Maintaining transparent and appropriate relationships with external auditors;
- Reviewing the scope, quality and cost of the statutory audit and the independence and objectivity of the auditors; and
- Ensuring compliance with applicable legislation and the requirements of regulatory authorities, especially those set out in the PFMA.

Three (3) special meetings were convened by the ARCO in addition to the scheduled meetings.

HUMAN CAPITAL, REMUNERATION AND SOCIAL & ETHICS COMMITTEE (HCRSEC)

The terms of reference of the HCRSEC, as approved by the Board, address aspects of membership, structure, authority, and duties. The responsibilities of this Committee include making recommendations to the Board on:

- All policy matters that affect the employer-employee relationship;
- All policy matters dealing with remuneration, recruitment, selection, the appointment, and the remuneration of executives;
- All policy matters relating to social and ethics, as contemplated in the Companies Act, Act No. 71 of 2008; and
- Human resource strategies and the organisational structure.

Two (2) special meetings were convened by the HCRSEC in addition to the scheduled meetings.

HCRSEC ATTENDANCE SCHEDULE FOR 2022/23

MEMBERS			MEETING DATES				
NAME	SURNAME	TITLE	12/04/2022	07/07/2022	20/09/2022	07/10/2022	04/11/2022
Mlungisi	Johnson	Mr	✓	✓	✓	✓	✓
Stavros	Nicolaou	Dr	✓	✓	x	✓	x
Loretta	Jacobus	Ms	✓	✓	✓	✓	✓
Andrew	Madella	Mr	✓	✓	✓	✓	✓
Bushang	Modipane	Mr	✓	✓	✓	✓	✓

MARCO ATTENDANCE SCHEDULE FOR 2022/23

MEMBERS			MEETING DATES		
NAME	SURNAME	TITLE	19/04/2022	19/07/2022	18/10/2022
Muditambi	Ravele	Ms	✓	✓	✓
Johannes	Sebulela	Mr	✓	✓	✓
Andrew	Madella	Mr	✗	✓	✓
Ylva	Rodny-Gumede	Prof	✓	✓	✓
Stavros	Nicolaou	Dr	✓	✓	✗
Sisanda	Nkoala	Ms	✓	✓	✓

MARKETING COMMITTEE (MARCO)

MARCO is responsible for advancing the mandate of Brand South Africa by overseeing the development and implementation of effective marketing and communications strategies. The Committee's mandate includes:

- Reviewing the marketing policy and protocols, and recommending the same to the Board for approval;
- Offering expert advice and feedback on Brand South Africa's marketing and communications activities and resources;
- Identifying areas of marketing and communications weaknesses and recommending remedial actions;
- Acting as a resource to advise management on serious communications issues; and
- Reviewing and recommending corporate profile policies and issues relating to Brand South Africa's branding.

There were no special meetings convened by the MARCO in addition to the scheduled meetings during the period under review.

REMUNERATION OF BOARD MEMBERS

Board remuneration paid during the year under review has been disclosed in the annual financial statements of the organisation in line with good corporate governance practice.

The remuneration of Board and Committee members in respect of Brand South Africa is regulated inter alia by the Board Remuneration Policy which is inter alia aligned with the "National Treasury Circular on the Remuneration of Non-official members, Commissions and Committees of Inquiry, and Audit Committees" which ought to be released in April every year. Other expenses, such as, travel, were reimbursed by the entity except in circumstances where the entity itself covered the costs.

All Board and Committee members were remunerated during the year under review.

The remuneration paid to each board member is set out in the below table.

BOARD REMUNERATION

NAME	REMUNERATION	OTHER ALLOWANCE (CELLPHONE)	OTHER RE-IMBURSEMENTS	TOTAL
TV Tobias-Pokolo	252,200.69	0	0	252,200.69
M Ravele	61,932.00	20,720.00	0	82,652.00
JG Sebulela	52,404.00	0	0	52,404.00
BJ Modipane	78,606.00	0	0	78,606.00
M Johnson	80,585.00	20,720.00	31.20	101,316.20
L Jacobus	72,935.84	0	768.00	73,703.84
SB Nkoala	104,808.00	0	0	104,808.00
YM Rodny-Gumede	90,516.00	0	0	90,516.00
R Kalidass	94,284.00	20,720.00	0	115,004.00
Mr S Nicolaou	59,550.00	0	0	59,550.00
AF Madella	83,370.00	0	0	83,370.00

RISK MANAGEMENT

Risks relating to the business of Brand South Africa are managed in accordance with the PFMA, as amended, as well as recommended good corporate governance practice. The Risk Management Strategy and Risk Materiality Framework help to ensure that all risks are kept at a manageable level.

Brand South Africa has a Risk Management Policy and Strategy and conducts regular risk assessments to determine the effectiveness of this risk management strategy as well as to identify new and emerging risks. Brand South Africa Audit and Risk Management Committee advises management on the overall system of risk management, especially the mitigation of unacceptable levels of risk. The committee provides oversight with regards to financial management, internal controls, risk management and the accuracy of financial reporting.

INTERNAL AUDIT AND AUDIT COMMITTEES

The internal audit function provides an independent and objective evaluation of the systems of control and any significant risks brought to management's attention.

Key internal audit functions include:

- Assessing the adequacy and effectiveness of the internal control environment, and recommending potential improvements;
- Developing a rolling three-year strategic Internal Audit Plan in line with the strategic risk assessments;
- Preparing annual internal audit plans using risk-based methodology, incorporating any risks or control concerns identified by management, and submitting the plan to the Audit and Risk Management Committee for approval; and
- Executing the approved Annual Internal Audit Plan, and any special projects/tasks requested by the management and/or Audit and Risk Management Committee.

Internal audit reports were tabled to the Audit and Risk Management Committee on a quarterly basis.

The tabled below discloses relevant information on the audit committee members.

AUDIT COMMITTEE MEMBERS

NAME	QUALIFICATIONS	INTERNAL OR EXTERNAL	DATE APPOINTED	DATE RESIGNED	NO. OF MEETINGS ATTENDED
Rachel Kalidass	• CA(SA) • Bachelor of Commerce Honours • Certificate in the Theory of Accountancy (CTA) • Bachelor of Accounting Sciences (BCompt)	External	13/11/2019	Term in office ended 12/11/2022	6
Sisanda Nkoala	• PhD: Rhetoric Studies • MPhil: Rhetoric Studies • BA (Hons): Political Communication • BA: Film & Media Production	External	13/11/2019	Term in office ended 12/11/2022	6
Ylva Rodny-Gumede	• Journalism • Communication • Marketing • PR • Policy Research	External	13/11/2019	Term in office ended 12/11/2022	6

COMPLIANCE WITH LAWS AND REGULATIONS

Brand South Africa endeavoured to always remain attuned to its regulatory compliance universe. The Board was regularly apprised on all laws relevant to and affecting the organisation. A legislative compliance checklist was closely monitored and shared with the Audit and Risk Committee (ARCO) of the Board on a quarterly basis.

The Protection of Personal Information Act (POPIA) compliance reports were regularly presented to ARCO and the Board with a view to facilitating proper oversight on the part of the governing body. The Legal Unit continuously provided guidance and support to management and staff as and when required so as to enable the organisation to remain fully compliant as a matter of course. At an operational level, each Department has a POPIA Information Officer who also sits on the in-house POPIA Committee.

FRAUD AND CORRUPTION

Brand South Africa's Policy on Whistle-blowing encourages employees to report any acts of fraud, dishonesty and any other form of unethical behaviour in accordance with the Protected Disclosures Act, No.26 of 2000 and the Companies Act No.71 of 2008. A 24-hour independent hotline is in place and employees are constantly reminded about the existence of the hotline. Employees are also given the assurance that they will not suffer any form of victimisation or reprisal as a result of having reported any matter in good faith. The Social and Ethics Committee of the Board receives quarterly updates on the use of the hotline and this remains a standing agenda item of the Committee which also doubles-up as the Remuneration Committee. All reports received are subjected to investigations which may culminate in disciplinary action and possible dismissal, depending on the nature of the transgression. A Fraud Prevention Policy is also in place.

THE FRAUD PREVENTION PLAN

The Plan has been developed within the context of the Risk Management Framework with the aim to reduce fraud to an absolute minimum and effect policies and procedure to maintain the risk of fraud within tolerable levels, and preferably zero, at all times.

- Various measures have been implemented to prevent fraud. These include authorisation, custody of assets, detection controls, physical supervision, management information, and segregation of duties, physical security and information security.

- The Fraud Prevention Policy includes the response mechanisms in place to report, investigate and resolve incidents of fraud impacting Brand South Africa.

MINIMISING CONFLICT OF INTEREST

In order to avoid or minimise conflicts of interests, the organisation has a Conflict of Interest Policy which governs the management of conflicts of interest both at Board and Executive Management levels. In terms of the policy, declarations of interests are made in writing annually and as and when the need arises. In addition, at the start of each Board or Board Committee meeting, declaration of conflicts of interests are made and this is a standing agenda item in all meetings. A standard operating procedure is also in place and sets out the procedure which should be followed when a conflict of interest has been declared.

Brand South Africa employees in Supply Chain Management are required to disclose any conflict of interest prior to each meeting, bid evaluation etc. In the event of a conflict of interest, the conflicting party is recused from the process.

Bidders and services providers registered with Brand South Africa are required to complete declaration of interest forms. Supply chain management practitioners and management submit their financial disclosure forms annually, as required by the Public Service Commission.

BOARD CODE OF CONDUCT

The organisation has a Code of Conduct for Board members which enunciates the standard of conduct which is expected of Board members. The Code of Conduct is aligned to the recommendations of the King IV Report for Corporate Governance in South Africa (2016), especially Principle 1 which enjoins the governing body to lead ethically and effectively. The King recommends the development of the Code of Conduct for Board Members as one of the recommended practices aimed at realising this outcome, which is ethical and effective leadership.

Furthermore, the code deals with dissent and well as the management of conflicts of interests. Breach of the requirements of the Code of Conduct are regarded as misconduct and are dealt with in accordance with the provisions of the organisation's of the Trust Deed.

BOARD SECRETARY

The Director: Governance, Legal and Board Secretariat serves as the Board Secretary and is responsible for ensuring the proper conduct of Board meetings. The Board Secretary provides support and guidance to the Board on matters related to governance, legislation, compliance and ethics. The Board Secretary's function includes the preparation and circulation of Board papers and minutes of meetings, and ensuring that the Board and its Committees are timeously provided with feedback. All Board members have unfettered access to the guidance and services of the Board Secretary.

The Board Secretary is also responsible for making Trustees aware of laws and legislation relevant to or affecting the organisation and ensuring the proper retention of Brand South Africa's important records. In addition, the Board Secretary has certain statutory duties to perform in terms of the Companies Act, Act No.71 of 2008 and other regulations relating to the duties of a Company Secretary. The Board Chairperson and all trustees have unrestricted access to the services of the Board Secretary. The Board Secretary also ensures that Brand South Africa's processes and practices are reviewed and benchmarked on an on-going basis to ensure compliance with local and international governance standards.

SOCIAL RESPONSIBILITY

Brand South Africa collaborated with several stakeholder in the execution of activities aimed at supporting disadvantaged communities. These activities include (but not limited to):

NKANTOLO SANITARY TOWEL PROJECT INITIATIVE

This programme was in its 6th year and assisted in keeping girls in school through the provision of sanitary pads annually was held on 19 October 2022 in O.R Tambo's birthplace. Sanitary towels and important hygiene education was given to 1319 young girls from four schools in the community of Nkantolo, Eastern Cape. This activity was executed in collaboration with the Oliver & Adelaide Tambo Foundation

"WHAT ABOUT THE BOYS?" ANTI GBV CAMPAIGN

A high-level gathering of politicians, CEOs, gender activists and other role players threw their weight behind a ground-breaking national preventative anti Gender-Based Violence intervention focusing on boys that was launched in Johannesburg during the quarter at the JSE. The initiative sought to educate boys on the impact (on their own lives, others and communities) of Gender-Based Violence. Brand South Africa has partnered with Prime Stars and other civil society and corporate organisation on the 'What About The Boys?' project, which is a national gender liberation movement aimed at creating a different definition of boyhood in which being sensitive, kind, respectful, accountable, and expressive. The objective is to address the issues that may lead to GBV, by engaging boys of a school-going age.

INFORMATION TECHNOLOGY GOVERNANCE

Governance of technology and information management of technology is seen as crucial to the enhancement of the Brand. The Board through its Audit and Risk Committee (ARCO) is responsible for information technology oversight. The responsibility for managing this has been delegated to Exco, with the Information and Technology Steering Committee ensuring alignment between information technology and business operational strategy. ARCO considers quarterly reports, which provide assurance on the security, business continuity and availability of Brand South Africa's information and technology systems of control, as well as assessments on the adequacy and effectiveness of governance, risk management, compliance and controls relating to technology and information.

The Board has adopted an IT Governance Framework and policies to provide direction on how information technology is managed in the organisation to ensure the confidentiality, security, integrity, availability of systems and management of personal information.

We are ensuring compliance with the Protection of Personal Information Act, 2013 on a risk-based approach, implementing adequate systems to process requests for information and training employees on the requirements of the Act.



EXECUTIVE COMMITTEE (EXCO)

Member's Profiles**MS SITHSEMBILE NTOMBELA**

ACTING CHIEF EXECUTIVE OFFICER

A Chartered Marketing Executive with the mission to innovate and improve overall company performance. She is a prudent decision-maker and an inspiring leader that strives to build high performing teams.

With a long career in marketing (private and public sector) of over 22 years, she has a wealth of knowledge, experience, and the expertise in brand management, marketing, and Nation Brand environments where she has been successful in delivering profitable and meaningful brand strategies. A firm believer of impact, purpose, influence, and inspiration in getting the job done.

She is highly proficient in leadership and communication skills and has a deep understanding of impact-based performance. Her philosophy and practice, is one of practical, pragmatic problem solving, bringing creative ideas and possibilities to shaping future purpose and direction.

Highly set on creating and leaving legacies, a leader that leads by example demonstrating resilience even in the face of adversities.

She serves as an Advisory Board Member on the CMO Council (Sub Saharan Africa) and City Nation Place where she continues to share her insights relating to dynamics in brand and marketing world.

QUALIFICATIONS

- Sithembile has an undergraduate qualification in Marketing Management
- PG Diploma in Marketing
- Bachelor of Philosophy (BPHIL) Honours Degree in Marketing
- Master of Commerce
- Chartered Marketer CM (SA), with the Marketing Association of South Africa



MR ZOLILE ZIBI CA(SA)

ACTING CHIEF FINANCIAL OFFICER

Mr Zibi runs the organizational 'checks and balances' with precision and accuracy. He is responsible for financial, operational and supply chain management that ensures effective control of funding, budgeting, and maintaining an elevated level of reporting standards.

He is a consummate professional that continuously seeks to deliver a high degree of excellence in all that he does and has garnered finance experience spanning thirteen (13) years, eight (8) years of which have been in various management roles in both the public and private sector.

QUALIFICATIONS

Mr Zibi is a qualified Chartered Accountant registered with The South African Institute of Chartered Accountant (SAICA). He also holds the following qualifications: Bachelor of Commerce Honours (Hon), Certificate in the Theory of Accountancy (CTA) and Bachelor of Accounting Sciences (BCompt).



ADV SIFISO S. NYONI

DIRECTOR: GOVERNANCE, LEGAL AND BOARD SECRETARIAT

Sifiso is responsible for corporate governance and legal matters in the organisation. He also serves as the Board/ Company Secretary. He has amassed a lot of experience in the corporate world and has spent more than two decades in the Boardroom. His responsibilities entail ensuring compliance with contemporary good corporate governance practices, and he has a passion for this.

Sifiso is also a Chartered Marketer (SA), and his special interests are in corporate governance and compliance, corporate law, integrated reporting (which includes ESG matters), corporate strategy, insolvency, and turnaround management.

Sifiso's academic qualifications include the following: LLM degree (UP), LLB degree (UNISA), Certificate in Compliance Management (UJ), Certificate in Board Governance (UJ), Certificate in Advanced Corporate and Securities Law

(UNISA), Insolvency Law and Practice (UP/SARIPA), MSc degree in Marketing and Product Management (Cranfield University, UK), and a BSc Agric. Ed degree (UNISWA). He has further participated in a Top Management Programme at the National University of Singapore (Business School). He is also an Insolvency Practitioner and holds a Business Rescue Decision-Making certificate (UP) as well as a Certified Rescue Analyst certificate (UP/TMA).

Sifiso has previously served on the Council of the then South African Advertising Research Foundation (SAARF) on behalf of the Marketing Association of South Africa (MASA). He is a member of the Institute of Directors in South Africa (IoDSA), the South African Restructuring and Insolvency Practitioners Association (SARIPA), and INSOL International – which is an international association of restructuring, insolvency & bankruptcy professionals.



MR TEBOGO GAOKGORWE

ACTING DIRECTOR: CORPORATE SERVICES

Tebogo is a technology leader who is responsible for the seamless and efficient running of the Corporate Services (CS) Department at Brand South Africa. The department itself is further sub-divided into Human Capital, Employee Relations, Information Technology and Strategic Planning and Performance Information Management units. Under his supervision, the organisation continually achieves a high-level of corporate goals, as well as strategic and performance milestones that are necessary for the delivery of the Annual Performance Plan.

QUALIFICATIONS

Tebogo has obtained the following qualifications, a Master of Management Degree in Digital Business (Wits), Postgraduate Diploma in Information Systems (University of Cape Town), a Bachelor's Degree in Business Leadership (University of the Free State) as well as Non-Graduate Diplomas in Public Management & Project Management.

Tebogo is further accredited as a member of the Institute of Directors South Africa (IoDSA).



MS. MPUMI MABUZA

ACTING CHIEF MARKETING OFFICER

Mpumi Mabuza also holds the position of General Manager: Stakeholder Relations and is responsible for the establishment and management of the organisations' strategic partnerships with Government, Business and Civil Society Stakeholders.

Before joining Brand South Africa, Mpumi was employed as the Country Manager at the Swedish Trade Council in Johannesburg

and was responsible for the full management of the organisation's South African operations. Mpumi has also worked at the South African Revenue Services Business Intelligence Unit. Mpumi has extensive experience in Stakeholder Management, International Business Development, Management Consulting, Programme Management, Strategy Development and Project Management.

Part D
HUMAN RESOURCE
MANAGEMENT

INTRODUCTION

HUMAN CAPITAL VALUE PROPOSITION

Through strategic partnerships and collaborations, the Human Capital Unit in the Department: Corporate Services recruits the required talent, develops on -the-job and through formal developmental programs and retains, engage high performing and - diverse workforce. The Corporate Services - Human Capital unit fosters a healthy, safe, and innovative work environment for employees in order to maximize individual and organisational potential. This, in turn, seeks to position Brand South Africa as an employer of choice. Brand South Africa commits to rewarding the desired employee behaviour that elevates high performance.

HUMAN CAPITAL VISION AND RESPONSIBILITIES

VISION

The vision of the Human Capital Unit is to attract, develop, retain engage talented high-performing employees in Brand South Africa.

THE HUMAN CAPITAL RESPONSIBILITIES

The units responsibilities can be summarised as follows:

“To provide strategic support to the organisation by developing and implementing the HR Plan, processes, policies, methods, systems and procedures that are needed to attract, develop, retain, reward and manage human resources towards attainment of organisational goal.

EMPLOYEE WELLNESS

Employee wellbeing is one of the critical components of Brand South Africa to ensure the health and wellbeing of its employees. The implementations of the wellness programme assist with decreased rates of illness and injury. Achieved company objectives. Improved employee morale. Increased productivity improving the health and wellbeing of the employees

UTILISATION OVERVIEW

The table and graph below indicate the cases managed by the EWP for Brand SA compared to the Corporate Sector, Public Sector and Life Health Solutions benchmarks for the annual period. Seven cases were managed during the annual period yielding an annualised utilisation rate of 12.28%. The annual utilisation rate is higher than the Corporate Sector, Public Sector benchmarks and also above the Life Health Solutions benchmark.

Table One – Annual EWP Utilisation Rate

PERIOD	NO. OF CASES	UTILISATION RATE
	57 EMPLOYEES	
Apr - Jun 2022	4	28.07%
Jul - Sep 2022	0	0.00%
Oct - Dec 2022	0	0.00%
Jan - Mar 2023	3	21.05%
Apr 2022 - Mar 2023	7	12.28%
Corporate Sector Apr 2022 - Mar 2023		12.09%
Public Sector Apr 2022 - Mar 2023		8.94%
Life Health Solutions Benchmark Apr 2022 - Mar 2023		11.46%

SERVICE TYPES

The table below presents the types of services offered to the employees that made use of the EWP in this annual period. Face-to-face counselling was the top service accessed. The aim of the face-to-face interventions was to assist employees with effective coping skills, stress management, problem solving categories, trauma debriefing, parental guidance, goal setting, relationship building and grief counselling, to name a few.

Table Two – Service Types

SERVICES	NO. OF CASES	% OF ALL SERVICES
Face-to-Face Counselling	6	85.71%
Financial	1	14.29%
Total	7	100.00%

CHALLENGES FACED BY THE PUBLIC ENTITY.

- The envisaged merger between Brand South Africa and SA Tourism
- Brand South Africa Structure that has not been reviewed since 2014

FUTURE HR PLANS /GOALS

- To reduce and maintain the vacancy rate at 10% against the approved organizational structure
- Implement Culture Change and management Strategies

BRAND SOUTH AFRICA EMPLOYEE WELLNESS EVENT

Brand South Africa hosted a successful face to face Wellness Day event on 30 March 2023, the first time since 2019. Wellness days give organisations an opportunity to provide valuable information and skills to employees with the aim to support mental health both in and out of work. The purpose of the day was to engage employees directly regarding their health and its improvement, support a culture of healthy living in the workplace, and guide the range of care when needed. The event hosted a variety of service providers from Health care professionals who conducted the health screening of employees, including but not limited to the following, Dietician, Biokineticist, Chiropractor, Optometrist, Stress analysis and counselling, Men's Health stand, Women's Health stand and more activities, which was well received by Brand South Africa Staff.

EMPLOYEE ENGAGEMENTS

Employee engagement is about improving Brand South Africa's work environment and culture it encourage employees to be more dedicated to organisational goals and values.

Employee engagement has been identified as one of the important elements to all organizations because having effective strategies in-place helps create a better work culture, reduce staff turnover, increase productivity, build better work and stakeholder relationships, and impact organisational goals. This also makes employees happier and turns them into organisations best advocates.

Below are some of the initiatives implemented::

TEAM TALK

Team Talk is a Chief Executive Officer's (CEO) platform that takes place once a quarter. It is aimed at giving employees an opportunity to engage with the CEO on organisational matters and gives the CEO an opportunity to build connection with the employees, listen to the employees entirely as well as communicate the goals and vision of the organisation with ease and clarity.

The organisation further had three speakers who focused on creating awareness and educating Brand South Africa employees on the following topics:

- Creating an enabling culture for the organisation that appoints people with disability.
- Brand SA Values Vs Behavioral patterns.
- Living and wearing the brand as a Brand South Africa Employee.

NATIONAL CASUAL DAY 2022

Brand South Africa has partnered with National Council for Persons with Disabilities (NCPD) in their 2022 programmes including the popular Casual Day. The programme is targeting persons with disabilities that tend to experience greater marginalisation in society than persons without disabilities which infringes on their human rights and ability to prosper. Brand South Africa aims to promote active citizenship amongst South Africans and key stakeholders by introducing them to the NCPD awareness programmes. Facilitate relationships between the Brand South Africa's key stakeholders and the NCPD to partner or donate towards the organisation's initiatives dedicated to persons with disabilities. Finally, fully support the NCPD during their nationwide launch of their Casual Day drive for 2022. This was a virtual event that took place on the 2nd of September 2022, where team Brand South Africa played our part while looking smart wearing the casual day merchandise and posting pictures on all social media platforms.



HUMAN RESOURCES OVERSIGHT STATISTICS

The public entity must provide the following key information on human resources. All the financial amounts must agree to the amounts disclosed in the annual financial statements. Where considered appropriate, provide reasons for variances.

PERSONNEL COST BY SALARY BAND

LEVEL	PERSONNEL EXPENDITURE (R'000)	% OF PERSONNEL EXP. TO TOTAL PERSONNEL COST (R'000)	NO. OF EMPLOYEES	AVERAGE PERSONNEL COST PER EMPLOYEE (R'000)
Top Management	R4 348 423,19	11.08%	2	R2 174 211.60
Senior Management	R14 448 168,65	36.83%	11	R1 313 469.88
Professional qualified	R7 228 931,12	18.43%	9	R803 214.57
Skilled	R10 271 079,83	26.18%	19	R540 583.15
Semi-skilled	R2 651 367,12	6.76%	8	R331 420.89
Unskilled	R284 184,82	0.72%	2	R142 092.41
Total	R39 232 154,73	100%	51	R5 304 992.50

PERFORMANCE REWARDS

Brand South Africa aspires to be a consistent high-performing organisation. To achieve and maintain this goal, the employees at Brand South Africa are guided, coached, and mentored to continually raise the standard of their individual and team performance towards the ultimate impact on the institution. The Reward Strategy aims to reward employees that are engaged with achievement of the deliverables in their performance contract, that strive to work independently and interdependently, as the need arises, to ultimately contribute towards the achievement of the commitments outlined in the Annual Performance Plan. The organisation finalises its performance rewards immediately after the end of the audit from the Auditor-General.



LEARNING AND DEVELOPMENT

Training and development of employees contributes to improving performance and organisational effectiveness. It is a critical component of human capital management. Brand South Africa offers a wide range of developmental opportunities enabling employees to obtain the skills, competencies, and experience necessary to contribute to the attainment of individual, team, and organisational goals in an increasingly diverse and demanding context.

Employee training is both the responsibility of the organisation as well as a shared responsibility between management and the individual employee. This requires leadership commitment to ensure that all employees have equal access to training and development opportunities and can continuously improve their skills and competencies.

During the year under review, the following study assistance applications were approved by the ACEO, and approved training interventions were conducted.

PROGRAMME/ACTIVITY/ OBJECTIVE	PERSONNEL EXPENDITURE (R'000)	TRAINING EXPENDITURE (R'000)	TRAINING EXPENDITURE AS A % OF PERSONNEL COST	NO. OF EMPLOYEES TRAINED	AVG TRAINING COST PER EMPLOYEE
People part 1 Leave	R3,050.00	R3,050.00	100%	1	R3,050.00
People leave Management	R3,050.00	R3,050.00	100%	1	R3,050.00
Performance Management	R3,050.00	R3,050.00	100%	1	R3,050.00
Board Secretaries' Masterclass	R9,499.00	R9,499.00	100%	1	R9,499.00
Effective Tendering & Supplier Management	R4,554.00	R22,770.00	20%	5	R4,554.00
Intermediate Project Management Training	R14,665.33	R43,996.00	33.33%	3	R14 665.33
Risk Management	R9,200.00	R9,200.00	100%	1	R9,200.00
Ethical Procurement Training	R9,999.25	R9,999.25	100%	1	R9,999.25
Minute Taking	R5,750.00	R5,750.00	100%	1	R5,750.00
Irregular Expenditure	R4,666.67	R14,000.00	33.33%	3	R4,666.67



EMPLOYMENT AND VACANCIES

PROGRAMME/ACTIVITY/ OBJECTIVE	2022/23 NO. OF EMPLOYEES	2022/2033 APPROVED POSTS	2022/23 NO. OF EMPLOYEES	2022/23 VACANCIES	% OF VACANCIES
Top Management	2	5	2	3	5.26%
Senior Management	13	20	13	7	12.28%
Professional qualified	6	7	6	1	1.75%
Skilled	18	21	18	3	5.26%
Semi-skilled	2	2	2	0	0%
Unskilled	2	2	2	0	0%
Total	43	57	43	14	24.55%

The organisation currently does not have a Board in place and senior positions require representation from Board members, however the organisation has capable internal employees who have been appointed to Act in the senior positions that are currently vacant.

EMPLOYMENT CHANGES

SALARY BAND	EMPLOYMENT AT BEGINNING OF PERIOD	APPOINTMENTS	TERMINATIONS	EMPLOYMENT AT END OF THE PERIOD
Top Management	1	1	0	2
Senior Management	12	2	2	13
Professional qualified	7	1	2	6
Skilled	19	1	1	18
Semi-skilled	2	0	0	2
Unskilled	2	0	0	2
Total	43	5	5	43

REASONS FOR STAFF LEAVING

REASON	NUMBER	% OF TOTAL NO. OF STAFF LEAVING
Death	-	-
Resignation	3	5.26%
Dismissal	-	-
Retirement	-	-
Ill health	-	-
Expiry of contract	2	3.51%
Other	-	-
Total	5	8.77%

The organisation had 3 resignations and two end of contracts on the approved structure. The positions emanating from the the resignations have since been filled. The recruitment process for the two end of contract is underway.

LABOUR RELATIONS: MISCONDUCT AND DISCIPLINARY ACTION

NATURE OF DISCIPLINARY ACTION NUMBER	NUMBER
Verbal Warning	-
Written Warning	-
Final Written Warning	-
Dismissal	-

There were no warnings and dismissals during the financial period under review.

THERE WERE NO WARNINGS AND DISMISSALS DURING THE FINANCIAL PERIOD UNDER REVIEW.

EQUITY TARGET AND EMPLOYMENT EQUITY STATUS

LEVELS	AFRICAN		COLOURED		INDIAN		WHITE	
	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET
Top Management	1	4	0	1	0	0	0	0
Senior Management	13	15	0	3	0	0	0	2
Professional qualified	5	6	0	0	1	1	0	0
Skilled	17	17	0	1	1	1	0	2
Semi-skilled	2	2	0	0	0	0	0	0
Unskilled	2	2	0	0	0	0	0	0
Total	40	46	0	5	2	2	0	4

LEVELS	DISABLED STAFF			
	MALE		FEMALE	
	CURRENT	TARGET	CURRENT	TARGET
Top Management	-	-	-	-
Senior Management	-	-	-	-
Professional qualified	1	1	-	-
Skilled	-	-	0	1
Semi-skilled	-	-	-	-
Unskilled	-	-	-	-
Total	1	1	0	1

Part E
PFMA
**COMPLIANCE
REPORT**

INFORMATION ON IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE AND MATERIAL LOSSES

FORMAT OF DISCLOSURE IRREGULAR EXPENDITURE

RECONCILIATION OF IRREGULAR EXPENDITURE	2023/2022	2022/2021
DESCRIPTION	R'000	R'000
Opening balance	30 710	30 710
Add: Irregular expenditure confirmed	63	
Less: Irregular expenditure condoned		
Less: Irregular expenditure not condoned and removed		
Less: Irregular expenditure recoverable Less:		
Less: Irregular expenditure not recovered and written off		
Closing balance	30 773	30 710

RECONCILING NOTES	2023/2022	2022/2021
DESCRIPTION	R'000	R'000
Irregular expenditure that was under assessment	0.00	0.00
Irregular expenditure that relates	0.00	0.00
Irregular expenditure for the current year	63	0.00
Total	63	0.00

FRUITLESS AND WASTEFUL EXPENDITURE

RECONCILIATION OF IRREGULAR EXPENDITURE	2023/2022	2022/2021
DESCRIPTION	R'000	R'000
Opening balance	163	163
Add: Fruitless and wasteful expenditure confirmed	16	
Less: Fruitless and wasteful expenditure written off		
Less: Fruitless and wasteful expenditure recoverable		
Closing balance	179	163

RECONCILING NOTES	2023/2022	2022/2021
DESCRIPTION	R'000	R'000
Fruitless and wasteful expenditure that was under assessment in 2022/21	0.00	0.00
Fruitless and wasteful expenditure that relates to 2022/21 and identified in 2023/22	0.00	0.00
Fruitless and wasteful expenditure for the current year	16	0.00
Total	16	0.00

ADDITIONAL DISCLOSURE RELATING TO MATERIAL LOSSES IN TERMS OF PFMA SECTION 55(2)(B)(I) &(III))

There were no material losses during the year under review.

INFORMATION ON LATE AND / OR NON-PAYMENT OF SUPPLIERS

FORMAT OF DISCLOSURE	NUMBER OF INVOICES	CONSOLIDATED VALUE R'000	REASONS
DESCRIPTION			
Valid invoices received	740	154 137 502,00	N/A
Invoices paid within 30 days or agreed period	728	152 275 633,67	N/A
Invoices paid after 30 days or agreed period	12	1 861 868,33	N/A
Invoices older than 30 days or agreed period (unpaid and without dispute)	4	1 077 699,00	Refer below
Invoices older than 30 days or agreed period (unpaid and in dispute)	8	784 169,33	Refer below

BREAKDOWN:

INVOICES OLDER THAN 30 DAYS OR AGREED PERIOD (UNPAID AND WITHOUT DISPUTE):

SUPPLIER	INVOICE NUMBER	VALUE R'000	REASONS
Atlantis	HOf001096	350,00	Relates to traffic fine, payable by employee
Vuvuzela	VH4112	4 025,00	Delayed due to internal approval processes
Vuvuzela	VH4113	3 220,00	Delayed due to internal approval processes
Biddulphs	IJ044628	1 070 104,00	Delayed due to internal approval processes

INVOICES OLDER THAN 30 DAYS OR AGREED PERIOD (UNPAID AND IN DISPUTE):

SUPPLIER	INVOICE NUMBER	VALUE R'000	REASONS
Brand Fusion	228	299 958,87	Goods and services not received satisfactorily
Skynet	9942253649	1 721,03	Goods and services not received satisfactorily
Skynet	9941891169	1 658,10	Goods and services not received satisfactorily
Skynet	9942258539	880,99	Goods and services not received satisfactorily
Atlantis	Hof,00181	233 423,00	Invoice description indicated a duplicate invoice
Atlantis	Hof,01182	10 090,00	Invoice description indicated a duplicate invoice
Atlantis	Hof,001170	13 975,92	Invoice description indicated a duplicate invoice
Atlantis	Hof,001184	222 461,42	Invoice description indicated a duplicate invoice

INFORMATION ON SUPPLY CHAIN MANAGEMENT

PROCUREMENT BY OTHER MEANS

PROJECT DESCRIPTION	NAME OF SUPPLIER	TYPE OF PROCUREMENT BY OTHER MEANS	CONTRACT NUMBER	VALUE OF CONTRACT R'000
Sole Source Deviation of (ISC2) for CISSP Certified Information for Security Online Training and Examination	International Information System Security Certification Consortium Inc	Sole Source	Dev-04-2022-2023	22
Sole Source Deviation for Caseware License Fee	Adapt IT	Sole Source	Dev-03-2022-2023	115
Variation above 15% for the relocation of the household goods of the USA country manager back to South Africa	Biddulphs	Contract Extension	Dev-02-2022-23	899
Emergency deviation for packaging, removal and importing of inventory for Ms Pumela Salela from the United Kingdom (UK) to South Africa	Biddulphs	Emergency deviation	Dev-01-2022-23	114
Total				1 150

CONTRACT VARIATIONS AND EXPANSIONS

PROJECT DESCRIPTION	NAME OF SUPPLIER	CONTRACT MODIFICATION TYPE (EXPANSION OR VARIATION)	CONTRACT NUMBER	ORIGINAL CONTRACT VALUE R'000	VALUE OF PRE-VIOUS CONTRACT EXPANSION/S OR VARIATION/S R'000	VALUE OF CUR-RENT CONTRACT EXPANSION OR VARIATION R'000
Employee Health and Wellness	Life Health Solutions (Pty) Ltd	Extension	011 219 9000	125	N/A	12
Total				125		12

Part F
FINANCIAL
INFORMATION

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Accounting Authority's Responsibilities and Approval

The Accounting Authority is required by the Public Finance Management Act (Act 1 of 1999), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the Accounting Authority to ensure that the annual financial statements fairly present the state of affairs of Brand South Africa as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Accounting Authority acknowledges that she is ultimately responsible for the system of internal financial control established by Brand South Africa and place considerable importance on maintaining a strong control environment. To enable the Accounting Authority to meet these responsibilities, the Accounting Authority sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout Brand South Africa and all employees are required to maintain the highest ethical standards in ensuring Brand South Africa's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in Brand South Africa is on identifying, assessing, managing and monitoring all known forms of risk across Brand South Africa. While operating risk cannot be fully eliminated, Brand South Africa endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Accounting Authority is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The Accounting Authority has reviewed the Brand South Africa's cash flow forecast for the period 31 March 2024 and, in the light of this review and the current financial position, she is satisfied that Brand South Africa has or has access to adequate resources to continue in operational existence for the foreseeable future.

During the period under review, Brand South Africa was reporting to The Presidency Office through the Government Communication and Information System (GCIS). The entity is wholly dependent on The Presidency for the budget vote for continued funding of operations. The annual financial statements are prepared on the basis that Brand South Africa is a going concern and that the entity has neither the intention nor the need to liquidate or curtail materially the scale of the entity.

The external auditors are responsible for independently reviewing and reporting on the Brand South Africa's annual financial statements. The annual financial statements have been examined by the Brand South Africa's external auditors and their report is presented on page 96.

The annual financial statements set out on page 101 to 139 which have been prepared on the going concern basis, were approved by the Accounting Authority on 31 July 2023 and were signed on its behalf by:



Ms Sithembile Ntombela
Accounting Authority

Report of the Auditor-General

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON BRAND SOUTH AFRICA TRUST

OPINION

1. I have audited the financial statements of the Brand South Africa Trust set out on pages 101 to 139, which comprise the statement of financial position as at 31 March 2023, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Brand South Africa Trust as at 31 March 2023 and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

BASIS FOR OPINION

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the public entity in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

OTHER MATTER

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.

NATIONAL TREASURY INSTRUCTION NO. 4 OF 2022/23: PFMA COMPLIANCE AND REPORTING FRAMEWORK

7. On 23 December 2022 National Treasury issued Instruction No. 4: PFMA Compliance and Reporting Framework of 2022-23 in terms of section 76(1)(b), (e) and (f), 2(e) and (4) (a) and (c) of the PFMA, which came into effect on 3 January 2023. The PFMA Compliance and Reporting Framework also addresses the disclosure of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure. Among the effects of this framework is that irregular and fruitless and wasteful expenditure incurred in previous financial years and not addressed is no longer disclosed in the disclosure notes of the annual financial statements, only the current year and prior year figures are disclosed in note 29 to the financial statements. The movements in respect of irregular expenditure and fruitless and wasteful expenditure are no longer disclosed in the notes to the annual financial statements of Brand South Africa Trust. The disclosure of these movements (e.g. condoned, recoverable, removed, written off, under assessment, under determination and under investigation) are now required to be included as part of other information in the annual report of the public entity.
8. I do not express an opinion on the disclosure of irregular expenditure and fruitless and wasteful expenditure in the annual report.

RESPONSIBILITIES OF THE ACCOUNTING AUTHORITY FOR THE FINANCIAL STATEMENTS

9. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of GRAP and the requirements of the PFMA and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
10. In preparing the financial statements, the accounting authority is responsible for assessing the public entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

RESPONSIBILITIES OF THE AUDITOR-GENERAL FOR THE AUDIT OF THE FINANCIAL STATEMENTS

11. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
12. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

REPORT ON THE ANNUAL PERFORMANCE REPORT

13. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected programmes presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.
14. I selected the following programmes presented in the annual performance report for the year ended 31 March 2023. I selected those programmes that measure the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Brand, Marketing and Reputation Management	21	To develop and articulate a nation brand identity that will advance South Africa's long-term positive reputation and global competitiveness.
Stakeholder Relations	24	To build and leverage collaborative partnerships, to integrate and coordinate efforts and approaches to market the nation brand identity and promote the nation's value proposition.

15. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting

framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the public entity's planning and delivery on its mandate and objectives.

16. I performed procedures to test whether:
 - the indicators used for planning and reporting on performance can be linked directly to the public entity's mandate and the achievement of its planned objectives
 - the indicators are well defined and verifiable to ensure that they are easy to understand and apply consistently and that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as what was committed to in the approved initial or revised planning documents
 - the reported performance information is presented in the annual performance report in the prescribed manner
 - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.
17. I performed the procedures for the purpose of reporting material findings only.
18. I did not identify any material findings on the reported performance information for the selected programmes.

OTHER MATTER

19. I draw attention to the matter below.

ACHIEVEMENT OF PLANNED TARGETS

20. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- and underachievements.

REPORT ON COMPLIANCE WITH LEGISLATION

21. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting

authority is responsible for the public entity's compliance with legislation.

22. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
23. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the public entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
24. I did not identify any material non-compliance with the selected legislative requirements.

OTHER INFORMATION IN THE ANNUAL REPORT

25. The accounting authority is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
26. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

27. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

28. I have nothing to report in this regard.

INTERNAL CONTROL DEFICIENCIES

29. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
30. I did not identify any significant deficiencies in internal control.

Auditor-General

Pretoria

31 July 2023



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNEXURE TO THE AUDITOR'S REPORT

The annexure includes the following:

- the auditor-general's responsibility for the audit
- the selected legislative requirements for compliance testing.

AUDITOR-GENERAL'S RESPONSIBILITY FOR THE AUDIT

PROFESSIONAL JUDGEMENT AND PROFESSIONAL SCEPTICISM

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected programmes and on the public entity's compliance with selected requirements in key legislation.

FINANCIAL STATEMENTS

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the public entity's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and

related disclosures made

- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the public entity to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a public entity to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting authority with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

COMPLIANCE WITH LEGISLATION – SELECTED LEGISLATIVE REQUIREMENTS

The selected legislative requirements are as follows:

LEGISLATION	SECTIONS OR REGULATIONS
Public Finance Management Act No.1 of 1999 (PFMA)	• Section 51(1)(a)(iv); 51(1)(b)(i); 51(1)(b)(ii); 51(1)(e)(iii) • Section 53(4) • Section 54(2)(c'); 54(2)(d) • Section 55(1)(a); 55(1)(b); 55(1)(c)(i) • Section 56(1); 56(2) Section 57(b); • Section 66(3)(c'); 66(5)

LEGISLATION	SECTIONS OR REGULATIONS
Treasury Regulations for departments, trading entities, constitutional institutions and public entities (TR)	• Treasury Regulation 8.2.1; 8.2.2 • Treasury Regulation 16A 3.1; 16A 3.2; 16A 3.2(a); 16A 6.1; 16A 6.2(a) & (b); • 16A 6.2(e); 16A 6.3(a); 16A 6.3(a)(i); 16A 6.3(b); 16A 6.3(c); 16A 6.3(d); 16A 6.3(e); • 16A 6.4; 16A 6.5; 16A 6.6; TR 16A 7.1; • 16A 7.3; 16A 7.6; 16A 7.7; 16A 8.2(1); 16A 8.2(2); 16A 8.3; 16A 8.3(d); 16A 8.4; 16A 9.1 • 16A 9.1(b)(ii); 16A 9.1(c); 16A 9.1(d); • 16A 9.1(e); 16A 9.1(f); 16A 9.2; 16A 9.2(a)(ii); TR 16A 9.2(a)(iii) • Treasury Regulation 30.1.1; 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1 • Treasury Regulation 31.1.2(c') • Treasury Regulation 31.2.1; 31.2.5; 31.2.7(a) • Treasury Regulation 31.3.3 • Treasury Regulation 32.1.1(a); 32.1.1(b); 32.1.1(c') • Treasury Regulation 33.1.1; 33.1.3
Prevention and Combating of Corrupt Activities Act No.12 of 2004 (PRECCA)	• Section 34(1)
Construction Industry Development Board Act No.38 of 2000 (CIDB)	• Section 18(1)
CIDB Regulations	• CIDB regulation 17; 25(1); 25 (5) & 25(7A)
Preferential Procurement Policy Framework Act	• Section 1(i); 2.1(a); 2.1(b); 2.1(f)
Preferential Procurement Regulations, 2017	• Paragraph 4.1; 4.2 • Paragraph 5.1; 5.3; 5.6; 5.7 • Paragraph 6.1; 6.2; 6.3; 6.5; 6.6; 6.8 • Paragraph 7.1; 7.2; 7.3; 7.5; 7.6; 7.8 • Paragraph 8.2; 8.5 • Paragraph 9.1; 9.2 • Paragraph 10.1; 10.2 • Paragraph 11.1; 11.2 • Paragraph 12.1 and 12.2
Preferential Procurement Regulations, 2022	• Paragraph 3.1 • Paragraph 4.1; 4.2; 4.3; 4.4 • Paragraph 5.1; 5.2; 5.3; 5.4
PFMA SCM Instruction no. 09 of 2022/23	• Paragraph 3.1; 3.3 (b); 3.3 (c); 3.3 (e); 3.6
National Treasury Instruction No.1 of 2015/16	• Paragraph 3.1; 4.1; 4.2
NT SCM Instruction Note 03 2021/22	• Paragraph 4.1; 4.2 (b); 4.3; 4.4; 4.4 (a); 4.4 (c) -(d); 4.6; 5.4; • 7.2; 7.6
NT SCM Instruction 4A of 2016/17	• Paragraph 6
NT SCM Instruction Note 03 2019/20	• Par 5.5.1(vi); 5.5.1(x);
NT SCM Instruction Note 11 2020/21	• Paragraph 3.1; 3.4 (a) and (b); 3.9; 6.1; 6.2; 6.7
NT SCM Instruction note 2 of 2021/22	• Paragraph 3.2.1; 3.2.2; 3.2.4(a) and (b); 3.3.1; • 3.2.2; 4.1
PFMA SCM Instruction 04 of 2022/23	• Paragraph 4(1); 4(2); 4(4)
Practice Note 5 of 2009/10	• Paragraph 3.3
PFMA SCM instruction 08 of 2022/23	• Paragraph 3.2; 4.3.2; 4.3.3
Competition Act No 89 of 1998	• Section 4(1)(b)(ii)
NT instruction note 4 of 2015/16	• Paragraph 3.4
Second amendment of NTI 05 of 2020/21	• Paragraph 4.8; 4.9; 5.1; 5.3
Erratum NTI 5 of 202/21	• Paragraph 1; 2
Practice note 7 of 2009/10	• Paragraph 4.1.2
Practice note 11 of 2008/9	• Paragraph 3.1 and 3.1 (b)
NT instruction note 1 of 2021/22	• Paragraph 4.1

Statement of Financial Position

AS AT 31 MARCH 2023

	Note(s)	31 MARCH 2023 R	31 MARCH 2022 R
ASSETS			
CURRENT ASSETS			
Prepayments and deposits	8	6 180 145	5 576 817
Receivables from exchange transactions	9	1 870 818	379 308
Cash and cash equivalents	10	32 436 075	42 153 455
		40 487 038	48 109 580
NON-CURRENT ASSETS			
Property, plant and equipment	3	3 234 623	3 163 095
Intangible assets	4	5 038 404	6 162 621
Heritage assets	5	170 556	170 556
Other deposits	6	806 691	806 691
		9 250 274	10 302 963
Total Assets		49 737 312	58 412 543
LIABILITIES			
CURRENT LIABILITIES			
Payables from exchange transactions	12	8 369 430	19 680 865
Provisions	11	14 868 905	11 435 020
		23 238 335	31 115 885
Total Liabilities		23 238 335	31 115 885
Net Assets		26 498 977	27 296 658
Accumulated surplus		26 498 977	27 296 658

The accounting policies on pages 107 to 122 and the notes on pages 123 to 140 form an integral part of the annual financial statements.

Statement of Financial Performance

FOR THE YEAR ENDED 31 MARCH 2023

	Note(s)	31 MARCH 2023 R	31 MARCH 2022 R
REVENUE			
REVENUE FROM EXCHANGE TRANSACTIONS			
Other income	14	308 532	249 267
Grants received - conditional	14	555 629	-
Partnership income	14	2 913 662	-
Finance income	15	2 605 360	1 124 776
Total revenue from exchange transactions		6 383 183	1 374 043
REVENUE FROM NON-EXCHANGE TRANSACTIONS			
TRANSFER REVENUE			
Government grants & subsidies	13	218 122 000	213 352 000
Total revenue	13	224 505 183	214 726 043
EXPENDITURE			
Employee related costs	16	(69 009 934)	(68 285 597)
Activation fees	18	(56 646 489)	(39 820 366)
Depreciation and amortisation	3&4	(2 666 272)	(2 804 694)
Lease rentals on operating lease	20	(2 908 529)	(3 429 071)
Debt Impairment	20	(1 794)	-
Research fees	18	(1 063 911)	(2 831 717)
Branding and collateral	18	(2 756 143)	(1 383 599)
Media buy	18	(38 766 588)	(38 024 795)
Loss on disposal of assets and liabilities	20	-	(428 639)
Agency fees	18	(12 513 573)	(10 433 988)
General expenses	17	(39 539 136)	(36 300 192)
Total expenditure		(225 872 369)	(203 742 658)
(Deficit)/Surplus for the period from continuing operations		(1 367 186)	10 983 385
Gain/(Loss) on foreign exchange		555 052	(352 401)
(Deficit)/Surplus for the year		(812 134)	10 630 984

Statement of Changes in Net Assets

FOR THE YEAR ENDED 31 MARCH 2023

	ACCUMULATED SURPLUS R	TOTAL NET ASSETS R
Balance at 01 April 2021	16 665 674	16 665 674
Surplus for the year	10 630 984	10 630 984
Total changes	10 630 984	10 630 984
Balance at 01 April 2022	27 296 659	27 296 659
Deficit for the year	(812 134)	(812 134)
Total changes	(812 134)	(812 134)
Balance as at 31 March 2023	26 484 525	26 484 525

Cash Flow Statement

FOR THE YEAR ENDED 31 MARCH 2023

	Note(s)	31 MARCH 2023 R	31 MARCH 2022 R
CASH FLOWS FROM OPERATING ACTIVITIES			
RECEIPTS			
Grant allocation		218 122 000	213 352 000
Finance income		2 498 773	1 060 776
Other receipts		3 777 246	249 267
Total receipts		224 398 019	214 662 043
PAYMENTS			
Employee costs		(62 853 414)	(66 246 033)
Suppliers		(169 648 402)	(131 354 951)
Total payments		(232 501 816)	(197 600 984)
Net cash outflows from operating activities	22	(8 103 797)	17 061 059
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	3	(1 613 582)	(1 339 774)
Net increase (decrease) in cash and cash equivalents		(9 717 380)	15 721 285
Cash and cash equivalents at the beginning of the year		42 153 455	26 432 170
Cash and cash equivalents at the end of financial year	10	32 436 075	42 153 455

Statement of Comparison of Budget and Actual Amounts

FOR THE YEAR ENDED 31 MARCH 2023

	APPROVED BUDGET R	ADJUSTMENTS R	FINAL BUDGET R	ACTUAL AMOUNTS ON COMPARABLE BASIS R	DIFFERENCE BETWEEN FINAL BUDGET AND ACTUAL R
STATEMENT OF FINANCIAL PERFORMANCE					
REVENUE					
REVENUE FROM EXCHANGE TRANSACTIONS					
Other income	-	308 532	308 532	308 532	-
Grants received - conditional	-	555 629	555 629	555 629	-
Partnership Income	-	2 913 662	2 913 662	2 913 662	-
Finance income	-	2 605 360	2 605 360	2 605 360	-
Total revenue from exchange transactions	-	6 383 183	6 383 183	6 383 183	-
REVENUE FROM NON- EXCHANGE TRANSACTIONS					
TRANSFER REVENUE					
Government grants & subsidies	218 122 000	-	218 122 000	218 122 000	-
Total revenue from non-exchange transactions	218 122 000	-	218 122 000	218 122 000	-
EXPENDITURE					
Personnel	(78 849 000)	-	(78 849 000)	(69 009 934)	9 839 066 (i)
Brand Communication and Reputation Costs	(112 358 000)	-	(112 358 000)	(132 474 131)	(20 116 131) (ii)
Capital Expenditure	(1 305 000)	-	(1 305 000)	(1 613 582)	(308 582)
Operating Expenses	(25 610 000)	-	(25 610 000)	(21 720 239)	3 889 761 (iii)
Total expenditure	(218 122 000)	-	(218 122 000)	(224 817 886)	(6 695 886) (iv)

RECONCILIATION

BASIS FOR THE DIFFERENCE

Depreciation & amortisation	(2 666 272)
Gain on foreign exchange	555 052
Capital expenditure	1 613 582
Reconciled deficit for the year	(812 134)

- i) Personnel costs - The under-expenditure was mainly attributable to the increased vacancy rate due to the moratorium placed on the organisation's operations; key vacancies in the position of Chief Marketing Officer, Chief Executive Officer, Chief Financial Officer and China Country Manager.
- (ii) Brand communication and reputation costs - The over-expenditure is due to the rollover of funds from prior year and partnership expenditure not included in original budget
- (iii) Capital expenditure - The variance is due to additional IT equipment purchases incurred.
- (iv) Operating expenses - The variance is due to savings on legal and other professional fees in the current year.

The accounting policies on pages 107 to 122 and the notes on pages 123 to 140 form an integral part of the annual financial statements.

1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 89(1) of the Public Finance Management Act (Act 1 of 1999).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

The figures on the annual financial statements are rounded off to the nearest rand.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

1.1 PRESENTATION CURRENCY

These annual financial statements are presented in South African Rand, which is the functional currency of the entity.

1.2 GOING CONCERN ASSUMPTION

These annual financial statements have been prepared based on the expectation that the entity will continue to operate as a going concern for at least the next 12 months.

1.3 MATERIALITY

Material omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

1.4 SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

TRADE RECEIVABLES

Brand South Africa assesses its trade and other receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, Brand South Africa makes judgments as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade and other receivables is calculated on an individual basis, based on historical performance, adjusted for specific current economic conditions and other indicators present at the reporting date that correlate with the defaults on the debtor.

FAIR VALUE ESTIMATION

The carrying value less impairment provision of trade receivables and payables is assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to Brand South Africa for similar financial instruments.

PROVISIONS

In all provisions raised, management determined an estimate based on the information available.

USEFUL LIVES OF ASSETS

Brand South Africa management determines the estimated useful lives and related depreciation charges for property, plant and equipment as well as intangible assets. Management adjusts the depreciation charge where useful lives are different from previously estimated useful lives.

ALLOWANCE FOR DOUBTFUL DEBTS

On debtors, an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

1.5 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are tangible non-current assets that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- the cost of the item can be measured reliably. Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, its deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives. Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses. The useful lives of items of property, plant and equipment have been assessed as follows:

ITEM	DEPRECIATION METHOD	AVERAGE USEFUL LIFE
Leasehold improvements	Straight line	Lease term
Furniture and fixtures	Straight line	10 - 17 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	5 - 13 years
IT equipment	Straight line	2 - 10 years

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the entity. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

Brand South Africa assesses at each reporting date whether there is any indication that the entity expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, entity revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Brand South Africa separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements.

1.6 INTANGIBLE ASSETS

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity; and
- the cost or fair value of the asset can be measured reliably.

Brand South Africa assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably. Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

ITEM	DEPRECIATION METHOD	AVERAGE USEFUL LIFE
Computer software	Straight line	3-10 years

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of intangible assets is included in surplus when the asset is derecognised.

1.7 HERITAGE ASSETS

Class of heritage assets means a grouping of heritage assets of a similar nature or function in an entity's operations that is shown as a single item for the purpose of disclosure in the annual financial statements.

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

RECOGNITION

The entity recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the entity, and the cost or fair value of the asset can be measured reliably.

INITIAL MEASUREMENT

Heritage assets are measured at cost.

Where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

SUBSEQUENT MEASUREMENT

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

IMPAIRMENT

The entity assesses at each reporting date whether there is an indication that heritage assets may be impaired. If any such indication exists, the entity estimates the recoverable amount or the recoverable service amount of the heritage asset.

TRANSFERS

Transfers from heritage assets are only made when the particular asset no longer meets the definition of a heritage asset.

Transfers to heritage assets are only made when the asset meets the definition of a heritage asset.

DERECOGNITION

The entity derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset is included in surplus or deficit when the item is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

1.8 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's Statement of Financial Position.

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying').
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.
- It is settled at a future date.
- cash;
- a residual interest of another entity; or
- a contractual right to:
 - receive cash or another financial asset from another entity; or
 - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by the entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- entity designates at fair value at initial recognition.

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

CLASSIFICATION

Brand South Africa has the following types of financial assets (classes and category) as reflected on the face of the Statement of Financial Position or in the notes thereto:

CLASS	CATEGORY
Cash and cash equivalents	Financial asset measured at amortised cost
Receivables from exchange transactions	Financial asset measured at amortised cost
Other financial assets	Financial asset measured at amortised cost

Brand South Africa has the following types of financial liabilities (classes and category) as reflected on the face of the Statement of Financial Position or in the notes thereto:

CLASS	CATEGORY
Payables from exchange transactions	Financial liability measured at amortised cost

INITIAL RECOGNITION

Brand South Africa recognises a financial asset or a financial liability in its Statement of Financial Position when the entity becomes a party to the contractual provisions of the instrument.

SUBSEQUENT MEASUREMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Brand South Africa measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

GAINS AND LOSSES

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit for the year.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

IMPAIRMENT AND UNCOLLECTIBILITY OF FINANCIAL ASSETS

Brand South Africa assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in surplus or deficit for the year.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit for the year.

Financial assets measured at cost:

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

DERECOGNITION

FINANCIAL ASSETS

Brand South Africa derecognises financial assets using trade date accounting.

Brand South Africa derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- Brand South Africa transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- Brand South Africa, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, Brand South Africa :
 - derecognise the asset; and
 - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

If Brand South Africa transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it recognise either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity adequately for performing the servicing, a servicing liability for the servicing obligation is recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

If, as a result of a transfer, a financial asset is derecognised in its entirety but the transfer results in the entity obtaining a new financial asset or assuming a new financial liability, or a servicing liability, the entity recognise the new financial asset, financial liability or servicing liability at fair value.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

If the transferred asset is part of a larger financial asset and the part transferred qualifies for derecognition in its entirety, the previous carrying amount of the larger financial asset is allocated between the part that continues to be recognised and the part that is derecognised, based on the relative fair values of those parts, on the date of the transfer. For this purpose, a retained servicing asset is treated as a part that continues to be recognised. The difference between the carrying amount allocated to the part derecognised and the sum of the consideration received for the part derecognised is recognised in surplus or deficit for the year.

If a transfer does not result in derecognition because Brand South Africa has retained substantially all the risks and rewards of ownership of the transferred asset, Brand South Africa continues to recognise the transferred asset in its entirety and recognise a financial liability for the consideration received. In subsequent periods, Brand South Africa recognises any revenue on the transferred asset and any expense incurred on the financial liability. Neither the asset, and the associated liability nor the revenue, and the associated expenses are offset.

FINANCIAL LIABILITIES

Brand South Africa removes a financial liability (or a part of a financial liability) from its Statement of Financial Position when it is extinguished – i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

PRESENTATION

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit for the year.

Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit for the year.

A financial asset and a financial liability are only offset and the net amount presented in the Statement of Financial Position when Brand South Africa currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the Brand South Africa does not offset the transferred asset and the associated liability.

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

Carrying amount is the amount at which an asset is recognised in the Statement of Financial Position.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

1.9 TAX

TAX EXPENSES

Brand South Africa is exempt from taxation by the South African Revenue Services (SARS) in terms of Section 10 (1)(ca)(1) of the Income Tax 58 of 1962 as amended.

1.10 LEASES

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

OPERATING LEASES - LESSEE

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.11 EMPLOYEE BENEFITS

Employee benefits are all forms of consideration given by Brand South Africa in exchange for service rendered by employees.

A qualifying insurance policy is an insurance policy issued by an insurer that is not a related party (as defined in the Standard of GRAP on Related Party Disclosures) of Brand South Africa, if the proceeds of the policy can be used only to pay or fund employee benefits under a defined benefit plan and are not available to Brand South Africa's own creditors (even in liquidation) and cannot be paid to Brand South Africa, unless either:

- the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or
- the proceeds are returned to Brand South Africa to reimburse it for employee benefits already paid.

Termination benefits are employee benefits payable as a result of either:

- Brand South Africa decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Vested employee benefits are employee benefits that are not conditional on future employment.

Composite social security programmes are established by legislation and operate as multi-employer plans to provide post-employment benefits as well as to provide benefits that are not consideration in exchange for service rendered by employees.

A constructive obligation is an obligation that derives from Brand South Africa's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, Brand South Africa has indicated to other parties that it will accept certain responsibilities and as a result, Brand South Africa has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

SHORT-TERM EMPLOYEE BENEFITS

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;

- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to Brand South Africa during a reporting period, the entity recognise the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, Brand South Africa recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The Brand South Africa measures the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognises the expected cost of bonus, incentive and performance related payments when Brand South Africa has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the Brand South Africa has no realistic alternative but to make the payments.

POST-EMPLOYMENT BENEFITS

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which Brand South Africa provides post-employment benefits for one or more employees.

POST-EMPLOYMENT BENEFITS: DEFINED CONTRIBUTION PLANS

Defined contribution plans are post-employment benefit plans under which Brand South Africa pays fixed contributions into a Sanlam umbrella fund and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered service to Brand South Africa during a reporting period, Brand South Africa recognises the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, Brand South Africa recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the reporting period in which the employees render the related service, they are discounted. The rate used to discount reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the obligation.

1.12 PROVISIONS AND CONTINGENCIES

Provisions are recognised when:

- Brand South Africa has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the Brand South Africa settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating surplus (deficit).

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 24.

1.13 REVENUE FROM EXCHANGE TRANSACTIONS

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which Brand South Africa receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

MEASUREMENT

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the entity, and
- The amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Royalties are recognised as they are earned in accordance with the substance of the relevant agreements.

Dividends or similar distributions are recognised, in surplus or deficit, when the entity's right to receive payment has been established.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

1.14 REVENUE FROM NON-EXCHANGE TRANSACTIONS

Revenue comprises gross inflows of economic benefits or service potential received and receivable by Brand South Africa, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arises when Brand South Africa can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

RECOGNITION

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

Brand South Africa satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

MEASUREMENT

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by Brand South Africa.

When, as a result of a non-exchange transaction, Brand South Africa recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

1.15 FINANCE INCOME

Finance income is recognised on a time-proportion basis using the effective interest method.

1.16 TRANSLATION OF FOREIGN CURRENCIES FOREIGN CURRENCY TRANSACTIONS

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At each reporting date:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual financial statements are recognised in surplus or deficit in the period in which they arise.

When a gain or loss on a non-monetary item is recognised directly in net assets, any exchange component of that gain or loss is recognised directly in net assets. When a gain or loss on a non-monetary item is recognised in surplus or deficit, any exchange component of that gain or loss is recognised in surplus or deficit for the year.

Cash flows arising from transactions in a foreign currency are recorded in Rands by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the cash flow.

1.17 COMPARATIVE FIGURES

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current period.

1.18 FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless expenditure means expenditure which was made in vain and could have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the Statement of Financial Performance in the period that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.19 IRREGULAR EXPENDITURE

Irregular expenditure as defined in section 1 of the PFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including

- this Act; or
- the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- any provincial legislation providing for procurement procedures in that provincial government.

National Treasury Instruction note no. 4 of 2022/23 which was issued in terms of sections 76(1)(b)(e) and (f), 2(e) and 4(a) and (c) of the PFMA requires the following (effective from 03 January 2023):

Irregular expenditure that was incurred and identified during the current financial and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

1.20 SEGMENT INFORMATION

A segment is an activity of an entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

MEASUREMENT

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the entity's financial statements.

1.21 BUDGET INFORMATION

Brand South Africa is typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar arrangements.

General purpose financial reporting by Brand South Africa shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2022/04/01 to 2023/03/31.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

Comparative information is not required.

1.22 RELATED PARTIES

Management are those persons responsible for planning, directing and controlling the activities of Brand South Africa, including those charged with the governance of Brand South Africa in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with Brand South Africa.

All transactions with related parties including transactions not at arm's length or not in the ordinary course of the business are disclosed.

1.23 EVENTS AFTER REPORTING DATE

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

Brand South Africa will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

Brand South Africa will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

Notes to the Annual Financial Statements

2. NEW STANDARDS AND INTERPRETATIONS

2.1 STANDARDS AND INTERPRETATIONS ISSUED, BUT NOT YET EFFECTIVE

Brand South Africa has not applied the following standards and interpretations, which have been published and are mandatory for the Brand South Africa's accounting periods beginning on or after 01 April 2023 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
Amendments to GRAP 1	01 April 2023	Not expected to impact results but may result in additional disclosure
Improvements to Standards of GRAP	01 April 2023	Not expected to impact results but may result in additional disclosure
Amended GRAP 104 on Financial Instruments	01 April 2025	Not expected to impact results but may result in additional disclosure
IGRAP 7 - Limit on a Defined Benefits Assets	01 April 2023	Unlikely there will be a material impact
Amended GRAP 25 on Employee Benefits	01 April 2023	Not expected to impact results but may result in additional disclosure
Amended GRAP 103 on Heritage Assets	Not yet effective	Unlikely there will be a material impact
IGRAP 21 - The effect of Past Decisions on Materiality	01 April 2023	Not expected to impact results but may result in additional disclosure

3. PROPERTY, PLANT AND EQUIPMENT

	31 MARCH 2023			31 MARCH 2022		
	Cost / Valuation R	Accumulated depreciation and accumulated impairment R	Carrying value R	Cost / Valuation R	Accumulated depreciation and accumulated impairment R	Carrying value R
Leasehold property	1 443 991	(1 443 991)	-	1 443 991	(1 443 991)	-
Furniture and fixtures	2 374 699	(2 156 954)	217 745	2 374 699	(2 103 711)	270 988
Motor vehicles	374 256	(374 256)	-	374 256	(374 256)	-
Office equipment	4 821 296	(3 453 731)	1 367 565	4 284 132	(2 883 083)	1 401 049
IT equipment	6 450 318	(4 801 005)	1 649 313	5 555 806	(4 064 748)	1 491 058
Total	15 464 560	(12 229 937)	3 234 623	14 032 884	(10 869 789)	3 163 095

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT - 31 MARCH 2023

	Opening balance R	Additions R	Depreciation R	Total R
Furniture and fixtures	270 988		(53 243)	217 745
Office equipment	1 401 049	719 070	(752 554)	1 367 565
IT equipment	1 491 058	894 512	(736 257)	1 649 313
	3 163 095	1 613 582	(1 542 054)	3 234 623

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT - 31 MARCH 2022

	Opening balance R	Additions R	Disposals R	Depreciation R	Total R
Leasehold property	71 942	-	-	(71 942)	-
Furniture and fixtures	433 502	-	-	(162 514)	270 988
Motor vehicles	57 151	-	-	(57 151)	-
Office equipment	1 804 614	348 274	(3 637)	(748 202)	1 401 049
IT equipment	1 045 662	991 500	-	(546 104)	1 491 058
	3 412 871	1 339 774	(3 637)	(1 585 913)	3 163 095

PLEDGED AS SECURITY

There are no assets that are pledged as a security and no restrictions are attached to the entity's assets.

Assets were inspected and found to be useful for longer than their estimated useful life. However, a change in accounting estimate was not recorded as the net impact is below the entity's materiality threshold.

CAPITAL COMMITMENTS

There were no capital commitments at the end of the financial year. Refer also to note 23.

4. INTANGIBLE ASSETS

	31 MARCH 2023			31 MARCH 2022		
	Cost / Valuation R	Accumulated amortisation and accumulated impairment R	Carrying value R	Cost / Valuation R	Accumulated amortisation and accumulated impairment R	Carrying value R
Computer software	11 244 984	(6 206 580)	5 038 404	11 244 984	(5 082 363)	6 162 621

RECONCILIATION OF INTANGIBLE ASSETS - 31 MARCH 2023

	Opening balance R	Amortisation R	Total R
Computer software	6 162 621	(1 124 217)	5 038 404

RECONCILIATION OF INTANGIBLE ASSETS - 31 MARCH 2022

	Opening balance R	Disposals R	Amortisation R	Total R
Computer software	7 381 404	-	(1 218 783)	6 162 621
Mobile application	425 000	(425 000)	-	-
	7 806 404	(425 000)	(1 218 783)	6 162 621

PLEDGED AS SECURITY

There are no assets that are pledged as a security and no restrictions are attached to the entity's assets.

5. HERITAGE ASSETS

	31 MARCH 2023			31 MARCH 2022		
	Cost / Valuation R	Accumulated amortisation and accumulated impairment R	Carrying value R	Cost / Valuation R	Accumulated amortisation and accumulated impairment R	Carrying value R
Art Collections	170 556	-	170 556	170 556	-	170 556

RECONCILIATION OF HERITAGE ASSETS - 31 MARCH 2023

	Opening balance R	Total R
Art Collections	170 556	170 556

RECONCILIATION OF HERITAGE ASSETS - 31 MARCH 2022

	Opening balance R	Total R
Art Collections	170 556	170 556

5. HERITAGE ASSETS (CONTINUED)

HERITAGE ASSETS

The heritage assets comprise of works of art such as collage mirrors, beaded mirrors, beaded sable, sculptures, paintings and jewelled bowls. These items were classified as heritage assets because they meet the definition criteria of GRAP 103. The cost of heritage assets is based on purchase price of the asset subsequently measured using cost model. No day-to-day operating costs, or costs to maintain or hold these heritage assets has been incurred in the current year.

PLEDGED AS SECURITY

There are no assets that are pledged as a security and no restrictions are attached to the entity's assets:

Contractual commitments for the acquisition, maintenance and restoration of heritage assets

There are no costs relating to contractual commitments for the acquisition, maintenance and restoration of heritage assets in the current year.

	31 MARCH 2023 R	31 MARCH 2022 R
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6. OTHER DEPOSITS

AT AMORTISED COST

Deposits paid on leased property	806 691	806 691
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Other deposits represent amounts paid over by Brand South Africa as a collateral on the office space rental.

The counterparty has an obligation to return the deposit to Brand South Africa at the end of the lease term on 31 July 2024. The deposit is carried at cost and has not been discounted. There are no other significant terms and conditions associated with the use of collateral.

7. EMPLOYEE BENEFIT OBLIGATIONS

DEFINED CONTRIBUTION PLAN

It is the policy of Brand South Africa to provide retirement benefits to all its permanent employees. Brand South Africa operates a defined contribution provident fund, which is subject to the Pension Fund Act. The Fund is administered by Sanlam as an Umbrella Fund because of its size. Under the current arrangement, both the employer and employee contribute 7.5% of retirement funding with the employer funding the operating costs over and above the retirement contributions.

Brand South Africa is under no obligation to cover any unfunded benefits.

The amount recognised as an expense for the defined contribution plan	3 349 361	3 662 466
Total number of employees participating in the plan	39	41

8. PREPAYMENTS AND DEPOSITS	31 MARCH 2023 R	31 MARCH 2022 R
Computer licences	2 676 753	2 196 851
Legal fees - Security bond	3 379 966	3 379 966
Activations	123 426	-
	6 180 145	5 576 817

Legal fees - relates to a security bond filed with the Labour Court in order to stay the execution of the CCMA arbitration award, the amount will be paid upon finalisation of the matter and it has been included under Note 11 - Provisions.

Activations - relates to marketing campaign that will run across a period of four months; March to June 2023.

9. RECEIVABLES FROM EXCHANGE TRANSACTIONS

Trade debtors	1 544 613	510
Income accrued	233 158	126 571
Staff debt	84 985	182 536
Other receivables	8 062	92 066
Allowance for doubtful debts	-	(22 375)
	1 870 818	379 308

TRADE RECEIVABLES PAST DUE

Trade receivables mainly comprise of strategic partnerships. These are assessed to be high quality as they usually pay up their accounts within thirty (30) days of invoicing.

The ageing of amounts past due but not impaired is as follows:

3 months past due	1 544 613	510
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RECONCILIATION OF PROVISION FOR IMPAIRMENT OF TRADE RECEIVABLES

Opening balance	22 375	22 375
Amounts written off as uncollectible	(22 375)	-
	-	22 375

10. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:		
Cash on hand	951	951
Bank balances	32 435 124	42 152 504
	32 436 075	42 153 455

CREDIT QUALITY OF CASH AT BANK AND SHORT TERM DEPOSITS, EXCLUDING CASH ON HAND

CREDIT RATING		
Nedbank: Ba1	32 435 124	42 152 504

11. PROVISIONS

RECONCILIATION OF PROVISIONS - 31 MARCH 2023	Opening balance R	Additions R	Utilised during the year R	Total R
Leave provision	2 821 975	4 324 257	(5 031 602)	2 114 630
Bonus provision	7 083 045	7 617 186	(6 855 923)	7 844 308
Provision for penalties and fines	1 530 000	-	-	1 530 000
Provision - employee reimbursement	-	3 379 967	-	3 379 967
	11 435 020	15 321 410	(11 887 525)	14 868 905

RECONCILIATION OF PROVISIONS - 31 MARCH 2022	Opening balance R	Additions R	Utilised during the year R	Total R
Leave provision	4 224 579	4 298 371	(5 700 975)	2 821 975
Bonus provision	4 665 871	9 903 489	(7 486 315)	7 083 045
Provision for penalties and fines	-	1 530 000	-	1 530 000
	8 890 450	15 731 860	(13 187 290)	11 435 020

The leave provision relates to employees' accumulated annual leave at year end. The provision is based on the assumption that employees will commute leave on demand and on resignation.

The bonus provision relates to Brand South Africa's best estimate for performance related bonus payment at year end. The performance bonuses have been determined using the Brand South Africa's performance bonus policy.

The provision for penalties and fines relates to the penalty imposed by the Department of Labour for non-compliance to Employment Equity requirements for 2021/22 financial period. The organisation is required to source and appoint candidates for vacant positions from unemployment database provided by Department of Labour in order to amortise the provision.

The provision for employee reimbursement relates to a court case that was finalized and awarded in favour of the former employee. The employee must be reimbursed all the monies she ought to have earned had she not been unlawfully dismissed.

12. PAYABLES FROM EXCHANGE TRANSACTIONS	31 MARCH 2023 R	31 MARCH 2022 R
Trade payables	5 031 064	12 848 510
Salary related payables	1 045 486	1 246 045
Accrued operating expenses	2 292 880	5 586 310
Total	8 369 430	19 680 865

AGEING OF TRADE PAYABLES

Trade payables	5 031 062	12 848 511
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The ageing analysis reflects the balance of trade payables due within 30 days (current period).

13. TOTAL REVENUE	31 MARCH 2023 R	31 MARCH 2022 R
Other income	308 532	249 267
Grant received - conditional	555 629	-
Partnership income	2 913 662	-
Finance income	2 605 360	1 124 776
Government grant	218 122 000	213 352 000
	224 505 183	214 726 043

THE AMOUNT INCLUDED IN REVENUE ARISING FROM EXCHANGES OF GOODS OR SERVICES ARE AS FOLLOWS:

Other income	308 532	249 267
Grant received - conditional	555 629	-
Partnership income	2 913 662	-
Finance income	2 605 360	1 124 776
	6 383 183	1 374 043

THE AMOUNT INCLUDED IN REVENUE ARISING FROM NON-EXCHANGE TRANSACTIONS IS AS FOLLOWS:

TRANSFER REVENUE		
Government grants - unconditional	218 122 000	213 352 000

Government grants and subsidies - relates to the unconditional grant allocation from the Executive Authority.

14. REVENUE FROM EXCHANGE TRANSACTIONS

Other income	308 532	249 267
Grants received - conditional	555 629	-
Partnership Income	2 913 662	-
	3 777 823	249 267

Other income - consists of miscellaneous amounts recovered from employee related transactions.

Grants received - conditional - relates to MICT SETA grant received for the payment of bursaries for selected external students.

Partnership income - consists of sponsorship payments received from partnering with public and private sector organisations.

15. FINANCE INCOME

INTEREST REVENUE

Cash and bank deposits	2 605 360	1 124 776
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The total interest income earned by Brand South Africa is from call account at an average interest rate of 3% per annum (March 2022: 5%). Brand South Africa invests its money with Nedbank which has a Ba1 rating.

16. EMPLOYEE RELATED COSTS	31 MARCH 2023 R	31 MARCH 2022 R
Basic	45 179 854	40 690 217
Bonus	7 345 406	9 903 488
Medical aid - company contributions	599 524	655 750
UIF	179 210	116 340
WCA	433 642	427 465
SDL	567 819	564 147
Leave pay	(90 225)	(617 586)
Defined contribution plans	3 349 361	3 662 466
Travel, motor car, accommodation, subsistence and other allowances	50 753	25 552
Overtime payments	17 273	-
Long-service awards	25 000	185 000
Acting allowances	8 437 618	6 709 469
Travel allowance	837 040	665 424
Cost of living allowance - COLA	2 077 659	5 297 865
	69 009 934	68 285 597

REMUNERATION OF ACTING CHIEF EXECUTIVE OFFICER - S. NTOMBELA (19 JUL 2021 - DATE)

Annual Remuneration	1 197 030	1 190 353
Pay progression	23 846	-
Travel Allowance	180 000	180 000
Acting allowance	2 433 211	1 755 901
Performance Bonuses	272 067	272 067
Contributions to UIF, Medical and Pension Funds	147 370	217 713
COLA and pay progression	59 286	143 591
Long service award	-	15 000
Reimbursive expenses	52 017	14 213
	4 364 827	3 788 838

REMUNERATION OF ACTING DIRECTOR CORPORATE SERVICES - T. GAOKGORWE (8 NOVEMBER 2022 - DATE)

Annual Remuneration	1 319 194	-
Acting Allowance	351 053	-
Performance Bonuses	257 470	-
Contributions to UIF, Medical and Pension Funds	146 101	-
Pay Progression	12 516	-
COLA Backpay	33 376	-
Other reimbursements	1 899	-
	2 121 609	-

16. EMPLOYEE RELATED COSTS (CONTINUED)	31 MARCH 2023 R	31 MARCH 2022 R
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REMUNERATION OF DIRECTOR: GOVERNANCE, LEGAL & SECRETARIAT - S.S NYONI

Annual Remuneration	1 983 874	1 870 682
Pay progression	18 539	-
Performance Bonuses	381 376	364 953
Contributions to UIF, Medical and Pension Funds	176 731	246 578
COLA backpay	37 078	142 121
Long service award	-	15 000
Other reimbursements	13 172	-
	2 610 770	2 639 334

REMUNERATION OF ACTING CHIEF FINANCIAL OFFICER - Z. ZIBI (1 OCTOBER 2022 - DATE)

Annual Remuneration	997 763	-
Acting allowance	883 770	-
Performance Bonuses	192 961	-
Contributions to UIF, Medical and Pension Funds	94 238	-
COLA backpay	52 260	-
Staff claims	400	-
Pay progression	6 700	-
	2 228 092	-

REMUNERATION OF ACTING DIRECTOR OF CORPORATE SERVICES - L. MASANGO (01 MAY 2021 - 30 APRIL 2022)

Annual Remuneration	72	832 940
Acting allowance	131 966	1 258 867
Performance Bonuses	-	160 439
Contributions to UIF, Medical and Pension Funds	5 644	113 903
COLA backpay	-	78 893
Reimbursive expenses	-	15 347
	210 505	2 460 389

REMUNERATION OF ACTING CHIEF FINANCIAL OFFICER - K. SERIPE (RESIGNED 28 FEBRUARY 2022)

Annual Remuneration	-	1 008 438
Acting Allowance	-	991 618
Performance Bonuses	-	220 054
Contributions to UIF, Medical and Pension Funds	-	166 808
Long service award and pay progression	-	15 000
Reimbursive expenses	-	13 773
COLA backpay	-	46 572
Leave paid	-	152 961
	-	2 615 224

16. EMPLOYEE RELATED COSTS (CONTINUED)

31 MARCH
2023
R

31 MARCH
2022
R

REMUNERATION OF ACTING CHIEF MARKETING OFFICER - T.D MODISE (01 APR 2022 - 30 SEPTEMBER 2022)

Annual Remuneration	634 033	1 149 327
Acting Allowance	680 543	677 374
Performance Bonuses	-	185 466
Contributions to UIF, Medical and Pension Funds	48 615	87 984
Other reimbursements	19 643	2 803
Long service award and pay progression	-	26 334
	1 382 834	2 129 288

REMUNERATION OF DIRECTOR OF CORPORATE SERVICES - T. NYATHI (JOINED- 1 MAY 2022, PRECAUTIONARY SUSPENSION FROM 7 NOVEMBER 2022)

Annual Remuneration	1 956 466	-
Cellphone Allowance	4 500	-
Contributions to UIF, Medical and Pension Funds	1 948	-
	1 962 914	-

Ms Tishaniso Nyathi worked for a period of five months during the current financial period. She was put on precautionary suspension with full pay since October 2022 and her employment contract was subsequently terminated on the 6th of April 2023.

REMUNERATION OF DIRECTOR: CORPORATE SERVICES - K. KISSOONDUTH (RESIGNED 30 APRIL 2021)

Annual Remuneration	-	140 199
Contributions to UIF, Medical and Pension Funds	-	28 681
Performance Bonuses	-	333 050
COLA and pay progression	-	59 961
Leave paid	-	196 309
	-	758 200

REMUNERATION OF ACTING CHIEF FINANCIAL OFFICER - K. MAPOSA (MAR 2022 - 30 SEPTEMBER 2022)

Secondment Allowance	395 661	-
Contributions to UIF, Medical and Pension Funds	1 063	-
	396 724	-

REMUNERATION OF ACTING CHIEF MARKETING OFFICER - N. MABUZA (01 OCTOBER 2022 - DATE)

Annual Remuneration	1 433 299	1 436 162
Acting allowance	664 637	741 192
Performance Bonuses	238 200	285 840
Contributions to UIF, Medical and Pension Funds	156 828	225 777
Pay progression	33 083	-
COLA and pay progression backpay	46 317	150 860
Reimbursive expense	45 560	43 903
Long service award	15 000	-
	2 632 924	2 883 734

17. GENERAL EXPENSES	31 MARCH 2023 R	31 MARCH 2022 R
Advertising	3 392 498	2 987 679
Auditors remuneration	3 451 654	4 809 915
Bank charges	33 717	71 752
Computer expenses	2 867 581	2 658 518
Consulting and professional fees - Other	3 150 549	4 260 119
Consumables	316 052	17 563
Courier & Delivery expenses	388 622	200 846
Penalties and fines	-	1 530 000
Consulting and professional fees -Legal fees	349 276	1 695 667
Insurance	156 437	354 775
Conferences and Seminars	3 049 981	151 726
Motor vehicle expenses	148 293	50 363
Placement fees	847 161	401 228
Printing and stationery	40 746	168 908
Repairs and maintenance	197 820	286 571
Staff Wellness expenses	135 927	42 953
Subscriptions and membership fees	4 188 921	5 717 180
Telephone and internet	3 398 229	3 975 441
Staff training and development	160 286	604 161
Travel and subsistence-domestic	6 966 508	1 883 030
Travel and subsistence- overseas	3 129 519	1 516 436
Water and electricity	1 403 531	1 402 282
Other operating expenses	639 888	5 868
Removal and storage costs	109 244	62 575
Board remuneration	1 016 697	1 444 636
	39 539 137	36 300 192

18. BRAND, COMMUNICATION AND REPUTATION COSTS

Research fees	1 063 911	2 831 717
Branding and collateral	2 756 143	1 383 599
Media buy	38 766 588	38 024 795
Agency - Digital management	2 675 236	2 617 598
Agency - Reputation management	3 131 421	1 846 428
Agency - Public relations & communication	6 706 916	5 969 961
Activation fees - Domestic and International activities	56 646 489	39 820 366
	111 746 704	92 494 464

19. AUDITORS' REMUNERATION	31 MARCH 2023 R	31 MARCH 2022 R
External audit	2 470 800	3 116 816
Internal audit	980 854	1 693 099
	3 451 654	4 809 915

20. OPERATING SURPLUS

Operating (deficit) surplus for the period is stated after accounting for the following:

OPERATING LEASE CHARGES

Premises		
• Contractual amounts-Office rental JHB	2 826 218	3 349 724
Equipment		
• Contractual amounts	82 311	79 347
	2 908 529	3 429 071
Loss on disposal of assets	-	428 639
Debt impairment	1 794	-
Depreciation and Amortisation expense	2 666 272	2 804 694
Employee costs	69 009 934	68 285 597

21. REPAIRS AND MAINTENANCE

Office building	197 820	286 571
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22. CASH (USED IN) GENERATED FROM OPERATIONS

(Deficit) / Surplus for the year	(812 135)	10 630 984
Adjustments for:		
Depreciation and amortisation	2 666 272	2 804 694
Loss on disposal of assets	-	428 639
(Gain) loss on foreign exchange	(555 052)	352 400
Debt impairment	1 793	-
Movements in lease liability	-	(231 195)
Movements in provisions	3 433 885	2 544 570
Movement in lease deposits	-	261 407
Changes in working capital:		
Prepayments	(603 328)	(1 353 442)
Receivables from exchange transactions	(1 493 302)	544 361
Payables from exchange transactions	(10 741 930)	1 078 641
	(8 103 797)	17 061 059

23. COMMITMENTS

TOTAL COMMITMENTS

There were no capital commitments at the end of financial year.

Brand South Africa opted against disclosure of operational commitments in the current year to be more aligned with its strategic objectives. The disclosure of operational commitments is not required by GRAP.

24. CONTINGENCIES

Brand South Africa terminated a contract with a service provider during the last three financial years, and the case is pending before the High Court. The estimated impact of the termination of the contract is R4, 000, 000. However, the management of the entity considers the prospects of success of the case against Brand South Africa to be remote.

In addition, there are currently four pending legal proceedings against the entity by four former Brand South Africa employees. The cases are pending before the Commission for Conciliation Mediation and Arbitration and Labour Court. These cases are expected to be resolved within the next financial year.

The combined estimated financial impact on the cases is R5 301 196 relating to lost earnings by the employees. The management of the entity considers the prospects of success of these cases against Brand South Africa to be remote.

25. RELATED PARTIES

RELATED PARTY

The Presidency	Executive authority
South African Broadcasting Corporation (SABC)	Strategic Partner trade related activities
The Government Printing Works	Strategic Partner trade related activities
National Treasury	Strategic Partner trade related activities
Department of Mineral Resources and Energy	Strategic Partner trade related activities
Proudly South African	Strategic Partner trade related activities
Department of Trade and Industry	Strategic Partner trade related activities
Council for Scientific and Industrial Research (CSIR)	Strategic Partner trade related activities
Department of International Relations and Cooperation (DIRCO)	Strategic Partner trade related activities
Members of key management	Refer to note 16
Media, Information and Communication Technologies (MICT) SETA	Strategic Partner trade related activities
Media Development and Diversity Agency (MDDA)	Entity of the same Executive Authority
Government Communication and Information System (GCIS)	Executive Authority

RELATED PARTY BALANCES

TRANSFER PAYMENTS

The Presidency through GCIS	218 122 000	213 352 000
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RELATED PARTY TRANSACTIONS

AMOUNTS INCLUDED IN REVENUE FROM EXCHANGE TRANSACTIONS

MICT SETA	661 605	142 047
Department of Mineral Resources and Energy	1 413 662	-

AMOUNT INCLUDED IN GENERAL EXPENSES REGARDING RELATED PARTIES

MDDA	613 977	-
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Transactions with all the related parties are at arms length. The amounts outstanding are unsecured, interest free and repayable within 30 days.

26. REMUNERATION OF BOARD MEMBERS**31 MARCH
2023
R****31 MARCH
2022
R**

The Brand South Africa board members are paid fees as per the National Treasury circular relating to committee fees. The three (3) year term of the Board of Trustees came to an end on 12 November 2022 and the President had not appointed new Board of Trustees as at 31 March 2023.

NON-EXECUTIVE**BOARD MEMBERS**

Thandi Tobias - Pokolo (Chairperson)	252 201	326 365
Andrew Madella	83 370	135 774
Bushang Modipane	78 606	111 954
Rachel Kalidass	115 004	147 152
Sisanda Nkoala	104 808	121 482
Mlungisi Johnson	101 316	146 210
Stavros Nicolaou	59 550	109 572
Muditambi Ravele	82 652	122 444
Loretta Jacobus	73 704	111 954
George Sebulela	52 404	80 988
Ylva Rodny-Gumede	90 516	119 100
	1 094 131	1 532 995

27. RISK MANAGEMENT**FINANCIAL RISK MANAGEMENT**

Brand South Africa's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

Brand South Africa's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on Brand South Africa's financial performance. Risk management is carried out by management under policies approved by the accounting authority. The entity identifies, evaluates and hedges financial risks in close co-operation with Brand South Africa's operating units. The accounting authority provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

LIQUIDITY RISK

Brand South Africa's risk to liquidity is a result of the funds available to cover future commitments. Brand South Africa manages liquidity risk through an ongoing review of future commitments.

CREDIT RISK

Brand South Africa is exposed to credit risk mainly on cash deposits, cash equivalents, and trade debtors. Brand South Africa only deposits cash in a major bank with high quality credit standing.

Trade receivables are concentrated around a few major strategic partners. These are assessed to be high quality as they usually pay up their accounts within thirty (30) days of invoicing.

27. RISK MANAGEMENT(CONTINUED)

FINANCIAL INSTRUMENT	2023 R	2022 R
Nedbank call account	23 144 922	24 144 922
Nedbank current account	9 290 202	18 007 582
Receivables from exchange transactions	1 870 818	379 308

MARKET RISK

INTEREST RATE RISK

Brand South Africa's income and operating cash flows are largely independent of changes in market interest rates even though it generates investment revenue from excess cash deposited in the call account.

FOREIGN EXCHANGE RISK

Brand South Africa operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar, Eurozone Currency (EURO), Swiss Franc (CHF) and the Great Britain Pound (GBP). Foreign exchange risk arises from future commercial transactions and liabilities.

FOREIGN CURRENCY EXPOSURE AT STATEMENT OF FINANCIAL POSITION DATE

LIABILITIES

Current, CHF 180 000 (2022: EURO134,200; GBP207,000)	3 531 726	5 395 948
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EXCHANGE RATES USED FOR CONVERSION OF FOREIGN ITEMS WERE:

CHF	19,6207	
USD		14,4705
GBP		18,9925
EURO		16,1071

Brand South Africa reviews its foreign currency exposure, including commitments on an ongoing basis.

28. GOING CONCERN

The annual financial statements have been prepared on the going concern basis. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

Brand South Africa is expected to continue operating as a going concern and the energy crisis has not posed any going concern challenges to the entity. There are no indications from the Executive Authority that the approved grant allocation for the financial year 2023/2024 will be stopped and the entity will continue to pursue its mandate in the foreseeable future..

The entity is pending a merger with SA Tourism. The process of the merger has not been finalised, nor is there any indication when this will take place. The pending merger does not contain material uncertainty to the entity's going concern as the Executive Authority has approved grant allocation for the organisation until 2024/25 financial year.

29. FRUITLESS, WASTEFUL AND IRREGULAR EXPENDITURE	31 MARCH 2023 R	31 MARCH 2022 R
Fruitless and wasteful expenditure	15 867	-
Irregular expenditure	63 497	-
Total	79 364	-

DETAILS OF FRUITLESS, WASTEFUL AND IRREGULAR EXPENDITURE

Irregular, fruitless and wasteful expenditure that was incurred and confirmed in the previous financial period has not been disclosed, in compliance with national treasury requirement.

Fruitless and wasteful expenditure - relates to the cost of missed flights by Brand South Africa employees.

Irregular expenditure - relates to award of a contract to a bidder that was not invited in the request for quotations

30. EVENTS AFTER THE REPORTING DATE

On 20 March 2023 the Labour Court dismissed the organisation's application to review and set aside the arbitration award in favour of Ms Nadine Thomas.

In terms of the judgement, Ms Thomas must be reinstated in her position as the Chief Financial Officer and also compensated for the financial loss she has suffered from the date of her dismissal to the date of the judgment .

Brand South Africa and Ms Thomas reached a mutual separation agreement on 01 June 2023 in terms of which Brand South Africa must pay an amount of R7 500 000 in full and final settlement of the matter.

Brand South Africa had filed a security bond with the Labour Court in the amount of R3 379 966 which is disclosed under Note 11 - Provisions. This amount was provided for an outcome of a court judgment going against Brand South Africa, and as such the amount was subsequently received and transmitted to Ms Thomas as part of the mutual separation agreement of R7 500 000.

31. SEGMENT INFORMATION

GENERAL INFORMATION

IDENTIFICATION OF SEGMENTS

Brand South Africa is organised and reports to management on geographic basis: South Africa, China, USA and UK. Management uses these same segments for determining strategic objectives. Segments were aggregated for reporting purposes.

Information reported about these segments is used by management as a basis for evaluating the segment performances and for making decisions about the allocation of resources. The disclosure of information about these segments are also considered appropriate for external reporting purposes.

TYPES OF SERVICES BY SEGMENT

All four segments perform administrative, communication, reputation and brand management services.

31. SEGMENT INFORMATION (CONTINUED)

SEGMENT SURPLUS OR DEFICIT, ASSETS AND LIABILITIES 31 MARCH 2023

	South Africa R	USA R	UK R	Total R
REVENUE				
Revenue from non-exchange transactions	218 122 000	-	-	218 122 000
Interest revenue	2 605 360	-	-	2 605 360
Other income	4 332 875	-	-	4 332 875
Total segment revenue	225 060 235	-	-	225 060 235
Entity's revenue				225 060 235

EXPENDITURE

Salaries and wages	61 344 929	5 058 124	2 606 881	69 009 934
Other expenses	142 647 314	6 503 093	7 712 028	156 862 435
Total segment expenditure	203 992 243	11 561 217	10 318 909	225 872 369
Total segmental deficit				(812 134)

ASSETS

Segment assets	49 737 312	-	-	49 737 312
Total assets as per Statement of Financial Position				49 737 312

LIABILITIES

Segment liabilities	23 238 335	-	-	23 238 335
Total liabilities as per Statement of Financial Position				23 238 335

OTHER INFORMATION

Capital expenditure	1 613 582
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SEGMENT SURPLUS OR DEFICIT, ASSETS AND LIABILITIES 31 MARCH 2022

	South Africa R	USA R	UK R	Total R
REVENUE				
Revenue from non-exchange transactions	213 352 000	-	-	213 352 000
Interest revenue	1 124 776	-	-	1 124 776
Other income	249 267	-	-	249 267
Total segment revenue	214 726 043	-	-	214 726 043
Entity's revenue				214 726 043

EXPENDITURE

Salaries and wages	58 335 634	5 528 586	4 421 377	68 285 597
Other expenses	127 855 952	3 542 943	4 410 567	135 809 462
Total segment expenditure	186 191 586	9 071 529	8 831 944	204 095 059
Total segmental deficit				10 630 984

31. SEGMENT INFORMATION (CONTINUED)

	South Africa R	USA R	UK R	Total R
ASSETS				
Segment assets	58 412 542	-	-	58 412 542
Total assets as per Statement of Financial Position				58 412 542
LIABILITIES				
Segment liabilities	31 115 885	-	-	31 115 885
Total liabilities as per Statement of Financial Position				31 115 885
OTHER INFORMATION				
Capital expenditure	1 339 774			



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